

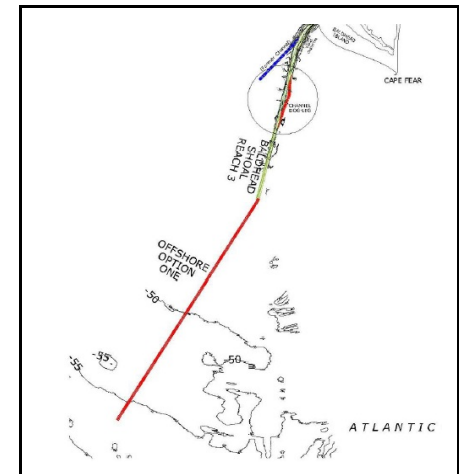
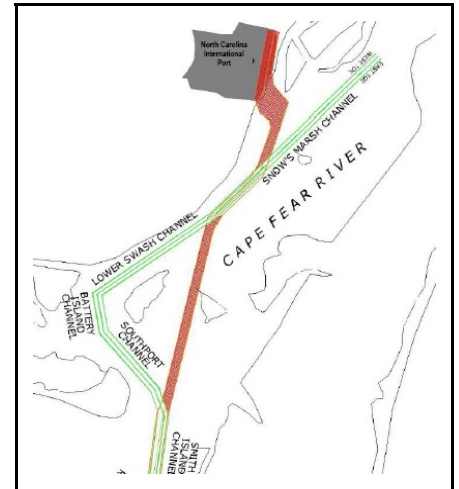
Why the North Carolina International Terminal Won't Work

The North Carolina State Ports Authority has purchased 600 acres of pristine woodland, meadow and marsh on the Cape Fear River below the Port of Wilmington for development of a very large deepwater marine container terminal, larger than any on the East Coast except the combined terminal at Port Elizabeth and Port Newark, New Jersey. It would be called the North Carolina International Terminal.

This is why the project fails as a business venture and public investment.

Location

- The Cape Fear River is not a deepwater harbor. Depths sufficient for the “post Panamax” container vessels proposed to be accommodated by the terminal are 17 miles offshore, 22 miles from the terminal site. A new channel involving the removal of 68 million cubic yards of material and costing over \$1.2 billion would be required.
- The nearest interstate highway, existing or planned, is over 20 miles from the terminal site. A new four-lane highway costing \$261 million would be necessary.
- The nearest trunk-line railroad is 23 miles from the terminal site. The connecting spur is a single-track, crossing the property of a nuclear reactor and an ammunition depot, passing over an area of sinkholes and through the center of a residential community, and crossing seven roads at grade. Necessary improvements would cost \$73 million.



Demand

The State Ports Authority operates a container terminal at the Port of Wilmington, which can accommodate the largest ships able to transit the Panama Canal, and has a annual capacity of about 400,000 twenty-foot equivalent units (TEU). That terminal handled about 225,000 TEU in its best year.

The business plan of the Ports Authority for the proposed container terminal contemplates handling 1,000,000 TEU annually at the opening in 2017, growing to 3,000,000 TEU in 2027. That is about thirteen times the current volume at the Port of Wilmington.

There is no plausible reason why the proposed container terminal would ever handle any more traffic than the terminal at the Port of Wilmington. That terminal (as well others in the region) has plenty of capacity for the foreseeable future. The proposed terminal would serve the same markets and have the same road and rail connections.