

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 8672
1474 SCOMM 55: JNT. SPEC. COMM. ON STATE TAX POLICY, 1986-1987

1274

(S 27)

Coastwise
trade—Ameri-
can vessels—
not applicable.
Samoa
Islands.

Coastwise trade
vessels rebuilt
outside U.S.

Exception.

Date for taking
effect on Yukon
River.

Sec. 27.² That no merchandise shall be transported by water, or by land and water, on penalty of forfeiture thereof, between points in the United States, including Districts, Territories, and possessions thereof embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any other vessel than a vessel built in and documented under the laws of the United States and owned by persons who are citizens of the United States, or vessels to which the privilege of engaging in the coastwise trade is extended by sections 18 or 22 of this Act: *Provided*, That no vessel having at any time acquired the lawful right to engage in the coastwise trade, either by virtue of having been built in, or documented under the laws of the United States, and later sold foreign in whole or in part, or placed under foreign registry, shall hereafter acquire the right to engage in the coastwise trade: *Provided further*, That no vessel of more than five hundred gross tons which has acquired the lawful right to engage in the coastwise trade, by virtue of having been built in or documented under the laws of the United States, and which has later been rebuilt, shall have the right thereafter to engage in the coastwise trade, unless the entire rebuilding, including the construction of any major components of the hull or superstructure of the vessel, is effected within the United States, its Territories (not including trust territories), or its possessions: *Provided further*, That this section shall not apply to merchandise transported between points within the continental United States, including Alaska, over through routes heretofore or hereafter recognized by the Interstate Commerce Commission for which routes rate tariffs have been or shall hereafter be filed with said Commission when such routes are in part over Canadian rail lines and their own or other connecting water facilities: *Provided further*, That this section shall not become effective upon the Yukon River until the Alaska Railroad shall be completed and the Shipping Board shall find that proper facilities will be furnished for transportation by persons citizens of the

46 U.S.C. 283.

¹ With respect to transportation of passengers in the coastwise trade see 46 U.S.C. 280.

With respect to Hyder, Alaska, see Public Law 87-77, 78 Stat. 296, which reads as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between ports in southeastern Alaska, and passengers and merchandise may be transported on Canadian vessels between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation until the Secretary of Commerce determines that United States-flag service is available to provide such transportation."

See also Act of December 27, 1950 (Public Law 561, 81st Cong.: 64 Stat. 1120), set forth in Appendix II.

Canadian
vessels
Transportation

² This provision was added by the first section of Public Law 714, 84th Cong., approved July 16, 1956 (70 Stat. 544) and was amended by the first section of Public Law 86-583 approved July 8, 1960 (74 Stat. 321). Public Law 86-583 provides that it will not withdraw coastwise privileges of vessels rebuilt in the United States under a contract executed before its enactment if the rebuilding is commenced not later than twenty-four months after such date of enactment.

- The State of Alaska should develop a coordinated, thoroughly-considered Jones Act strategy that seeks reasonable and politically attainable concessions in areas where the cost impacts are most meaningful. This approach has the potential for success, and can be instrumental in reducing the impact of the Jones Act on the State's economy.

(B 27A)

Exemption.

Great Lakes
railroad car
ferry.

United States for properly handling the traffic: *Provided further*, That this section shall not apply to the transportation of merchandise loaded on railroad cars or to motor vehicles with or without trailers, and with their passengers or contents when accompanied by the operator thereof, when such railroad cars or motor vehicles are transported in any railroad car ferry operated between fixed termini on the Great Lakes as a part of a rail route, if such car ferry is owned by a common carrier by water and operated as part of a rail route with the approval of the Interstate Commerce Commission, and if the stock of such common carrier by water, or its predecessor, was owned or controlled by a common carrier by rail prior to June 5, 1920, and if the stock of the common carrier owning such car ferry is, with the approval of the Interstate Commerce Commission, now owned or controlled by any common carrier by rail and if such car ferry is built in and documented under the laws of the United States: *Provided further*, That upon such terms and conditions as the Secretary of the Treasury by regulation may prescribe, and, if the transporting vessel is of foreign registry, upon a finding by the Secretary of the Treasury, pursuant to information obtained and furnished by the Secretary of State, that the government of the nation of registry extends reciprocal privileges to vessels of the United States, this section shall not apply to the transportation by vessels of the United States not qualified to engage in the coastwise trade, or by vessels of foreign registry, of (a) empty cargo vans, empty lift vans, and empty shipping tanks, (b) equipment for use with cargo vans, lift vans, or shipping tanks, (c) empty barges specifically designed for carriage aboard a vessel and equipment, excluding propulsion equipment, for use with such barges, and (d) any empty instrument for international traffic exempted from application of the customs laws by the Secretary of the Treasury pursuant to the provisions of section 322(a), Tariff Act of 1930 (19 U.S.C. 1322(a)), if the articles described in clauses (a) through (d) are owned or leased by the owner or operator of the transporting vessel and are transported for his use in handling his cargo in foreign trade: and (e) steredoring equipment and material, if such equipment and material is owned or leased by the owner or operator of the transporting vessel, or is owned or leased by the steredoring company contracting for the lading or unlading of that vessel, and is transported without charge for use in the handling of cargo in foreign trade: *Provided further*, That upon such terms and conditions as the Secretary of the Treasury by regulation may prescribe, and, if the transporting vessel is of foreign registry, upon his finding, pursuant to information furnished by the Secretary of State, that the government of the nation of registry extends reciprocal privileges to vessels of the United States, the Secretary of the Treasury may suspend the application of this section to the transportation of merchandise between points in the United States (excluding transportation between the continental United States and noncontiguous states, districts, territories, and possessions embraced within the coastwise laws) which, while moving in the foreign trade of the United States, is transferred

(b) 27)

for hire in violation of this section, such vessel shall be subject to a penalty of \$200 for each passenger so transported. Any penalty or forfeiture incurred under this section may be remitted or mitigated by the Secretary of the Treasury under the provisions of section 7 of title 46, United States Code.

Any corporation which has filed a certificate with the Secretary of the Treasury as provided for herein shall cease to be qualified under this section if there is any change in its status whereby it no longer meets the conditions above set forth, and any documents theretofore issued to it, pursuant to the provisions of this section, shall be forthwith surrendered by it to the Secretary of the Treasury.

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from a non-self-propelled barge certified by the owner or operator to be specifically designed for carriage aboard a vessel and regularly carried aboard a vessel in foreign trade to another such barge owned or leased by the same owner or operator, without regard to whether any such barge is under foreign registry or qualified to engage in the coastwise trade: *Provided further*, That until April 1, 1964, and notwithstanding any other provisions of this section, any vessel documented under the laws of the United States and owned by persons who are citizens of the United States may, when operated upon a voyage in foreign trade, transport merchandise in cargo vans, lift vans, and shipping-tanks between points embraced within the coastwise laws for transfer to or when transferred from another vessel or vessels, so documented and owned, of the same operator when the merchandise movement has either a foreign origin or a foreign destination; but this proviso (1) shall apply only to vessels which that same operator owned, chartered or contracted for the construction of prior to the date of the enactment of this proviso, and (2) shall not apply to movements between points in the contiguous United States and points in Hawaii, Alaska, the Commonwealth of Puerto Rico and United States territories and possessions.

46 U.S.C.
883-1.

Sec. 27A. Notwithstanding any other provision of law, a corporation incorporated under the laws of the United States or any State, Territory, District, or possession thereof, shall be deemed to be a citizen of the United States for the purposes of and within the meaning of that term as used in sections 9 and 37 of the Shipping Act, 1916, as amended (46 U.S.C. 808, 835), section 27 of the Merchant Marine Act of 1920, as amended (46 U.S.C. 883), Revised Statutes, section 4370 (46 U.S.C. 316), and the laws relating to the documentation of vessels, if it is established by a certificate filed with the Secretary of the Treasury as hereinafter provided, that—

(a) a majority of the officers and directors of such corporation are citizens of the United States;

(b) not less than 90 per centum of the employees of such corporation are residents of the United States;

(c) such corporation is engaged primarily in a manufacturing or mineral industry in the United States or any Territory, District, or possession thereof;

(d) the aggregate book value of the vessels owned by such corporation does not exceed 10 per centum of the aggregate book value of the assets of such corporation; and

(e) such corporation purchases or produces in the United States, its Territories, or possessions not less than 75 per centum of the raw materials used or sold in its operations.

but no vessel owned by any such corporation shall engage in the fisheries or in the transportation of merchandise or passengers for hire between points in the United States, including Territories, Districts, and possessions thereof, embraced within the coastwise laws, except as a service for a parent or subsidiary corporation and except when such vessel is under demise or bareboat charter at

(B7A)

prevailing rates for use otherwise than in the domestic noncontiguous trades from any such corporation to a common or contract carrier subject to part 3 of the Interstate Commerce Act, as amended, which otherwise qualifies as a citizen under section 2 of the Shipping Act, 1916, as amended (46 U.S.C. 802), and which is not connected, directly or indirectly, by way of ownership or control with such corporation.

As used herein (1), the term "parent" means a corporation which controls, directly or indirectly, at least 50 per centum of the voting stock of such corporation, and (2), the term "subsidiary" means a corporation not less than 50 per centum of the voting stock of which is controlled, directly or indirectly, by such corporation or its parent, but no corporation shall be deemed to be a "parent" or "subsidiary" hereunder unless it is incorporated under the laws of the United States, or any State, Territory, District, or possession thereof, and there has been filed with the Secretary of the Treasury a certificate as hereinafter provided.

