

TRB Executive Committee
Policy Session
Woods Hole, MA

Issues and Perspectives on Water
Transportation

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Director of Prevention Policy
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Overview

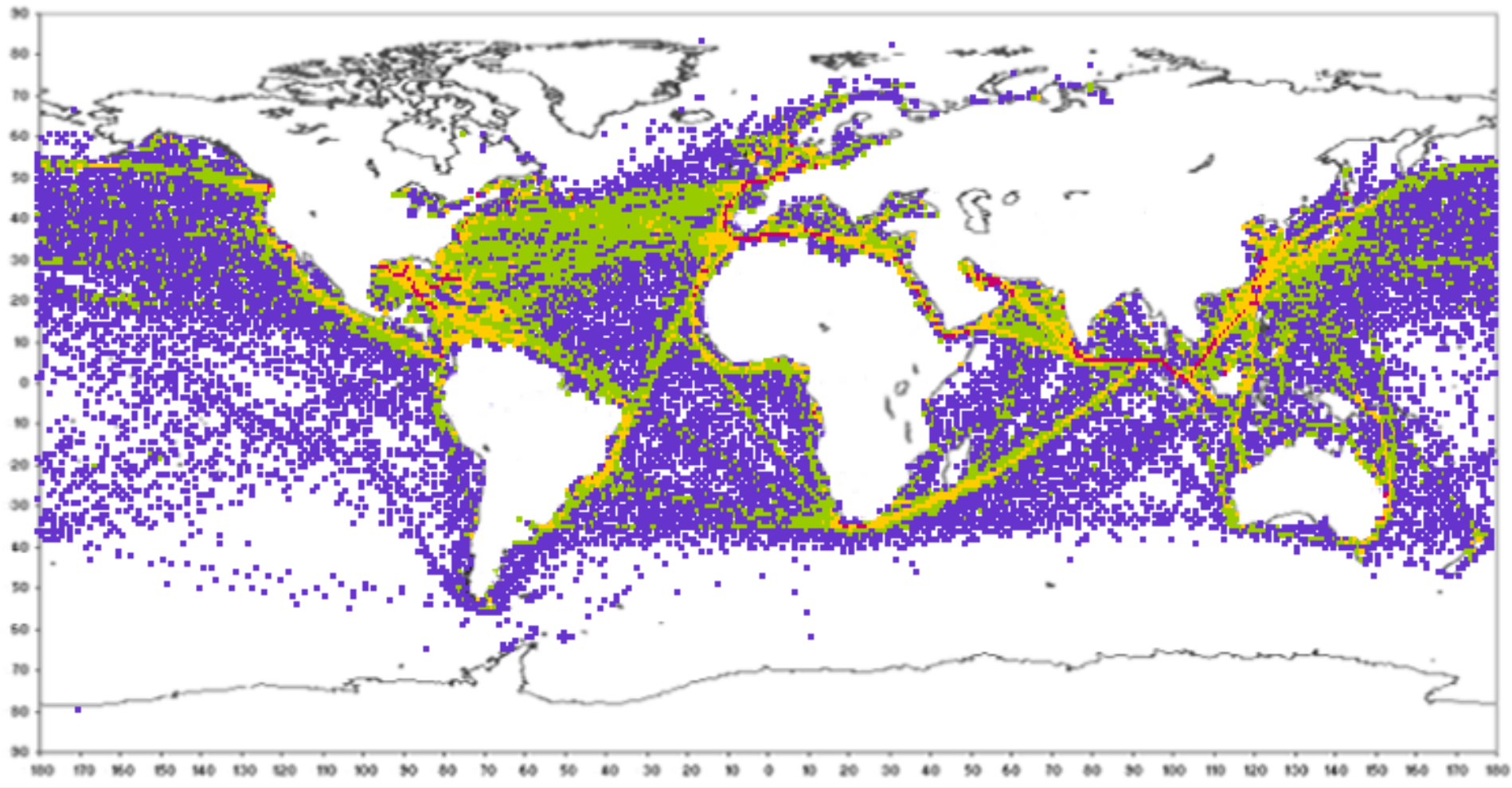
- Marine Transportation System
- Infrastructure Funding
- Freight Movement
- Maritime Community
- CMTS National Strategy
- Coast Guard Initiatives



