

## ***The Model for the North Carolina International Terminal***

Proponents of the North Carolina International Terminal point to a recent example of a highly automated and very large container terminal: the new terminal at Portsmouth, Virginia, opened by AP Moller, an affiliate of Maersk, the Danish shipping line, in late 2007. Although that is the model for the NCIT, there are differences:

### **AP Moller Portsmouth Terminal**

### **North Carolina International Terminal**

#### *Size*

The APM terminal was constructed on a 576-acre undeveloped site adjoining the Elizabeth River in Portsmouth, Virginia. The initial phase of construction had a planned capacity of 1,000,000 twenty-foot equivalent units (TEU) annually. The second phase would add to 1.5 million TEU.

The NCIT terminal site is about 600 acres, although 86 acres is salt marsh along the river. The design capacity is 3,000,000 TEU annually.

#### *Project Cost*

The first phase of construction cost about \$450 million. The estimate for the second phase is about \$250 million.

Construction of the terminal is estimated to cost \$2.5 billion. This does not include infrastructure and development costs, an additional \$1.9 billion.

#### *Channel*

The Elizabeth River at the location of the terminal has a channel 55 feet deep. That is connected to the harbor at Hampton Roads and the ocean by a channel maintained at 50-foot depth. Dredging for the berth area was included in the project cost.

The tributary of the Cape Fear River on which the NCIT would be located is one to four feet deep. Dredging a 50-foot deep channel to deep water, 22 miles away and 17 miles offshore, is estimated to cost \$1.2 billion.

#### *Highway connections*

Interstate 64 passes the terminal site. A dedicated interchange was constructed by the State of Virginia for \$18.7 million.

The nearest four-lane highway is 20 miles from the terminal site. Highway connections to planned interstate highways have been estimated to cost \$457 million.

#### *Railroad*

The terminal has railroad facilities on-site, which are connected to trunk lines of both CSX Transportation, Inc. and Norfolk Southern Railway Company. The State contributed \$9.3 for a rail yard.

The terminal site is connected to CSX Transportation, Inc., tracks at Leland by a 23-mile spur owned by the US Department of Defense and several private companies. It is not a common carrier. Necessary improvements are estimated to cost \$127 million.

The APM terminal did not succeed in attracting more than 300,000 TEU annually, one-third of its capacity, despite being affiliated with the largest shipping line in the world. It was turned over to the Virginia Ports Authority under a long-term lease in July 2010.