Vessels built in the United States and owned by a corporation meeting the conditions hereof which are non-self-propelled or which, if self-propelled, are of less than five hundred gross tons shall be entitled to documentation under the laws of the United States, and except as restricted by this section, shall be entitled to engage in the coastwise trade and, together with their owners or masters, shall be entitled to all the other benefits and privileges and shall be subject to the same requirements, penalties, and forfeitures as may be applicable in the case of vessels built in the United States and otherwise documented or exempt from documentation under the laws of the United States.

Vessels,
barges,
operations.

A corporation seeking hereunder to document a vessel under the laws of the United States or to operate a vessel exempt from documentation under the laws of the United States shall file with the Secretary of the Treasury of the United States a certificate under oath, in such form and at such times as may be prescribed by him, executed by its duly authorized officer or agent, establishing that such corporation complies with the conditions of this section above set forth. A "parent" or "subsidiary" of such corporation shall likewise file with the Secretary of the Treasury a certificate under oath, in such form and at such time as may be prescribed by him, executed by its duly authorized officer or agent, establishing that such "parent" or "subsidiary" complies with the conditions of this section above set forth, before such corporation may transport any merchandise or passengers for such parent or subsidiary. If any material matter of fact alleged in any such certificate which, within the knowledge of the party so swearing is not true, there shall be a forfeiture of the vessel (or the value thereof) documented or operated hereunder in respect to which the oath shall have been made. If any vessel shall transport merchandise for hire in violation of this section, such merchandise shall be forfeited to the United States. If any vessel shall transport passengers

APPENDIX B

RESULTS OF RFR COMPUTER RUNS

U.S.-FLAG RESULTS

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SINAT, HELLIESON AND RICHNER RPR CALCULATOR

SHIP CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
S(1) LENGTH	540 FEET
S(2) GRT	10,900 TONS
S(3) DWT	9,500 TONS
S(4) TEU CAPACITY	720 TEUS
S(5) MACHINERY TYPE	1 *
S(6) DESIGN SPEED	16 KNOTS
S(7) SHP	10,000
S(8) FUEL RATE AT FULL H.P.	56 L.TONS/DAY
S(9) PORT FUEL RATE	9 L.TONS/DAY
S(10) CREW COMPLEMENT	41

VOYAGE CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
V(1) SERVICE FREQUENCY	2.3 DAYS BETWEEN CALLS
V(2) ROUND TRIP VOYAGE LENGTH	2,900.0 MILES
V(3) PREPARED R.T. VOYAGE TIME	9.0 DAYS
V(4) NUMBER OF FOREIGN PORT CALLS	2.0
V(5) NUMBER OF DOMESTIC PORT CALLS	1.0
V(6) ONE WAY MILES OF LOW SPEED OPS.	10.0
V(7) AVERAGE SPEED IN LOW SPEED OPS.	10.0 KNOTS
V(8) ONE WAY CANAL TRANSIT COSTS	0.0 DOLLARS
V(9) NUMBER OF VESSELS IN FLEET	4.0

* 1=STEAM, 2=DIESEL

LOAD CHARACTERISTICS

<u>PORT</u>	<u>FULL 20'S LOADED</u>	<u>FULL 20'S DISCHARGED</u>	<u>FULL 40'S LOADED</u>	<u>FULL 40'S DISCHARGED</u>	<u>NUMBER OF TEU'S STUFFED OUTBOUND</u>	<u>NUMBER OF TEU'S STRIPPED INBOUND</u>	<u>DAYS IN PORT</u>
FOREIGN	0	0	140	325	0	0	0.80
DOMESTIC	0	0	325	140	0	0	0.50

APPENDIX B-1

CONTAINERSHIP - SEATTLE/ALASKA

U.S.-FLAG RESULTS

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PORT INLAND AND PIER DATA

	<u>STEVEDORING</u> <u>S/LIFT</u>	<u>TERMINAL</u> <u>COSTS</u> <u>S/TEU</u>	<u>STUDDING/</u> <u>STUDDING</u> <u>S/TEU</u>	<u>PORT</u> <u>COSTS PER</u> <u>DIRECT</u> <u>CALL</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>WATER FED</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>LAND FED</u>	<u>WTR. PDR.</u> <u>VERS/PORT</u> <u>COST</u> <u>S/TEU FED</u>	<u>LAND</u> <u>PIER</u> <u>TRANS COST</u> <u>S/TEU FED</u>
FOREIGN	75.00	130.00	0.00	20,000.00	0.00	0.00	0.00	0.00
DOMESTIC	60.00	130.00	0.00	20,000.00	0.00	0.00	0.00	0.00

VESSEL SYSTEM COSTS

<u>ITEM</u>	<u>AMOUNT</u>
VC(1) DEPRECIATION	600,000 DOLLARS/VESSEL YEAR
VC(2) INTEREST	600,000 DOLLARS/VESSEL YEAR
VC(8) CREW COST	65,000 DOLLARS/MAN YEAR
VC(9) SUSTINENCE	2,000 DOLLARS/MAN YEAR
VC(12) FUEL COST	150 DOLLARS/L. TON
VC(13) M+R	400,000 DOLLARS/SHIP YEAR
VC(14) SUPPLIES, EQUIP., STORES	46,000 DOLLARS/SHIP YEAR
VC(15) P+I INSURANCE	5,000 DOLLARS/MAN YEAR
VC(16) H+M INSURANCE	125,000 DOLLARS/SHIP YEAR

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

APPENDIX B-1

CONTAINERSHIP - SEATTLE/ALASKA

U.S.-FLAG RESULTS

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CONTAINER SYSTEM DATA

<u>ITEM</u>	<u>AMOUNT</u>
CC[1] NUMBER OF CONTS. REQUIRED/SHIP SLOT	2.00 SETS/SLOT
CC[2] PERCENT OF CONTAINERS OWNED	100.00 PERCENT
CC[3] DEPRECIATION ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[4] DEPRECIATION ON OWNED 40' CONTAINERS	1000.00 \$/BOX-YEAR
CC[5] LEASE COST OF 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[6] LEASE COST OF 40' CONTAINERS	0.00 \$/BOX-YEAR
CC[7] M+R ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[8] M+R ON OWNED 40' CONTAINERS	1400.00 \$/BOX-YEAR
CC[9] NUMBER OF TRIPS OF CHASSIS' PER SHIP SLOT	1.70
CC[10] 20' CHASSIS OWNERSHIP/LEASE COST	0.00 \$/YEAR
CC[11] 40' CHASSIS OWNERSHIP/LEASE COST	900.00 \$/YEAR
CC[12] AVG. REVENUE TONS PER 20' CONTAINER	1.00
CC[13] AVG. REVENUE TONS PER 40' CONTAINER	1.00
CC[14] CONTAINER SHIPPING FACTOR (EXTRA LIFTS)	0.00 PERCENT
CC[15] POSITIONING COSTS	110.00 \$/AVG. TEU

ADMINISTRATIVE COSTS

<u>ITEM</u>	<u>AMOUNT</u>
CA[1] AGENCY, BROKERAGE, AND COMMISSIONS (DOMESTIC)	40.00 \$/REVENUE TON
CA[2] AGENCY, BROKERAGE, AND COMMISSIONS (FOREIGN)	40.00 \$/REVENUE TON
CA[3] CORPORATE OVERHEAD	17.25 PERCENT OF GROSS COSTS

U.S.-FLAG RESULTS

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PORT INLAND AND PEPPER DATA

	<u>STEVEDORING</u> <u>S/LIPT</u>	<u>TERMINAL</u> <u>COSTS</u> <u>S/TE:1</u>	<u>STUFFING/</u> <u>STIPPING</u> <u>S/TE:1</u>	<u>PORT</u> <u>COSTS PER</u> <u>DIRECT</u> <u>CALL</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>WATER FED</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>LAND FED</u>	<u>WTR. FOR.</u> <u>VERS/PORT</u> <u>COST</u> <u>S/TEU FED</u>	<u>LAND</u> <u>PEPPER</u> <u>TRANS COST</u> <u>S/TEU FED</u>
FOREIGN	75.00	130.00	0.00	20,000.00	0.00	0.00	0.00	0.00
DOMESTIC	60.00	130.00	0.00	20,000.00	0.00	0.00	0.00	0.00

VESSEL SYSTEM COSTS

<u>ITEM</u>	<u>AMOUNT</u>
VC(1) DEPRECIATION	600,000 DOLLARS/VESSEL YEAR
VC(2) INTEREST	600,000 DOLLARS/VESSEL YEAR
VC(8) CREW COST	65,000 DOLLARS/MAN YEAR
VC(9) SUBSISTENCE	2,000 DOLLARS/MAN YEAR
VC(12) FUEL COST	150 DOLLARS/L. TON
VC(13) M+R	400,000 DOLLARS/SHIP YEAR
VC(14) SUPPLIES, EQUIP., STORES	46,000 DOLLARS/SHIP YEAR
VC(15) P+I INSURANCE	5,000 DOLLARS/MAN YEAR
VC(16) H+M INSURANCE	125,000 DOLLARS/SHIP YEAR

U.S.-FLAG RESULTS

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SHIP SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. DEPRECIATION	15,428.57	16.59	33.18
2. INTEREST	15,428.57	16.59	33.18
3. REQUIRED RETURN ON EQUITY	0.00	0.00	0.00
4. MANNING	68,528.57	73.69	147.37
5. SURSISTENCE	2,104.57	2.27	4.53
6. FUEL	61,448.54	64.22	136.45
7. M+R	10,785.71	11.06	22.12
8. SUPPLIES AND EQUIPMENT	1,182.86	1.27	2.54
9. P+I INSURANCE	5,271.43	5.67	11.34
10. H+M INSURANCE	3,214.29	3.46	6.91
TOTAL	184,897.11	198.81	397.63

OTHER VOYAGE COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. AGENCY, BROKERAGE, AND COMMISSION			
FOREIGN *	5,600.00	20.00	40.00
DOMESTIC *	13,000.00	70.00	40.00
2. WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00
3. CORPORATE OVERHEAD	169,356.13	182.10	364.21
TOTAL	187,956.13	222.10	444.21

* UNIT COSTS PERTAIN TO CARGO LOADED IN FOREIGN OR DOMESTIC PORTS ONLY.