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Global Marine Transportation System

AMVER Plot for April 4, 2009



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U.S. Marine Transportation System



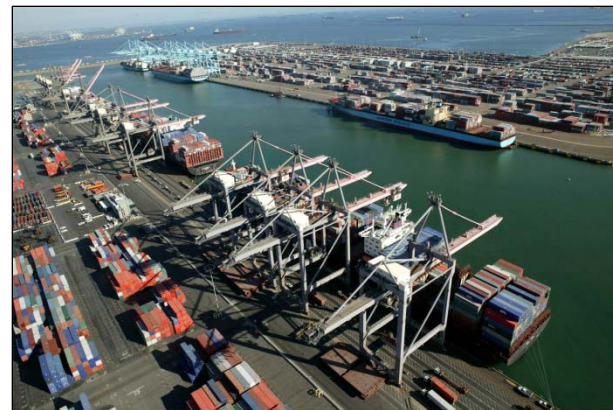
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US Army Corps of Engineers graphic

Maritime Trade & The MTS

- The MTS carries 44.9% by value and 77.6% by weight of all U.S. international trade. (BTS)
- \$5.5 billion worth of goods moves through U.S. ports each day. International trade accounts for 25% of GDP. (AAPA)
- Economy: creates over 13 million jobs, over \$1 trillion revenue
- National defense: rapid mobilization & sustains our military
- Efficient environmentally benign transportation
- Top 5 US ports by tonnage (millions) (USACE)

-	South LA	229
-	Houston	216
-	New York	157
-	Long Beach	86
-	Beaumont	81



Courtesy Port of
Los Angeles





U.S. Infrastructure and Funding

- Transportation funding streams not targeted to national problems- Not looked at with a systems approach, e.g. freight
 - State funding-share formulas
 - No targeted Intermodal funds
 - Unable to do Federal port planning
- Aging and capacity constrained public infrastructure
 - Locks and dams
 - Water depth- 35% half-channel availability and dropping
 - These hurt efficiency, safety, and reliability/resiliency



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U.S. Infrastructure and Funding

- Limited funding sources
- Harbor Maintenance Trust Fund (HMTF)
 - Surplus in fund
 - Breaking faith with the taxpayers
 - Reliability of the MTS compromised
- Inland Waterways Trust Fund (IWTF)
 - Fuel Tax
 - Fails to cover annual requirements
 - Fund requires major overhaul
- American Recovery and Reinvestment Act of 2009
 - One time stimulus funding



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U.S. Freight Movement

- What will the future bring?
- Shifting Freight Patterns
- Regional / Mega Ports
- Call for a National Freight Transportation Policy
- Intermodal Approach



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Shifting Trade Corridors- Panama Canal Expansion (Double capacity)

