



NoPort News

A newsletter of the North Carolina International Terminal

All the news that prints to fit.

April 20, 2010

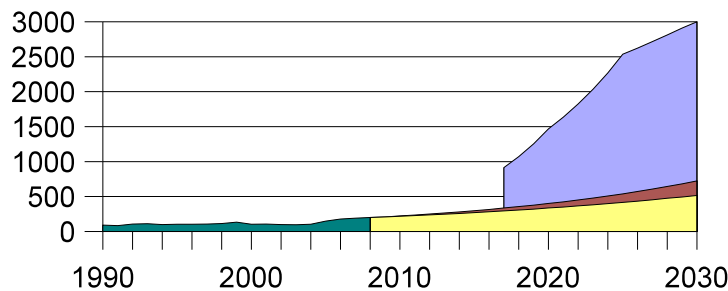
A Colossal Con

We recently decried the poor quality of the work of the Wilmington District of the Corps of Engineers in analyzing the feasibility of the North Carolina International Terminal and its channel. That analysis is being used to induce the State of North Carolina to commit to participate in a further study, to cost the State \$4.7 million. And then \$1.2 billion for dredging.

The problem is not just superficial analysis, unsupported and unsupportable. The report includes outright deception, the use of an assumption about usage of the proposed terminal that is both contrary to experience and prohibited by law. This graph illustrates.

Projected Annual Container Movements

TEU X1000



- Corps of Engineers
- 6.1% (Atlantic coast historical rate)
- 4.4% (Wilmington historical rate)
- Actual

The green area represents container movements through the port of Wilmington in the period 1990-2008, rising at a compound annual growth rate of 4.4% to about 200,000 twenty-foot equivalent units (TEU) annually. The red and green areas are projections at two hypothetical rates based on history. The most likely rate of growth, 4.4%, goes to about 500,000 TEU in 2030.

The blue area is the forecast used by the Wilmington District to support its benefit analysis for a port downriver from Wilmington: 3,000,000 TEU in 2030. Six times the historical growth. How could that happen?

The Corps' forecast is based on an increase of market share from 1.1% to 6.75% of Atlantic coast container movements by "capture" from other ports. Moffatt & Nichol, a consultant to the State Ports Authority, reported in early 2010 that any increase in market share for a port at the Cape Fear would prove difficult due to geographic disadvantages.

Section 904 of the Water Resources Development Act of 1986 prohibits the Corps of Engineers from counting benefits transferred from other regions. We have filed a complaint with the Corps' Inspector General, asking for the Wilmington District's report to be withdrawn.

Public Meeting

On Thursday evening, May 6, at 7:00 p.m., we shall have another public meeting of at the Brunswick County senior center in Smithville Crossing on North Howe Street in Southport.

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