U.S.-FLAG RESULTSSERVICE SUMMARY

1. VOYAGE DAYS	9.0 DAYS
2. SCHEDULE MARGIN	0.1 DAYS
3. REQUIRED SEA SPEED	15.0 KNOTS
4. PORT TIME	1.3 DAYS
5. SEA TIME	7.7 DAYS
6. VOYAGES PER VESSEL YEAR	38.9
7. NUMBER OF LOADED 20'S OUTBOUND	0.0 CNTS
8. NUMBER OF LOADED 40'S OUTBOUND	325.0 CNTS
9. NUMBER OF LOADED 20'S INBOUND	0.0 CNTS
10. NUMBER OF LOADED 40'S INBOUND	140.0 CNTS
11. LOAD FACTOR--OUTBOUND	90.3 PERCENT
12. LOAD FACTOR--INBOUND	38.9 PERCENT
13. REQUIRED FLEET SIZE	4.0 VESSELS
14. FLEET VOYAGES PER YEAR	155.0
15. ANNUAL PRODUCTIVITY--OUTBOUND	101,111.1 TNU'S
16. ANNUAL PRODUCTIVITY--INBOUND	43,555.6 TNU'S
17. ANNUAL CAPACITY AT SCHEDULED SPEED	112,000.0 TNU'S *
18. ANNUAL CAPACITY AT FULL SPEED	113,470.9 TNU'S *
19. NUMBER OF 20 FT CONTAINERS REQUIRED	0.0 CNTS
20. NUMBER OF 40 FT CONTAINERS REQUIRED	3,640.0 CNTS

* CAPACITY IN EACH DIRECTION

U.S.-FLAG RESULTSCOST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
MANNING AND SUBSISTENCE	70,637.14	75.95	151.91	7.2
FUEL	63,448.54	68.22	136.45	6.5
M+R	10,285.71	11.06	22.12	1.0
SUPPLIES AND EQUIPMENT	1,182.86	1.27	2.54	0.1
INSURANCE	8,485.71	9.12	18.25	0.9
CAPITAL COSTS	30,857.14	33.18	66.36	3.1
STEVEDORING COSTS	87,750.00	94.35	188.71	8.9
TERMINAL COSTS	241,800.00	260.00	520.00	24.6
PORT COSTS	60,000.00	64.52	129.03	6.1
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00	0.0
CONTAINER COSTS	76,371.43	82.12	164.24	7.8
POSITIONING COSTS	143,000.00	153.76	307.53	14.6
PERDER TRANSPORTATION COSTS	0.00	0.00	0.00	0.0
AGENCY, BROKERAGE, AND COMMISSION	18,600.00	20.00	40.00	1.9
CORPORATE OVERHEAD	169,356.13	182.10	364.21	17.2
GROSS TOTAL *	981,774.66	1,055.67	2,111.34	100.0*
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.00)	(0.0)
NET TOTAL *	981,774.66	1,055.67	2,111.34	100.0*
LCL STUIPPING AND STRIPPING	0.00	(0.00)	(0.00)	
TOTAL	981,774.66			

* EXCLUDES STUIPPING AND STRIPPING EXPENSE.

UNIT COSTS BY TYPE OF CARGO

<u>TYPE OF CARGO</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
CL CARGO	1,055.67	2,111.34
LCL CARGO	0.00	0.00

U.S.-FLAG RESULTSCONTAINER SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. OWNED CONTAINER DEPRECIATION			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	25,920.00		
2. LEASED CONTAINER RENT			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
3. M-R ON OWNED CONTAINERS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	36,288.00		
4. CHASSIS COSTS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	14,163.43		
5. POSITIONING COSTS	143,000.00	-----	-----
TOTAL	219,371.43	235.88	471.77

PORT INLAND AND PIERER COSTS

	<u>STEVE- DORING</u>	<u>TERMINAL COSTS</u>	<u>ICL STUFFING/ SHIPPING</u>	<u>PORT COSTS</u>	<u>MTR. PDR. VESS/PORT COSTS</u>	<u>MTH. PDR. STEVE COSTS</u>	<u>LAND PDR. TRAN COST</u>	<u>TOTAL</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
FOREIGN	48,750.00	120,400.00	0.00	40,000.00	0.00	0.00	0.00	209,650.00		
DOMESTIC	39,000.00	120,400.00	0.00	20,000.00	0.00	0.00	0.00	179,400.00	-----	-----
TOTAL	87,750.00	241,800.00	0.00	60,000.00	0.00	0.00	0.00	389,550.00	418.87	417.74

FOREIGN-FLAG RESULTS SUMMARY

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SINAT, HELLFSEN AND KICHNER RFR CALCULATOR

SHIP CHARACTERISTICS

ITEM	AMOUNT
S[1] LENGTH	540 FEET
S[2] GRT	10,900 TONS
S[3] DWT	9,500 TONS
S[4] TEU CAPACITY	720 TEUS
S[5] MACHINERY TYPE	1 *
S[6] DESIGN SPEED	16 KNOTS
S[7] SHP	10,000
S[8] FUEL RATE AT FULL H.P.	40 L.TONS/DAY
S[9] PORT FUEL RATE	6 L.TONS/DAY
S[10] CREW COMPLEMENT	28

VOYAGE CHARACTERISTICS

ITEM	AMOUNT
V[1] SERVICE FREQUENCY	2.3 DAYS BETWEEN CALLS
V[2] ROUND TRIP VOYAGE LENGTH	2,900.0 MILES
V[3] PREFERRED R.T. VOYAGE TIME	9.0 DAYS
V[4] NUMBER OF FOREIGN PORT CALLS	2.0
V[5] NUMBER OF DOMESTIC PORT CALLS	1.0
V[6] ONE WAY MILES OF LOW SPEED OPS.	10.0
V[7] AVERAGE SPEED IN LOW SPEED OPS.	10.0 KNOTS
V[8] ONE WAY CANAL TRANSIT COSTS	0.0 DOLLARS
V[9] NUMBER OF VESSELS IN FLEET	4.0

* 1=STEAM, 2=DIESEL

LOAD CHARACTERISTICS

PORT	PULL 20'S LOADED	PULL 20'S DISCHARGED	PULL 40'S LOADED	PULL 40'S DISCHARGED	NUMBER OF TEU'S STIPPED OUTWIND	NUMBER OF TEU'S STRIPPED INROUND	DAYS IN PORT
FOREIGN	0	0	140	325	0	0	0.80
DOMESTIC	0	0	325	140	0	0	0.50

FOREIGN-FLAG RESULTSPORT INLAND AND PENDER DATA

	<u>STEVEDORING</u> <u>\$/LIFT</u>	<u>TERMINAL</u> <u>COSTS</u> <u>\$/TEU</u>	<u>STUDDING/</u> <u>STRIPPING</u> <u>\$/TEU</u>	<u>PORT</u> <u>COSTS PER</u> <u>DIRECT</u> <u>CALL</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>WATER FED</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>LAND FED</u>	<u>MTR. PDR.</u> <u>VESS/PORT</u> <u>COST</u> <u>\$/TEU FED</u>	<u>LAND</u> <u>PENDER</u> <u>TRANS COST</u> <u>\$/TEU FED</u>
FOREIGN	75.00	130.00	0.00	20,000.00	0.00	0.00	0.00	0.00
DOMESTIC	60.00	130.00	0.00	20,000.00	0.00	0.00	0.00	0.00

VESSEL SYSTEM COSTS

<u>ITEM</u>	<u>AMOUNT</u>
VC(1) DEPRECIATION	300,000 DOLLARS/VESSEL YEAR
VC(2) INTEREST	300,000 DOLLARS/VESSEL YEAR
VC(8) CREW COST	55,000 DOLLARS/MAN YEAR
VC(9) SUBSISTENCE	2,000 DOLLARS/MAN YEAR
VC(12) PUEL COST	150 DOLLARS/L. TON
VC(13) H+R	350,000 DOLLARS/SHIP YEAR
VC(14) SUPPLIES, EQUIP., STORES	45,000 DOLLARS/SHIP YEAR
VC(15) P+I INSURANCE	5,000 DOLLARS/MAN YEAR
VC(16) H+M INSURANCE	80,000 DOLLARS/SHIP YEAR