Cross Section of the New Locks Complex

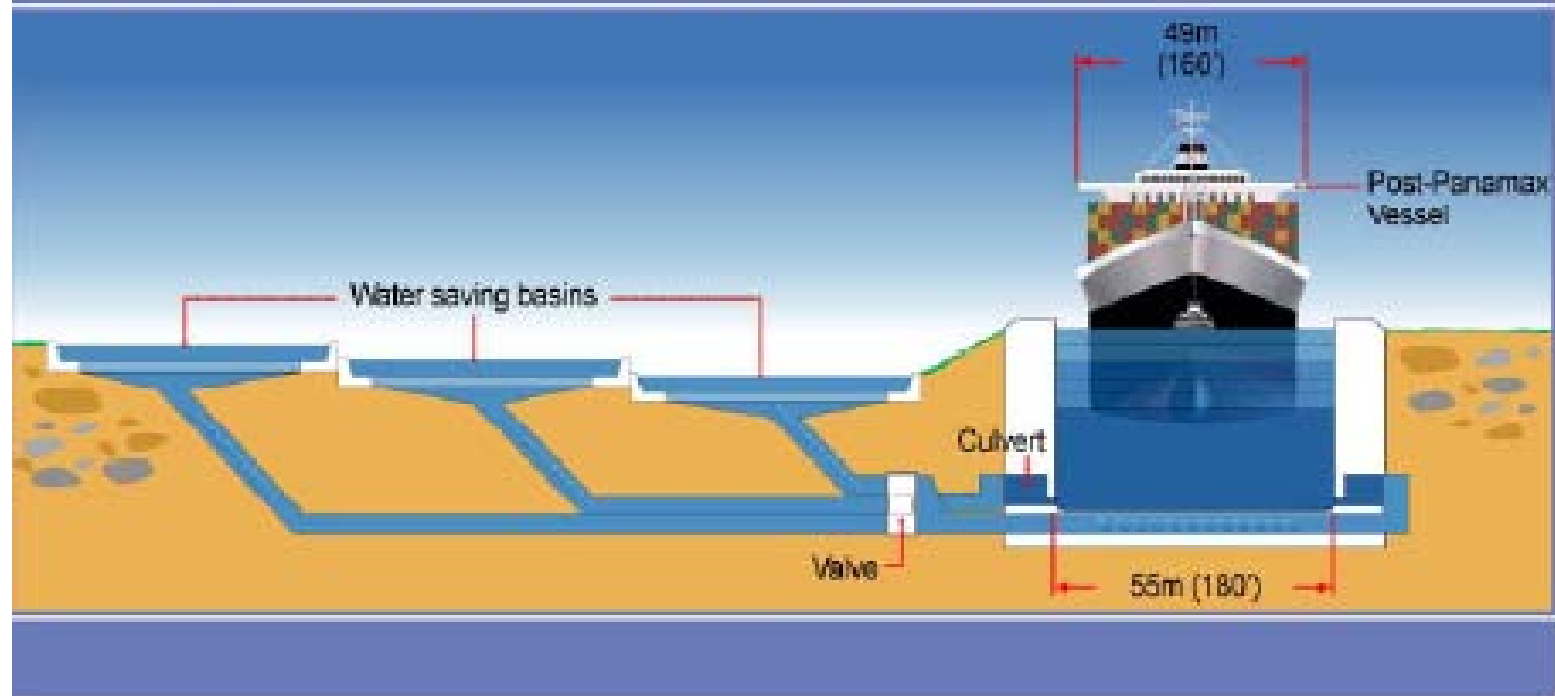
