

## LLOYDS LIST--October 26, 2006

### Multi-modal transport shifts up a gear

Coastwise Coalition and Seabridge USA lead the push to integrate coastal and inland shipping with rail and trucking to provide an effective and efficient transport system

Multi-modal transport in the US is being taken a couple of steps forward by the Coastwise Coalition and SeaBridge USA.

There are several organisations working on the issue, the major one being Coastwise whose raison d'etre is to encourage public spending on the maritime transport of freight, especially as an alternative to the congested Interstate Highway I-95.

The Coastwise Coalition is aiming to develop an integrated system in which coastwise and inland shipping operates in conjunction with rail and trucking to increase overall system capacity and efficiency.

The US's department of transport favours **short sea shipping** but lacks the tools and resources to exploit the opportunities, says Coastwise. It adds that existing US federal policy does not fully recognise the market potential of short sea transport.

There are no existing programmes to encourage new services, and limited ship construction financing tends to favour larger vessels. 'The maritime sector is not integrated into any national shipping policy and the existing ferry programme is passenger focused.

US roads and highways are facing capacity and 'cannot support projected economic growth. Highway congestion is a reality and present volume exceeds capacity in most major corridors today. In addition, highways cost in excess of \$32m per lane mile to construct,' says Coastwise in making its case for short sea.

Rail has never been a popular form of transport in the US and is unlikely to take off in the medium term.

'By comparison, the capacity of so-called coastal highways is almost limitless but rarely tapped in (US) transportation planning,' says Coastwise. 'National defence transportation is ill-served [by inadequate policy], insufficient inter-modal capacity and a dated US-flagged merchant fleet.'

The coalition's own transportation agenda includes working to get 'next generation federal policy to meet future commerce needs with an emphasis on integration of the modes'. Another aim is to expand the scope of ferry-related programmes to include freight or mixed-use ferries and facilities.

In addition to changing policy, the Coalition is seeking financial incentives, including the use of Capital Construction Funds for coastwise vessel construction, and tax incentives for users to reflect reduced burden on highways.

Part of the Coastwise ambition is to turn the US coastal oceans into a so-called sea bridge, by introducing alternative infrastructure for the country's transport needs.

SeaBridge USA has announced plans to develop the first in a series of such vessels, which it says will establish rapid short sea transit operations along US coastal routes that are not currently served. The pentamaran design of the high-speed ro-pax vessel is from UK firm BMT Nigel Gee and Associates.

The high-speed pentamarans will be deployed in a network of routes, carrying trucks, cars and passengers between major metropolitan areas (initially on east and Gulf coast routes), providing an option to reduce highway congestion in US coastal corridors.

SeaBridge says it will not use the 'five-hull' configuration to compete for freight. Instead, the company said it will offer long-haul trucking customers 'the option to complete journeys without exposing drivers to delays and related risks on America's increasingly congested coastal highways'.

It will also target private car drivers 'to provide an alternative to millions of motorists who prefer to spend time at their destinations with their cars, yet skip the long drive along frequently clogged coastal highways'.

SeaBridge holds an exclusive development agreement on the vessel and has chosen VT Halter as the lead yard to build these them. However, under US Jones Act rules they are required to be completed in the US.