FOREIGN-FLAG RESULTSCONTAINER SYSTEM DATA

<u>ITEM</u>	<u>AMOUNT</u>
CC(1) NUMBER OF CONTS. REQUIRED/SHIP SLOT	2.80 SETS/SLOT
CC(2) PERCENT OF CONTAINERS OWNED	100.00 PERCENT
CC(3) DEPRECIATION ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC(4) DEPRECIATION ON OWNED 40' CONTAINERS	1000.00 \$/BOX-YEAR
CC(5) LEASE COST OF 20' CONTAINERS	0.00 \$/BOX-YEAR
CC(6) LEASE COST OF 40' CONTAINERS	0.00 \$/BOX-YEAR
CC(7) M+R ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC(8) M+R ON OWNED 40' CONTAINERS	1400.00 \$/BOX-YEAR
CC(9) NUMBER OF TEU'S OF CHASSIS' PER SHIP SLOT	1.70
CC(10) 20' CHASSIS OWNERSHIP/LEASE COST	0.00 \$/YEAR
CC(11) 40' CHASSIS OWNERSHIP/LEASE COST	900.00 \$/YEAR
CC(12) AVG. REVENUE TONS PER 20' CONTAINER	1.00
CC(13) AVG. REVENUE TONS PER 40' CONTAINER	1.00
CC(14) CONTAINER SHIFTING FACTOR (EXTRA LIFTS)	0.00 PERCENT
CC(15) POSITIONING COSTS	110.00 \$/AVG. TEU

ADMINISTRATIVE COSTS

<u>ITEM</u>	<u>AMOUNT</u>
CA(1) AGENCY, BROKPHAGE, AND COMMISSIONS (DOMESTIC)	40.00 \$/REVENUE TON
CA(2) AGENCY, BROKPHAGE, AND COMMISSIONS (FOREIGN)	40.00 \$/REVENUE TON
CA(3) CORPORATE OVERHEAD	12.50 PERCENT OF GROSS COSTS

FOREIGN-FLAG RESULTS**SERVICE SUMMARY**

1. VOYAGE DAYS	9.0 DAYS
2. SCHEDULE MARGIN	0.1 DAYS
3. REQUIRED SEA SPEED	15.8 KNOTS
4. PORT TIME	1.3 DAYS
5. SEA TIME	7.7 DAYS
6. VOYAGES PER VESSEL YEAR	38.9
7. NUMBER OF LOADED 20'S OUTBOUND	0.0 CNTRS
8. NUMBER OF LOADED 40'S OUTBOUND	325.0 CNTRS
9. NUMBER OF LOADED 20'S INBOUND	0.0 CNTRS
10. NUMBER OF LOADED 40'S INBOUND	140.0 CNTRS
11. LOAD FACTOR--OUTBOUND	90.3 PERCENT
12. LOAD FACTOR--INBOUND	38.9 PERCENT
13. REQUIRED FLEET SIZE	4.0 VESSELS
14. FLEET VOYAGES PER YEAR	155.0
15. ANNUAL PRODUCTIVITY--OUTBOUND	101,111.1 TEU'S
16. ANNUAL PRODUCTIVITY--INBOUND	43,555.6 TEU'S
17. ANNUAL CAPACITY AT SCHEDULED SPEED	112,000.0 TEU'S *
18. ANNUAL CAPACITY AT FULL SPEED	113,470.9 TEU'S *
19. NUMBER OF 20 FT CONTAINERS REQUIRED	0.0 CNTRS
20. NUMBER OF 40 FT CONTAINERS REQUIRED	3,640.0 CNTRS

* CAPACITY IN EACH DIRECTION

FOREIGN-FLAG RESULTSSHIP SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. DEPRECIATION	7,714.29	8.29	16.59
2. INTEREST	7,714.29	8.29	16.59
3. REQUIRED RETURN ON EQUITY	0.00	0.00	0.00
4. MANNING	39,600.00	42.58	85.16
5. SURVIVENCY	1,440.00	1.55	3.10
6. FUEL	45,215.96	48.62	97.24
7. M+R	9,000.00	9.68	19.35
8. SUPPLIES AND EQUIPMENT	1,182.86	1.27	2.54
9. P+I INSURANCE	2,880.00	3.10	6.19
10. M+M INSURANCE	2,057.14	2.21	4.42
TOTAL	116,804.53	125.60	251.19

OTHER VOYAGE COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. AGENCY, BROKERAGE, AND COMMISSION			
FOREIGN *	5,600.00	20.00	40.00
DOMESTIC *	13,000.00	20.00	40.00
2. WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00
3. CORPORATE OVERHEAD	106,332.28	114.34	228.67
TOTAL	124,932.28	154.34	308.67

* UNIT COSTS PERTAIN TO CARGO LOADED IN FOREIGN OR DOMESTIC PORTS ONLY.

FOREIGN-FLAG RESULTSCONTAINER SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. OWNED CONTAINER DEPRECIATION			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	25,920.00		
2. LEASED CONTAINER RENT			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
3. M/R ON OWNED CONTAINERS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	36,288.00		
4. CHASSIS COSTS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	14,163.43		
5. POSITIONING COSTS	143,000.00	-----	----
TOTAL	219,371.43	235.88	471.77

PORT INLAND AND PEXTER COSTS

	<u>STEVE- DURING</u>	<u>TERMINAL COSTS</u>	<u>LCL STUFFING/ STRIPPING</u>	<u>PORT COSTS</u>	<u>MTR. PDR. VSS/PORT COSTS</u>	<u>MTR. PDR. STEVE COSTS</u>	<u>LAND PDR. TRAN COST</u>	<u>TOTAL</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
FOREIGN	48,750.00	120,900.00	0.00	40,000.00	0.00	0.00	0.00	209,650.00		
DOMESTIC	39,000.00	120,900.00	0.00	20,000.00	0.00	0.00	0.00	179,900.00	-----	----
TOTAL	87,750.00	241,800.00	0.00	60,000.00	0.00	0.00	0.00	389,550.00	418.87	837.74

FOREIGN-FLAG RESULTS

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COST SUMMARY

EXPENSE CATEGORY	COST PER VOYAGE	COST PER TEU	COST PER TON	PERCENT OF TOTAL
MANNING AND SUBSISTENCE	41,040.00	44.13	88.26	4.8
FUEL	45,215.96	48.62	97.24	5.3
MOR	9,000.00	9.68	19.35	1.1
SUPPLIES AND EQUIPMENT	1,182.86	1.27	2.54	0.1
INSURANCE	4,937.14	5.31	10.62	0.6
CAPITAL COSTS	15,428.57	16.59	33.18	1.8
STEVEDORING COSTS	87,750.00	94.35	188.71	10.3
TERMINAL COSTS	241,800.00	260.00	520.00	28.4
PORT COSTS	60,000.00	64.52	129.03	7.1
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00	0.0
CONTAINER COSTS	76,371.43	82.12	164.24	9.0
POSITIONING COSTS	143,000.00	153.76	307.53	16.8
FREIGHT TRANSPORTATION COSTS	0.00	0.00	0.00	0.0
AGENCY, BROKERAGE, AND COMMISSION	18,600.00	20.00	40.00	2.2
CORPORATE OVERHEAD	106,332.28	114.34	228.67	12.5
GROSS TOTAL *	850,658.24	914.69	1,829.37	100.0*
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.00)	(0.0)
NET TOTAL *	850,658.24	914.69	1,829.37	100.0*
LCL STUFFING AND STRIPPING	0.00	(0.00)	(0.00)	
TOTAL	850,658.24			

* EXCLUDES STUFFING AND STRIPPING EXPENSE.

UNIT COSTS BY TYPE OF CARGO

TYPE OF CARGO	COST PER TEU	COST PER TON
CL CARGO	914.69	1,829.37
LCL CARGO	0.00	0.00

APPENDIX B-2

RO/RO VESSEL - SEATTLE/ALASKA

U.S.-FLAG RESULTSSINAT, NELLIESEN AND EICHNER RPR CALCULATORSHIP CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
S(1) LENGTH	795 FEET
S(2) GRT	18,000 TONS
S(3) DWT	16,500 TONS
S(4) TEU CAPACITY	900 TEUS
S(5) MACHINERY TYPE	1 *
S(6) DESIGN SPEED	24 KNOTS
S(7) SHP	30,000
S(8) FUEL RATE AT FULL N.P.	150 L.TONS/DAY
S(9) PORT FUEL RATE	12 L.TONS/DAY
S(10) CREW COMPLEMENT	41

VOYAGE CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
V(1) SERVICE FREQUENCY	3.5 DAYS BETWEEN CALLS
V(2) ROUND TRIP VOYAGE LENGTH	2,800.0 MILES
V(3) PREFERRED R.T. VOYAGE TIME	7.0 DAYS
V(4) NUMBER OF FOREIGN PORT CALLS	1.0
V(5) NUMBER OF DOMESTIC PORT CALLS	1.0
V(6) ONE WAY MILES OF LOW SPEED OPS.	10.0
V(7) AVERAGE SPEED IN LOW SPEED OPS.	10.0 KNOTS
V(8) ONE WAY CANAL TRANSIT COSTS	0.0 DOLLARS
V(9) NUMBER OF VESSELS IN FLEET	2.0