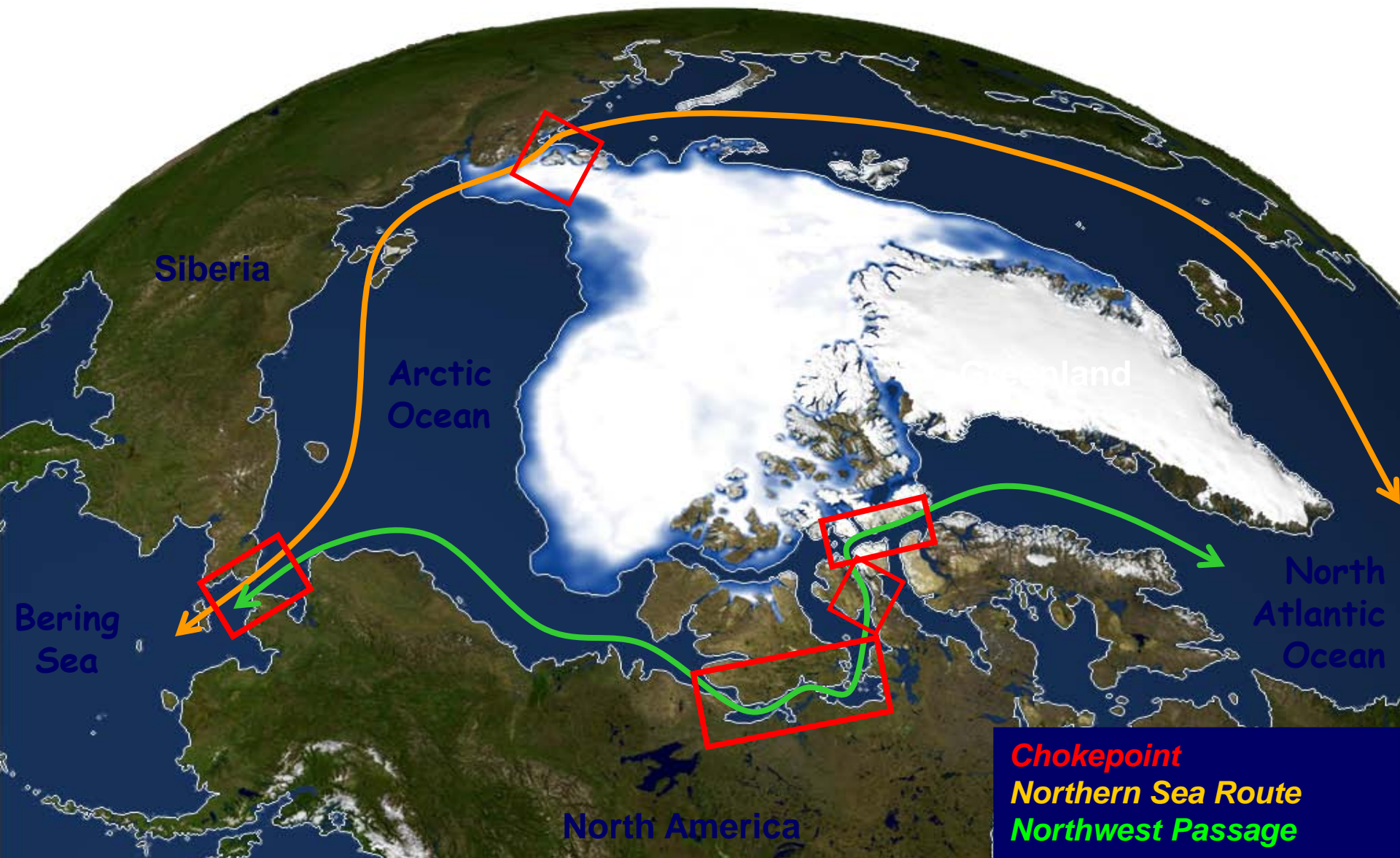


