

# The Economics of Jones Act Product Distribution TECHNOLOGY

Panel Formula:

Opinion + Hearsay + Gossip = Discussion



PANEL 0-36  
October 21, 2005



# The Economics of Jones Act Product Distribution TECHNOLOGY

- ITB / ATB / Ship Hull Design Changes
- ITB / ATB / Ship Machy Design Changes
- ITB / ATB / Ship Control Design Changes
- Shipyard Technology Changes
- Technology Related to Cost



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## TECHNOLOGY

### ■ ATB Hull Characteristics

- ◆ Safe Hull (recent)
- ◆ Size (comparable)
- ◆ Improved Coupler
- ◆ Seaworthy (comp)
- ◆ Speed (~ 13+kts)

### ■ Ship Hull Characteristics

- ◆ Safe Hull
- ◆ Size
- ◆ Not Required
- ◆ Seaworthy
- ◆ Speed (~ 14kts)



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## TECHNOLOGY

### ■ ATB Machy Characteristics

- ◆ More Efficient Engines
- ◆ Computer Controls

### ■ Ship Machy Characteristics

- ◆ More Efficient Engines
- ◆ Computer Controls



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## TECHNOLOGY

### ■ ATB Control Characteristics

- ◆ In Every System
  - ◆ Bridge
  - ◆ Engine Room
  - ◆ Cargo

### ■ Ship Control Characteristics

- ◆ In Every System
  - ◆ Bridge
  - ◆ Engine Room
  - ◆ Cargo



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## TECHNOLOGY

### ■ Barge Yard Characteristics

- ◆ Product Match  
Yard History
- ◆ Some Pre-outfit &  
Steel Sub-assy
- ◆ New Designs

### ■ Ship Yard Characteristics

- ◆ Product Match  
Yard History
- ◆ Pre-outfitted  
Modules
- ◆ Proven Foreign  
Designs w/ Material  
Packages



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# The Economics of Jones Act Product Distribution

## TECHNOLOGY

### ■ \$~78m ATB

- ◆ ~12,000 HP Twin
- ◆ ~335,000 BBLs
- ◆ ~49,000 T Dwt
- ◆ ~60,000 T Disp.
- ◆ ~5500 ft<sup>2</sup> Accom.
- ◆ ~34 T HF/day

### ■ \$~95m Tank Ship

- ◆ ~11,000 HP Single
- ◆ ~340,000 BBLs
- ◆ ~46,000 T Dwt
- ◆ ~57,000 T Disp.
- ◆ ~11,000 ft<sup>2</sup> Accom.
- ◆ ~34 T HF/day



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# The Economics of Jones Act Product Distribution

## TECHNOLOGY

- Future Technical Solution?
  - ◆  $\$95\text{m} - \$78\text{m} = \text{ATB}$
- If Both Vessels Meet Mission?
  - ◆ Ship is  $>$  Machy Vol.  $= >\$$
  - ◆ Ship is  $>$  Accom. Area  $= >\$$
- What Do You Think?



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