* 1=STEAM, 2=DIESEL

LOAD CHARACTERISTICS

<u>PORT</u>	<u>PULL 20'S LOADED</u>	<u>PULL 20'S DISCHARGED</u>	<u>PULL 40'S LOADED</u>	<u>PULL 40'S DISCHARGED</u>	<u>NUMBER OF TEU'S STUPPED OUTBOUND</u>	<u>NUMBER OF TEU'S STRIPPED INBOUND</u>	<u>DAYS IN PORT</u>
FOREIGN	0	100	155	350	0	0	0.40
DOMESTIC	100	0	350	155	0	0	0.40

U.S.-FLAG RESULTS

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PORT INLAND AND FREIGHT DATA

	<u>STEVEDORING</u> <u>\$/LIFT</u>	<u>TERMINAL</u> <u>COSTS</u> <u>\$/TEU</u>	<u>STUFFING/</u> <u>STRIIPPING</u> <u>\$/TEU</u>	<u>PORT</u> <u>COSTS PER</u> <u>DIRECT</u> <u>CALL</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>WATER PED</u>	<u>PERCENT</u> <u>OF TEU'S</u> <u>LAND PED</u>	<u>WTR. PDR.</u> <u>VESS/PORT</u> <u>COST</u> <u>\$/TEU PED</u>	<u>LAND</u> <u>FREIGHT</u> <u>TRANS COST</u> <u>\$/TEU PED</u>
FOREIGN	45.00	130.00	0.00	22,000.00	0.00	0.00	0.00	0.00
DOMESTIC	40.00	130.00	0.00	22,000.00	0.00	0.00	0.00	0.00

VESSEL SYSTEM COSTS

<u>ITEM</u>	<u>AMOUNT</u>
VC(1) DEPRECIATION	1,000,000 DOLLARS/VESSEL YEAR
VC(2) INTEREST	1,000,000 DOLLARS/VESSEL YEAR
VC(8) CREW COST	65,000 DOLLARS/PIAN YEAR
VC(9) SURSISTENCE	2,000 DOLLARS/PIAN YEAR
VC(12) FUEL COST	150 DOLLARS/L.TON
VC(13) M+R	250,000 DOLLARS/SHIP YEAR
VC(14) SUPPLIES, EQUIP., STORES	45,000 DOLLARS/SHIP YEAR
VC(15) P+I INSURANCE	5,000 DOLLARS/PIAN YEAR
VC(16) H+M INSURANCE	375,000 DOLLARS/SHIP YEAR

U.S.-FLAG RESULTS

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CONTAINER SYSTEM DATA

<u>ITEM</u>	<u>AMOUNT</u>
CC[1] NUMBER OF CONTS. REQUIRED/SHIP SLOT	2.00 SMTS/SLOT
CC[2] PERCENT OF CONTAINERS OWNED	100.00 PERCENT
CC[3] DEPRECIATION ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[4] DEPRECIATION ON OWNED 40' CONTAINERS	550.00 \$/BOX-YEAR
CC[5] LEASE COST OF 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[6] LEASE COST OF 40' CONTAINERS	0.00 \$/BOX-YEAR
CC[7] M+R OF OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[8] M+R ON CHRT. 40' CONTAINERS	1100.00 \$/BOX-YEAR
CC[9] NUMBER OF TEU'S OF CHASSIS' PER SHIP SLOT	0.00
CC[10] 20' CHASSIS OWNERSHIP/LEASE COST	0.00 \$/YEAR
CC[11] 40' CHASSIS OWNERSHIP/LEASE COST	0.00 \$/YEAR
CC[12] AVG. REVENUE TONS PER 20' CONTAINER	1.00
CC[13] AVG. REVENUE TONS PER 40' CONTAINER	1.00
CC[14] CONTAINER SHIPPING FACTOR (EXTRA LIFTS)	0.00 PERCENT
CC[15] POSITIONING COSTS	110.00 \$/AVG. TEU

ADMINISTRATIVE COSTS

<u>ITEM</u>	<u>AMOUNT</u>
CA[1] AGENCY, BROKERAGE, AND COMMISSIONS (DOMESTIC)	40.00 \$/REVENUE TON
CA[2] AGENCY, BROKERAGE, AND COMMISSIONS (FOREIGN)	40.00 \$/REVENUE TON
CA[3] CORPORATE OVERHEAD	15.00 PERCENT OF GROSS COSTS

U.S.-FLAG RESULTSSERVICE SUMMARY

1. VOYAGE DAYS	7.0 DAYS
2. SCHEDULE MARGIN	1.2 DAYS
3. REQUIRED SEA SPEED	19.5 KNOTS
4. PORT TIME	0.8 DAYS
5. SEA TIME	6.2 DAYS
6. VOYAGES PER VESSEL YEAR	50.0
7. NUMBER OF LOADED 20'S OUTBOUND	100.0 CNTRS
8. NUMBER OF LOADED 40'S OUTBOUND	350.0 CNTRS
9. NUMBER OF LOADED 20'S INBOUND	0.0 CNTRS
10. NUMBER OF LOADED 40'S INBOUND	155.0 CNTRS
11. LOAD FACTOR--OUTBOUND	88.9 PERCENT
12. LOAD FACTOR--INBOUND	34.4 PERCENT
13. REQUIRED FLEET SIZE	2.0 VESSELS
14. FLEET VOYAGES PER YEAR	100.0
15. ANNUAL PRODUCTIVITY--OUTBOUND	80,000.0 TEU'S
16. ANNUAL PRODUCTIVITY--INBOUND	31,000.0 TEU'S
17. ANNUAL CAPACITY AT SCHEDULED SPEED	90,000.0 TEU'S *
18. ANNUAL CAPACITY AT FULL SPEED	107,717.9 TEU'S *
19. NUMBER OF 20 FT CONTAINERS REQUIRED	560.0 CNTRS
20. NUMBER OF 40 FT CONTAINERS REQUIRED	1,960.0 CNTRS

* CAPACITY IN EACH DIRECTION

U.S.-FLAG RESULTS

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SHIP SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. DEPRECIATION	36,000.00	32.43	59.50
2. INTEREST	36,000.00	32.43	59.50
3. REQUIRED RETURN ON EQUITY	0.00	0.00	0.00
4. MANNING	53,300.00	48.02	88.10
5. SUBSISTENCE	1,640.00	1.48	2.71
6. FUEL	80,303.27	72.35	132.73
7. M+R	5,000.00	4.50	8.26
8. SUPPLIES AND EQUIPMENT	900.00	0.81	1.49
9. P+I INSURANCE	4,100.00	3.69	6.78
10. H+M INSURANCE	7,500.00	6.76	12.40
TOTAL	224,743.27	202.47	371.48

OTHER VOYAGE COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. AGENCY, BROKERAGE, AND COMMISSION			
FOREIGN *	6,200.00	20.00	40.00
DOMESTIC *	18,000.00	22.50	40.00
2. WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00
3. CORPORATE OVERHEAD	153,604.55	138.38	253.89
TOTAL	177,804.55	180.88	333.89

* UNIT COSTS PERTAIN TO CARGO LOADED IN FOREIGN & DOMESTIC PORTS ONLY.

U.S.-FLAG RESULTSCONTAINER SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PPH VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. OWNED CONTAINER DEPRECIATION			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	12,127.50		
2. LEASED CONTAINER RENT			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
3. M+R ON OWNED CONTAINERS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	24,255.00		
4. CHASSIS COSTS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
5. POSITIONING COSTS	176,000.00	-----	----
TOTAL	212,382.50	191.34	351.05

PORT INLAND AND FRETER COSTS

	<u>STEVE- DORING</u>	<u>TERMINAL COSTS</u>	<u>LCL STUFFING/ STRIPPING</u>	<u>PORT COSTS</u>	<u>WTR. PDR. VESS/PORT COSTS</u>	<u>WTR. PDR. STEVE COSTS</u>	<u>LAND PDR. TRAN COST</u>	<u>TOTAL</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
FOREIGN	40,500.00	144,300.00	0.00	22,000.00	0.00	0.00	0.00	206,800.00		
DOMESTIC	36,000.00	144,300.00	0.00	22,000.00	0.00	0.00	0.00	202,300.00	-----	----
TOTAL	76,500.00	288,600.00	0.00	44,000.00	0.00	0.00	0.00	409,100.00	368.56	676.20

U.S.-FLAG RESULTSCOST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
MANNING AND SUBSISTENCE	54,940.00	49.50	90.81	5.4
FUEL	80,303.27	72.35	132.73	7.8
M+R	5,000.00	4.50	8.26	0.5
SUPPLIES AND EQUIPMENT	910.00	0.81	1.49	0.1
INSURANCE	11,600.00	10.45	19.17	1.1
CAPITAL COSTS	72,000.00	64.86	119.01	7.0
STEVEDORING COSTS	76,500.00	68.92	126.45	7.5
TERMINAL COSTS	288,600.00	260.00	477.02	28.2
PORT COSTS	44,000.00	39.64	72.73	4.3
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00	0.0
CONTAINER COSTS	36,382.50	32.78	60.14	3.6
POSITIONING COSTS	176,000.00	158.56	290.91	17.2
FEEDER TRANSPORTATION COSTS	0.00	0.00	0.00	0.0
AGENCY, BROKERAGE, AND COMMISSION	24,200.00	21.80	40.00	2.4
CORPORATE OVERHEAD	153,604.55	138.38	253.89	15.0
GROSS TOTAL *	1,024,030.32	922.55	1,692.61	100.0*
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.00)	(0.0)
NET TOTAL *	1,024,030.32	922.55	1,692.61	100.0*
LCL STUFFING AND STRIPPING	0.00	(0.00)	(0.00)	
TOTAL	1,024,030.32			

* EXCLUDES STUFFING AND STRIPPING EXPENSE.