Figure 3 Cross section of the new locks with its water saving basins, shown with a post-Panamax container vessel with a nominal capacity of 12,000 TEUs.



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Shifting Trade Patterns and Nav Safety



North American Top 10 Maritime Container Gateway Current and Future Trade Growth



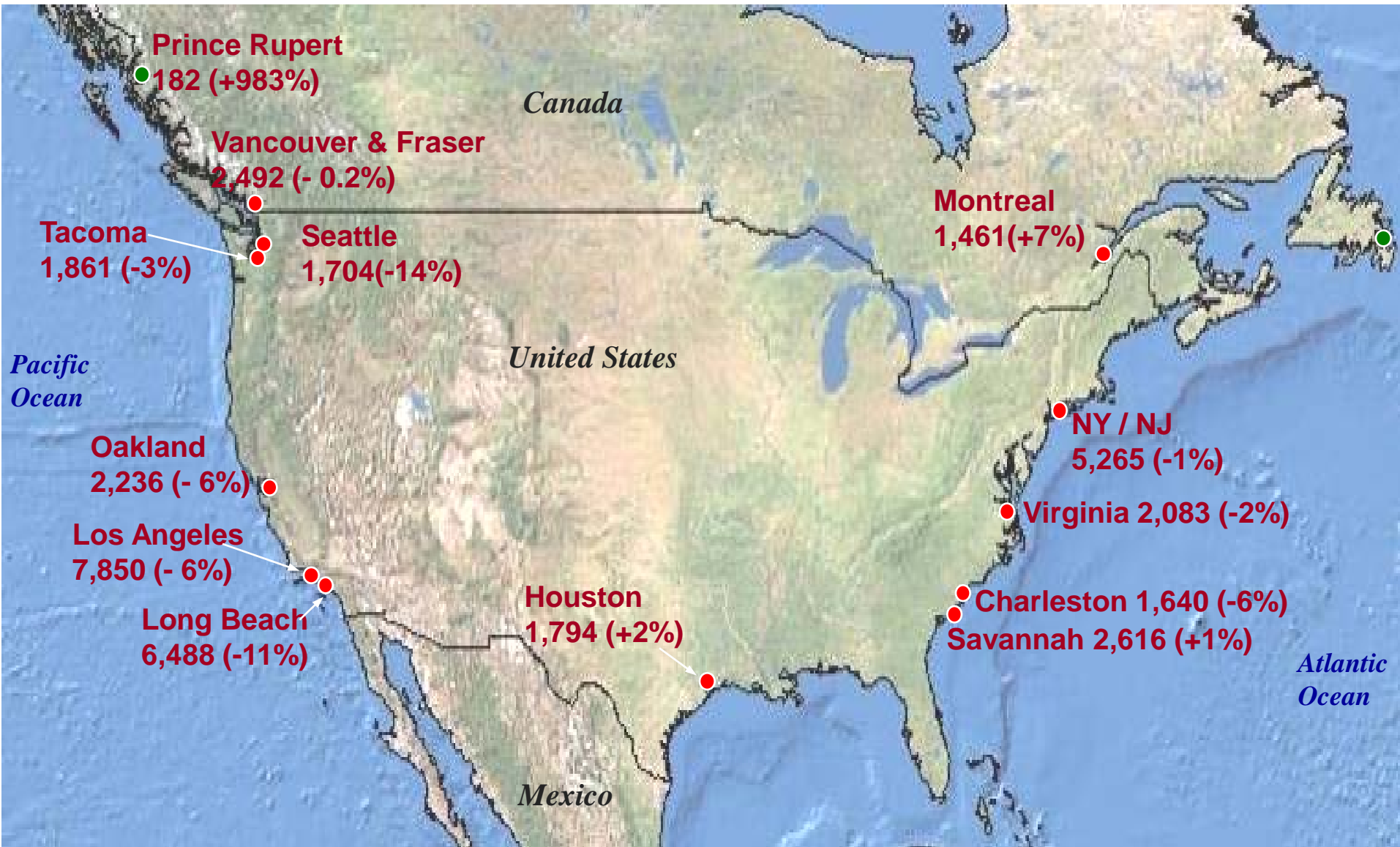
By 2020 demand will exceed current capacity of many U.S. ports

(TEUs in thousands)

