



The Port of Baltimore

The Private Sector's Perspective

...in part!



Baltimore's Private Sector

Baltimore's maritime community is made up of hundreds of different organizations.

When the local business climate gets tough or unstable, even the biggest company can move their assets; ships & trucks

However Baltimore's terminal operators, both the MPA and Private Sector, have sunk millions into Maryland and moving on is not that simple.



Private Sector Terminals

- Domino's Sugar
 - Raw Sugar – Key Highway
- Westway Terminals
 - Molasses – Locust Point
- Steinweg
 - Generals – Locust Point
- Apex
 - Hydrocarbons - Canton
- Rukert Terminals
 - Generals – Canton
- CNX Marine Terminals
 - Coal – Canton
- National Gypsum
 - Gypsum - Canton



Private Sector Terminals

- CSX
 - Coal – Curtis Bay
- Amports
 - Autos – Curtis Bay
- Sevestal
 - Petcoke – Sparrows Point
- To name a few plus the **Fuel Oil Terminals** in Curtis Bay&
 - **Ports America Chesapeake - Seagirt**



Private Sector Terminals

Almost all Private Terminals handle cargo

in Bulk or Neo-Bulk

i.e. not unitized such as containers and RoRo

that require a variety of distribution modes

and often need to

move large volumes of product

in a short period of time

Steinweg



Steinweg





Why Baltimore?

- **Geography**

Road Advantage

Rail Advantage

Population



Why NOT Baltimore?

- **Geography !**

Road Congestion

Rail Congestion

Population

Tolls



Upside

Road Advantage

- Less Miles to Major Markets – Less Cost

Rail Advantage

- Two Class 1 Railroads + 2 Good Short Line RR.

Population

- Consumerism
- Available Workforce



Downside

- Roads
 -*enough said.....!*
 - Any significant new building.....?
- Rail
 - Maybe saturated?
 - Tough for occasional shippers....
- Population
 - NIMBY
 - Education – lack thereof.....



Challenges - Road

- Safety Compliance / Owner Operators
- Driver shortages – Short Haul
- Emissions
- Fuel Cost
- Tolls
- Infrastructure destruction



Challenges - Rail

- Big Volume Preference?
- Expansion potential?
- Rail Commitment?
- Transit Times
- NIMBY



Positives

- NIMBY to MIZOD
 - – *it's a start!*
- Cargo Volumes will increase
 - - *provide meaningful employment*
- Port related investment will increase
 - - *widens tax base*



Longer Term Solutions?

- Incentives For Railroad Use
 - More Short Line Railroads?
 - Tax credits

- New Ports in Maryland?
 - Short Sea Shipping



Short Sea Shipping

Connects Ocean Going Vessels
with
Inland Ports and smaller Coastal Ports
By
Tug/Barge or small Ships.



Short Sea Shipping

Economics II

Competitive Cost to **Cargo** Interest

- Rate per ton is competitive
- Large volumes, e.g. 1000 m/t, can move as a single lot.
- Manufacturers or Producers can establish 'riverside' manufacturing plants closer to the final market place.



Short Sea Shipping

Economics II

Cost Reduction to **Vessel** Interests

- Reduces port call costs
- Allows vessel operators to accept more cargoes
- Better vessel cycle times
- Reduces fuel costs



Short Sea Shipping

Benefits

- Smaller Vessels – shallower water – less dredging.
- Alleviates road congestion in metro-port regions & interconnecting roadways.
- Helps maintain industry in regional areas.
- Breaks up concentration of emissions.

Short Sea Shipping



Short Sea Shipping



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Short Sea Shipping

European River Craft





Short Sea Shipping

Maryland Now.....

- Technically we are already an inland port – 158 nautical miles (12 hours) from the sea buoy!
- We already have a 'short sea' services – barge services for containers from Norfolk and Philadelphia. But the transit times are poor

Short Sea Shipping

Maryland in the future

Why not two satellite,
shallow depth, container ports
in the vicinity of APG, PAX
or Prince Georges County
serving a large distribution
center?





The Port of Baltimore

Political Considerations

- Short Sea Shipping & the **Jones Act**
- Are the State and the Feds prepared go on coughing up to fund the burden of **dredging** the Bay and tributaries?
- Is the State really **invested** in the Port?
- Even **playing field**