UNIT COSTS BY TYPE OF CARGO

<u>TYPE OF CARGO</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
CL CARGO	922.55	1,692.61
LCL CARGO	0.00	0.00

FOREIGN-FLAG RESULTS SUMMARY

SINAT, HOLLANDER AND PITCHER PER CALCULATION

COST SUMMARY

EXPENSE CATEGORY	COST PER VOYAGE	COST PER TEU	COST PER TON	PERCENT OF TOTAL
MANNING AND SUBSISTENCE	31,920.00	29.76	52.76	3.6
FUEL	57,906.61	52.17	95.71	6.5
WIF	4,000.00	3.60	6.61	0.4
SUPPLIES AND EQUIPMENT	900.00	0.81	1.49	0.1
INSURANCE	6,240.00	5.62	10.31	0.7
CAPITAL COSTS	36,000.00	32.43	59.50	4.0
STEVEDORING COSTS	76,500.00	68.92	126.45	8.6
TERMINAL COSTS	288,600.00	260.00	477.02	32.4
PORT COSTS	44,000.00	39.64	72.73	4.9
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00	0.0
CONTAINER COSTS	36,382.50	32.78	60.14	4.1
POSITIONING COSTS	176,000.00	158.56	290.91	19.8
FEEDER TRANSPORTATION COSTS	0.00	0.00	0.00	0.0
AGENCY, BROKERAGE, AND COMMISSION	24,700.00	21.80	40.00	2.7
CORPORATE OVERHEAD	106,724.88	96.15	176.40	12.0
GROSS TOTAL *	889,373.98	801.24	1,470.04	100.0*
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.00)	(0.0)
NET TOTAL *	889,373.98	801.24	1,470.04	100.0*
LCL STUFFING AND STRIPPING	0.00	(0.00)	(0.00)	
TOTAL	889,373.98			

* EXCLUDES STUFFING AND STRIPPING EXPENSE.

UNIT COSTS BY TYPE OF CARGO

TYPE OF CARGO	COST PER TEU	COST PER TON
CL CARGO	801.24	1,470.04

APPENDIX B-3

BARGE SERVICE - SEATTLE/ALASKA

U.S.-FLAG RESULTS

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STANT, WILHESEN AND RICHNER RFR CALCULATOR

SHIP CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
S(1) LENGTH	2,000 FEET
S(2) GRT	3,000 TONS
S(3) DWT	3,500 TONS
S(4) TEU CAPACITY	230 TEUS
S(5) MACHINERY TYPE	2 *
S(6) DESIGN SPEED	9 KNOTS
S(7) SHP	9,000
S(8) FUEL RATE AT FULL H.P.	30 L.TONS/DAY
S(9) PORT FUEL RATE	3 L.TONS/DAY
S(10) CREW COMPLEMENT	8

* 1=STEAM, 2=DIESEL

VOYAGE CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
V(1) SERVICE FREQUENCY	14.0 DAYS BETWEEN CALLS
V(2) ROUND TRIP VOYAGE LENGTH	2,550.0 MILES
V(3) PREFERRED R.T. VOYAGE TIME	14.0 DAYS
V(4) NUMBER OF FOREIGN PORT CALLS	1.0
V(5) NUMBER OF DOMESTIC PORT CALLS	1.0
V(6) ONE WAY MILES OF LOW SPEED OPS.	0.0
V(7) AVERAGE SPEED IN LOW SPEED OPS.	0.0 KNOTS
V(8) ONE WAY CANAL TRANSIT COSTS	0.0 DOLLARS
V(9) NUMBER OF VESSELS IN FLEET	1.0

LOAD CHARACTERISTICS

<u>PORT</u>	<u>FULL 20'S LOADED</u>	<u>FULL 20'S DISCHARGED</u>	<u>FULL 40'S LOADED</u>	<u>FULL 40'S DISCHARGED</u>	<u>NUMBER OF TEU'S STRIPPED OUTBOUND</u>	<u>NUMBER OF TEU'S STRIPPED INBOUND</u>	<u>DAYS IN PORT</u>
FOREIGN	0	0	45	112	0	0	1.00
DOMESTIC	0	0	112	45	0	0	1.00

PORT INLAND AND FERNER DATA

[illegible]

WESTERN SYSTEM COSTS

ITEM	AMOUNT
VC11] DEPRECIATION	100.000 DOLLARS/VESSEL YEAR
VC2] INTEREST	700.000 DOLLARS/VESSEL YEAR
VC8] CREW COST	56.500 DOLLARS/MAN YEAR
VC9] SUBSISTENCE	2.000 DOLLARS/MAN YEAR
VC12] FUEL COST	260 TONNAGE/1.000 TON
VC13] M-R	50.000 DOLLARS/SHIP YEAR
VC14] SUPPLIES, EQUIP., STORES	100.000 DOLLARS/SHIP YEAR
VC15] P+I INSURANCE	5.000 DOLLARS/MAN YEAR
VC16] M+H INSURANCE	300.000 DOLLARS/SHIP YEAR

U.S.-FLAG RESULTS

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CONTAINER SYSTEM DATA

<u>ITEM</u>	<u>AMOUNT</u>
CC[1] NUMBER OF CONTS. REQUIRED/SHIP SLOT	4.00 SETS/SLOT
CC[2] PERCENT OF CONTAINERS OWNED	0.00 PERCENT
CC[3] DEPRECIATION ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[4] DEPRECIATION ON OWNED 40' CONTAINERS	0.00 \$/BOX-YEAR
CC[5] LEASE COST OF 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[6] LEASE COST OF 40' CONTAINERS	0.00 \$/BOX-YEAR
CC[7] M+R ON OWNED 20' CONTAINERS	0.00 \$/BOX-YEAR
CC[8] M+R ON OWNED 40' CONTAINERS	0.00 \$/BOX-YEAR
CC[9] NUMBER OF TEU'S OF CHASSIS' PER SHIP SLOT	0.00
CC[10] 20' CHASSIS OWNERSHIP/LEASE COST	0.00 \$/YEAR
CC[11] 40' CHASSIS OWNERSHIP/LEASE COST	0.00 \$/YEAR
CC[12] AVG. REVENUE TONS PER 20' CONTAINER	1.00
CC[13] AVG. REVENUE TONS PER 40' CONTAINER	2.00
CC[14] CONTAINER SHIPING FACTOR (EXTRA LIFTS)	0.00 PERCENT
CC[15] POSITIONING COSTS	0.00 \$/AVG. TEU

ADMINISTRATIVE COSTS

<u>ITEM</u>	<u>AMOUNT</u>
CA[1] AGENCY, BROKERAGE, AND COMMISSIONS (DOMESTIC)	0.00 \$/REVENUE TON
CA[2] AGENCY, BROKERAGE, AND COMMISSIONS (FOREIGN)	0.00 \$/REVENUE TON
CA[3] CORPORATE OVERHEAD	5.00 PERCENT OF GROSS COSTS

SERVICE SUMMARY

1. VOYAGE DAYS	14.0 DAYS
2. SCHEDULE MARGIN	0.2 DAYS
3. REQUIRED SEA SPEED	8.9 KNOTS
4. PORT TIME	2.0 DAYS
5. SEA TIME	12.0 DAYS
6. VOYAGES PER VESSEL YEAR	25.0
7. NUMBER OF LOADED 20'S OUTBOUND	0.0 CNTRS
8. NUMBER OF LOADED 40'S OUTBOUND	112.0 CNTRS
9. NUMBER OF LOADED 20'S INBOUND	0.0 CNTRS
10. NUMBER OF LOADED 40'S INBOUND	45.0 CNTRS
11. LOAD FACTOR--OUTBOUND	97.4 PERCENT
12. LOAD FACTOR--INBOUND	39.1 PERCENT
13. REQUIRED FLEET SIZE	1.0 VESSELS
14. FLEET VOYAGES PER YEAR	25.0
15. ANNUAL PRODUCTIVITY--OUTBOUND	5,600.0 TEU'S
16. ANNUAL PRODUCTIVITY--INBOUND	2,250.0 TEU'S
17. ANNUAL CAPACITY AT SCHEDULED SPEED	5,750.0 TEU'S *
18. ANNUAL CAPACITY AT FULL SPEED	5,831.0 TEU'S *
19. NUMBER OF 20 FT CONTAINERS REQUIRED	0.0 CNTRS
20. NUMBER OF 40 FT CONTAINERS REQUIRED	448.0 CNTRS

* CAPACITY IN EACH DIRECTION

U.S.-FLAG RESULTS

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SHIP SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. DEPRECIATION	28,000.00	89.17	89.17
2. INTEREST	28,000.00	89.17	89.17
3. REQUIRED RETURN ON EQUITY	0.00	0.00	0.00
4. MANNING	18,080.00	57.58	57.58
5. SURVIVENCY	640.00	2.04	2.04
6. FUEL	91,131.00	290.23	290.23
7. M&R	2,000.00	6.37	6.37
8. SUPPLIES AND EQUIPMENT	4,000.00	12.74	12.74
9. P+I INSURANCE	1,600.00	5.10	5.10
10. H+M INSURANCE	12,000.00	38.22	38.22
TOTAL	185,451.00	590.61	590.61

OTHER VOYAGE COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TEU</u>	<u>COST PER TON</u>
1. AGENCY, BROKERAGE, AND COMMISSION			
FOREIGN *	0.00	0.00	0.00
DOMESTIC *	0.00	0.00	0.00
2. WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00
3. CORPORATE OVERHEAD	9,760.58	31.08	31.08
TOTAL	9,760.58	31.08	31.08

* UNIT COSTS PERTAIN TO CARGO LOADED IN FOREIGN OR DOMESTIC PORTS ONLY.