2004

2020

2008 Container Throughput – U.S & Canada

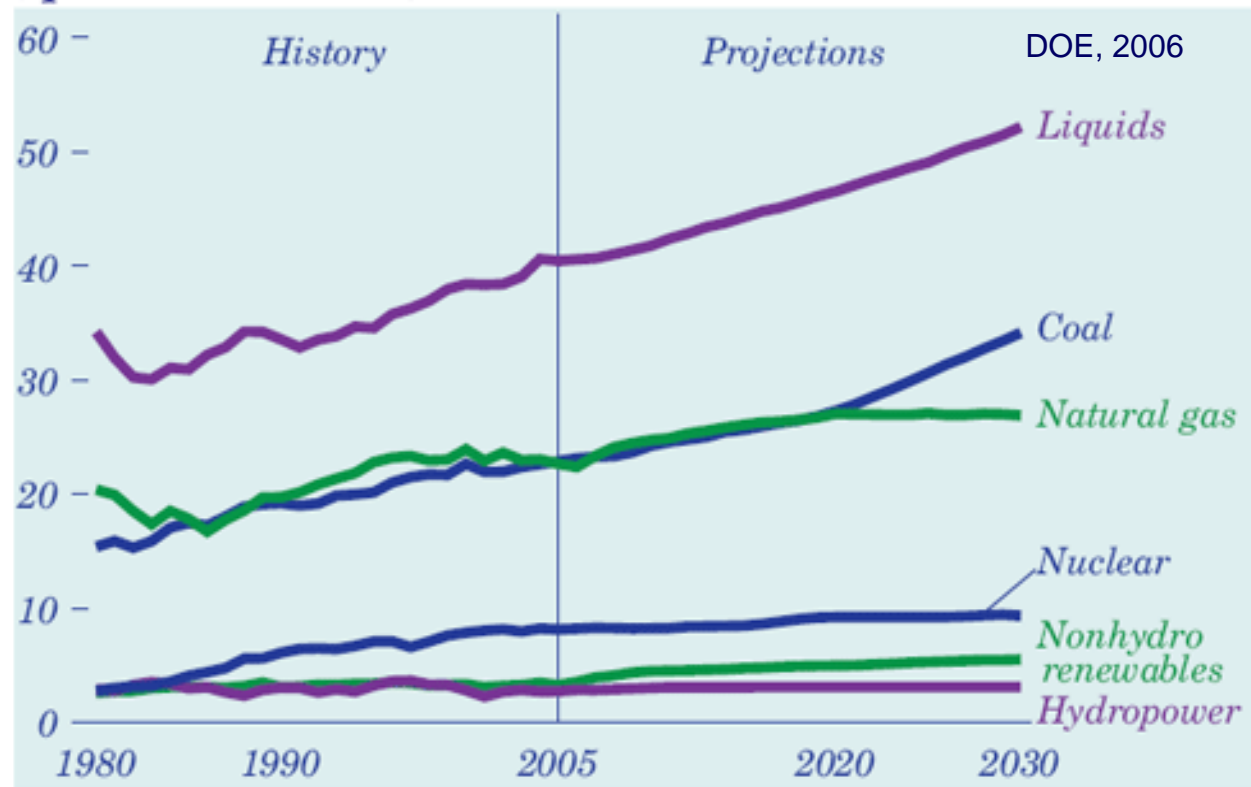


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U.S. Energy Demand Growth

- Increased demand for oil and gas, *and the ships that move it.*

Figure 3. Energy consumption by fuel, 1980-2030 (quadrillion Btu)





Maritime Community

- Requires qualified personnel to operate many ship types and transport various cargoes
 - Tankers, bulk carriers, containers, passengers
 - Oil, chemicals, freight, bulk materials, finished goods
- Maritime transportation is critical to the U.S. / World economy
- No country is immune - A hiccup in Hong Kong is felt in the US and vice versa



Maritime Community

- Governments - Empower
 - Professional Recognition
 - Maintain Competencies
 - Flag / Licensing state
 - Port State
- Owners / Operators - Enable
 - Systems designed to influence professionalism
 - Improve mariner image by incorporating sound practices to strengthen safety, security, and environmental protection



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CMTS National Strategy

- 34 Recommendations/Actions in Five Priority Areas

Capacity

Addresses capacity issues, improve efficiency, & reduce congestion

Safety and Security

Strengthen maritime safety & coordinate maritime security

Environmental Stewardship

Protect environmental health of shared resources

Resilience and Reliability

Increase MTS reliability and ability to withstand/or recover from damaging incidents

Finance and Economics

Maintain & improve infrastructure



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CMTS Implementation Plan

- **7 actions for initial implementation**
 - Publish MTS data on cargo movement, capacity, and productivity
 - Identify co-relation between transport /infrastructure deficiencies and international competitiveness of U.S. supply chains.
 - Transmit PORTS data using AIS capability
 - Identify R&D requirements for MTS
 - Analyze investment mechanisms for funding infrastructure including obstacles to implementation.
 - Alternatives to 24-hr notice of arrival (NOA) requirement for Great Lakes and short coastwise shipments within U.S. waters.
 - Restructure the Harbor Maintenance Trust Tax for domestic and international cargo





U.S. Coast Guard Marine Safety Performance Plan

- Reduce Marine Casualties
 - Recreational Boating, Towing Vessels, Fishing Vessels, High Risk Vessels
- Facilitate Commerce
 - Improve Services, Strengthen Partnerships, Leverage Technology
- Improve Program Processes and Management
 - Improve Performance Measurement, Lifesaving Innovations
- Improve Human Resource Capabilities
 - Career Development, Knowledge, Workforce Capabilities



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U.S. Coast Guard Waterways Management Performance Plan

- Enhance Capacity
 - Navigation Systems, Bridge Infrastructure,
- Improve Safety
 - Risk Assessment, Stakeholder Involvement
- Minimize Disruptions
 - Domestic and Polar Icebreaking Capability
- Effective Program Management
 - Program Measurement, Workforce Development, Funding



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Questions

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