U.S.-FLAG RESULTS

CONTAINER SYSTEM COSTS

EXPENSE CATEGORY	COST PER VOYAGE	COST PER TEU	COST PER TON
1. OWNED CONTAINER DEPRECIATION			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
2. LEASED CONTAINER RENT			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
3. M-R ON OWNED CONTAINERS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
4. CHASSIS COSTS			
20 FT CONTAINERS	0.00		
40 FT CONTAINERS	0.00		
5. POSITIONING COSTS	0.00		
TOTAL	0.00	0.00	0.00

PORT INLAND AND FEEDER COSTS

[illegible]

U.S.-FLAG RESULTSCOST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER THU</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
MANNING AND SUBSISTENCE	18,720.00	59.62	59.62	9.6
FUEL	91,131.00	290.23	290.23	46.7
M-R	2,000.00	6.37	5.37	1.0
SUPPLIES AND EQUIPMENT	4,000.00	12.74	12.74	2.0
INSURANCE	13,600.00	43.31	43.31	7.0
CAPITAL COSTS	56,000.00	178.34	178.34	28.7
STEVEDORING COSTS	0.00	0.00	0.00	0.0
TERMINAL COSTS	0.00	0.00	0.00	0.0
PORT COSTS	0.00	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00	0.0
CONTAINER COSTS	0.00	0.00	0.00	0.0
POSITIONING COSTS	0.00	0.00	0.00	0.0
FEEDER TRANSPORTATION COSTS	0.00	0.00	0.00	0.0
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.00	0.0
CORPORATE OVERHEAD	9,760.58	31.08	31.08	5.0
GROSS TOTAL *	195,211.57	621.69	621.69	100.0*
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.00)	(0.0)
NET TOTAL *	195,211.57	621.69	621.69	100.0*
LCL STUPPING AND STRIPPING	0.00	(0.00)	(0.00)	
TOTAL	195,211.57			

* EXCLUDES STUPPING AND STRIPPING EXPENSE.

UNIT COSTS BY TYPE OF CARGO

<u>TYPE OF CARGO</u>	<u>COST PER THU</u>	<u>COST PER TON</u>
CL CARGO	621.69	621.69
LCL CARGO	0.00	0.00

FOREIGN-FLAG RESULTS SUMMARY

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COST SUMMARY

EXPENSE CATEGORY	COST PER WT 1/2'	COST PER TON	COST PER TON	PERCENT OF TOTAL
MANNING AND SUBSISTENCE	13,440.00	42.80	42.80	8.5
FUEL	91,131.00	290.73	290.73	57.7
M-R	1,600.00	5.10	5.10	1.0
SUPPLIES AND EQUIPMENT	4,000.00	12.74	12.74	2.5
INSURANCE	7,960.00	25.35	25.35	5.0
CAPITAL COSTS	32,000.00	101.91	101.91	20.2
STEVEERING COSTS	0.00	0.00	0.00	0.0
TERMINAL COSTS	0.00	0.00	0.00	0.0
PORT COSTS	0.00	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.00	0.0
CONTAINER COSTS	0.00	0.00	0.00	0.0
POSITIONING COSTS	0.00	0.00	0.00	0.0
FEEDER TRANSPORTATION COSTS	0.00	0.00	0.00	0.0
AGENCY, BROKERNAGE, AND COMMISSION	0.00	0.00	0.00	0.0
CORPORATE OVERHEAD	7,901.63	25.16	25.16	5.0
GROSS TOTAL *	150,032.63	503.29	503.29	100.0*
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.00)	(0.0)
NET TOTAL *	150,032.63	503.29	503.29	100.0*
LCL STUFFING AND STRIPPING	0.00	(0.00)	(0.00)	
TOTAL	150,032.63			

* EXCLUDES STUFFING AND STRIPPING EXPENSE.

UNIT COSTS BY TYPE OF CARGO

TYPE OF CARGO	COST PER TON	COST PER TON
CL CARGO	503.29	503.29
LCL CARGO	0.00	0.00

APPENDIX B-4

**CRUDE OIL TANKER
ALASKA/WEST COAST
PANAMA/GULF COAST**

U.S.-FLAG RESULTS
ALASKA/WEST COAST

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SINAT, NELLIESEN AND FICHER RFR CALCULATOR

SHIP CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
S(1) LENGTH	170 FEET
S(2) GRT	80,000 TONS
S(3) CARGO DEADWEIGHT	120,000 TONS
S(4) GRAIN CRNIC	0 CURIC MTRS
S(5) MACHINERY TYPE	1 *
S(6) DESIGN SPEED	17 KNOTS
S(7) SHP	26,000
S(8) FUEL RATE AT FULL H.P.	138 L.TONS/DAY
S(9) PORT FUEL RATE	40 L.TONS/DAY
S(10) OFFICER COMPLEMENT	0
S(11) CREW COMPLEMENT	28

VOYAGE CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
V(1) VOYAGE LENGTH	4,000.0 MILES
V(2) PORT CALLS	2.0
V(3) MILES OP LOW SPEED OPS.	0.0
V(4) AVERAGE SPEED IN LOW SPEED OPS.	0.0 KNOTS
V(5) VOYAGE CANAL TRANSIT COSTS	0.0 DOLLARS

* 1=STEAM, 2=DIESEL

PORT CHARACTERISTICS

<u>PORT</u>	<u>TONS LOADED</u>	<u>TONS DISCHARGED</u>	<u>DAYS IN PORT</u>
DOMESTIC	120,000	0	1.50
FOREIGN	0	120,000	1.50

U.S.-FLAG RESULTS
ALASKA/WEST COAST

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UNIT PORT COSTS

<u>PORT</u>	<u>CARGO LOADING \$/TON</u>	<u>CARGO DISCHARGING \$/TON</u>	<u>DOCKAGE \$/PT-DAY</u>	<u>WHARFAGE \$/CARGO TON</u>	<u>MOORING \$/PORT CALL</u>	<u>PILOTS + TUGS \$/PORT CALL</u>	<u>PORT DUES \$/GRT</u>	<u>OTHER PORT COSTS \$/CALL</u>
DOMESTIC	0.00	0.00	0.00	0.00	0.00	0.00	0.000	100000.00
FOREIGN	0.00	0.00	0.00	0.00	0.00	0.00	0.000	40000.00

VESSEL SYSTEM COSTS

<u>ITEM</u>	<u>AMOUNT</u>
VC[1] MORTGAGE/LEASE PAYOUT	6,000,000 DOLLARS/VESSEL YEAR
VC[4] REQUIRED RETURN ON EQUITY	30 PERCENT/YEAR
VC[6] CREW COST	81,000 DOLLARS/MAN YEAR
VC[7] SURSISTENCE	2,000 DOLLARS/MAN YEAR
VC[8] FUEL COST	150 DOLLARS/L. TON
VC[9] M+R	300,000 DOLLARS/SHIP YEAR
VC[10] SUPPLIES, EQUIP., STORES	100,000 DOLLARS/SHIP YEAR
VC[11] P+I INSURANCE	5,000 DOLLARS/MAN YEAR
VC[12] H+M INSURANCE	500,000 DOLLARS/SHIP YEAR

ADMINISTRATIVE COSTS

<u>ITEM</u>	<u>AMOUNT</u>
CA[1] AGENCY, BROKERAGE, AND COMMISSIONS	0.00 \$/TON
CA[2] CORPORATE OVERHEAD	0.00 PERCENT OF TOTAL COSTS

U.S.-FLAG RESULTS
ALASKA/WEST COAST

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PORT ITINERARY

1. DOMESTIC
2. FOREIGN
3. DOMESTIC

SERVICE SUMMARY

1. VOYAGE DAYS	13.1 DAYS
2. PORT TIME	3.0 DAYS
3. SEA TIME	10.1 DAYS
4. SEA SPEED	16.5 KNOTS

SHIP SYSTEM COSTS

EXPENSE CATEGORY	COST PER VOYAGE	COST PER TON
1. MORTGAGE/LEASE AMORTIZ.	224,588.74	1.87
2. MORTGAGE INSURANCE	0.00	0.00
3. REQUIRED RETURN ON EQUITY	0.00	0.00
4. MANNING	84,894.55	0.71
5. SUBSISTENCE	2,046.16	0.07
6. FUEL	227,090.91	1.89
7. M+I	11,229.44	0.09
8. SUPPLIES AND EQUIPMENT	3,743.15	0.03
9. P+I INSURANCE	5,240.40	0.04
10. H+M INSURANCE	18,715.73	0.16
TOTAL	577,599.08	4.81

U.S.-FLAG RESULTS
ALASKA/WEST COAST

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OTHER VOYAGE COSTS

EXPENSE CATEGORY	COST PER VOYAGE	COST PER TON
1. AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00
2. WATERWAY TOLLS AND PILOT FEES	0.00	0.00
3. CORPORATE OVERHEAD	0.00	0.00
TOTAL	0.00	0.00

PORT COSTS

PORT	DOCKAGE	WHARFAGE	MOORING	PILOTS AND TUGS	PORT DUES	CARGO HANDLING	OTHER PORT COSTS	TOTAL	COST PER TON
DOMESTIC	0.00	0.00	0.00	0.00	0.00	0.00	100,000.00	100,000.00	
FOREIGN	0.00	0.00	0.00	0.00	0.00	0.00	40,000.00	40,000.00	
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	140,000.00	140,000.00	1.17

U.S.-FLAG RESULTS
ALASKA/WEST COAST

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COST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
CAPITAL COSTS	224,588.74	1.87	31.3
MANNING AND SURSISTENCE	86,990.71	0.72	12.1
PIRL	227,090.91	1.89	31.6
M+R	11,229.44	0.09	1.6
SUPPLIES AND EQUIPMENT	3,743.15	0.03	0.5
INSURANCE	23,956.13	0.20	3.3
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	140,000.00	1.17	19.5
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	717,599.08	5.98	100.0

FOREIGN-FLAG RESULTS
ALASKA-WEST COAST

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COST SUMMARY

EXPENSE CATEGORY -----	COST PER VOYAGE -----	COST PER TON -----	PERCENT OF TOTAL -----
CAPITAL COSTS	117,294.37	0.94	20.4
MANNING AND SUBSISTENCE	46,714.46	0.39	8.5
FUEL	227,040.91	1.89	41.2
M-R	7,486.29	0.06	1.4
SUPPLIES AND EQUIPMENT	3,743.15	0.03	0.7
INSURANCE	13,924.50	0.12	2.5
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	140,000.00	1.17	25.4
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	551,253.68	4.59	100.0

U.S.-FLAG RESULTS
ALASKA/PANAMA

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COST SUMMARY

EXPENSE CATEGORY -----	COST PER VOYAGE -----	COST PER TON -----	PERCENT OF TOTAL -----
CAPITAL COSTS	480,000.00	4.00	33.7
MANNING AND SUBSISTENCE	185,920.00	1.55	13.1
FUEL	535,500.00	4.46	37.6
M+R	24,000.00	0.20	1.7
SUPPLIES AND EQUIPMENT	8,000.00	0.07	0.6
INSURANCE	51,200.00	0.43	3.6
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	140,000.00	1.17	9.8
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
	-----	-----	-----
TOTAL	1,424,620.00	11.87	100.0

FOREIGN-FLAG RESULTS

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ALASKA/PANAMA**COST SUMMARY**

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
CAPITAL COSTS	240,000.00	2.00	22.4
MANNING AND SUBSISTENCE	99,840.00	0.83	9.3
FUEL	535,500.00	4.46	50.1
M-R	16,000.00	0.13	1.5
SUPPLIES AND EQUIPMENT	8,000.00	0.07	0.7
INSURANCE	29,760.00	0.25	2.8
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	140,000.00	1.17	13.1
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	1,069,100.00	8.91	100.0

U.S.-FLAG RESULTS
PANAMA/GULF COAST

Page 1 of 1

COST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
CAPITAL COSTS	51,714.29	1.40	22.7
MANNING AND SUBSISTENCE	66,366.67	1.90	29.2
FUEL	87,583.33	2.50	38.5
M-R	2,298.41	0.07	1.0
SUPPLIES AND EQUIPMENT	5,746.03	0.16	2.5
INSURANCE	11,492.06	0.33	5.0
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	2,400.00	0.07	1.1
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	227,600.79	6.50	100.0

FOREIGN-FLAG RESULTS
PANAMA/GULF COAST

Page 1 of 1

COST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
CAPITAL COSTS	25,857.14	0.74	19.5
MANNING AND SUBSISTENCE	33,786.67	0.97	25.5
FUEL	55,875.00	1.60	42.1
M-R	2,011.11	0.06	1.5
SUPPLIES AND EQUIPMENT	5,746.03	0.16	4.3
INSURANCE	7,067.62	0.20	5.3
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	2,400.00	0.07	1.8
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	132,743.57	3.79	100.0

APPENDIX B-5

PRODUCTS TANKER - WEST COAST/ALASKA

U.S.-FLAG RESULTS SUMMARY

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SIMAT, NELLISEN AND EICHNER RPR CALCULATOR

SHIP CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
S(1) LENGTH	680 FEET
S(2) GRT	20,000 TONS
S(3) CARGO DEADWEIGHT	35,000 TONS
S(4) GRAIN CUBIC	0 CUBIC MTRS
S(5) MACHINERY TYPE	1 *
S(6) DESIGN SPEED	15 KNOTS
S(7) SHP	13,000
S(8) FUEL RATE AT FULL N.P.	70 L.TONS/DAY
S(9) PORT FUEL RATE	10 L.TONS/DAY
S(10) OFFICER COMPLEMENT	0
S(11) CREW COMPLEMENT	30

* 1=STEAM, 2=DIESEL

VOYAGE CHARACTERISTICS

<u>ITEM</u>	<u>AMOUNT</u>
V(1) VOYAGE LENGTH	5,000.0 MILES
V(2) PORT CALLS	10.0
V(3) MILES OF LOW SPEED OPS.	0.0
V(4) AVERAGE SPEED IN LOW SPEED OPS.	0.0 KNOTS
V(5) VOYAGE CANAL TRANSIT COSTS	0.0 DOLLARS

PORT CHARACTERISTICS

<u>PORT</u>	<u>TONS LOADED</u>	<u>TONS DISCHARGED</u>	<u>DAYS IN PORT</u>
DOMESTIC	35,000	0	1.00
FOREIGN	0	35,000	5.00

U.S.-FLAG RESULTSUNIT PORT COSTS

<u>PORT</u>	<u>CARGO LOADING \$/TON</u>	<u>CARGO DISCHARGING \$/TON</u>	<u>DOCKAGE \$/PT-DAY</u>	<u>WHARFAGE \$/CARGO TON</u>	<u>MOORING \$/PORT CALL</u>	<u>PILOTS & TUGS \$/PORT CALL</u>	<u>PORT DUES \$/GRT</u>	<u>OTHER PORT COSTS \$/CALL</u>
DOMESTIC	0.00	0.00	0.00	0.00	0.00	10000.00	0.000	0.00
FOREIGN	0.00	0.00	0.00	0.00	0.00	10000.00	0.000	0.00

VESSEL SYSTEM COSTS

<u>ITEM</u>	<u>AMOUNT</u>
VC(1) MORTGAGE/LEASE PAYOFF	900,000 DOLLARS/VESSEL YEAR
VC(2) MORTGAGE INSURANCE	900,000 DOLLARS/VESSEL YEAR
VC(6) CREW COST	75,000 DOLLARS/MAN YEAR
VC(7) SUBSISTENCE	2,000 DOLLARS/MAN YEAR
VC(8) FUEL COST	150 DOLLARS/L.TON
VC(9) M+R	80,000 DOLLARS/SHIP YEAR
VC(10) SUPPLIES, EQUIP., STORES	200,000 DOLLARS/SHIP YEAR
VC(11) P+I INSURANCE	5,000 DOLLARS/MAN YEAR
VC(12) H+M INSURANCE	250,000 DOLLARS/SHIP YEAR

ADMINISTRATIVE COSTS

<u>ITEM</u>	<u>AMOUNT</u>
CA(1) AGENCY, BROKERAGE, AND COMMISSIONS	0.00 \$/TON
CA(2) CORPORATE OVERHEAD	0.00 PERCENT OF TOTAL COSTS

U.S.-FLAG RESULTSPORT ITINERARY

1. DOMESTIC
2. FOREIGN
3. DOMESTIC

SERVICE SUMMARY

1. VOYAGE DAYS	19.9 DAYS
2. PORT TIME	6.0 DAYS
3. SEA TIME	13.9 DAYS
4. SEA SPEED	15.0 KNOTS

SHIP SYSTEM COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>
1. MORTGAGE/LEASE AMORTIZ.	51,142.86	1.46
2. MORTGAGE INSURANCE	51,142.86	1.46
3. REQUIRED RETURN ON EQUITY	0.00	0.00
4. MANNING	127,857.14	3.65
5. SURSISTENCE	3,409.52	0.10
6. FUEL	154,833.33	4.42
7. M+R	4,546.03	0.13
8. SUPPLIES AND EQUIPMENT	11,365.08	0.32
9. P+I INSURANCE	8,523.81	0.24
10. H+M INSURANCE	14,206.35	0.41
TOTAL	427,026.98	12.20

U.S.-FLAG RESULTSOTHER VOYAGE COSTS

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>
1. AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00
2. WATERWAY TOLLS AND PILOT FEES	0.00	0.00
3. CORPORATE OVERHEAD	0.00	0.00
TOTAL	0.00	0.00

PORT COSTS

<u>PORT</u>	<u>DOCKAGE</u>	<u>WHARFAGE</u>	<u>MOORING</u>	<u>PILOTS AND TUGS</u>	<u>PORT DUES</u>	<u>CARGO HANDLING</u>	<u>OTHER PORT COSTS</u>	<u>TOTAL</u>	<u>COST PER TON</u>
DOMESTIC	0.00	0.00	0.00	10,800.00	0.00	0.00	0.00	10,800.00	
FOREIGN	0.00	0.00	0.00	10,800.00	0.00	0.00	0.00	10,800.00	
TOTAL	0.00	0.00	0.00	21,600.00	0.00	0.00	0.00	21,600.00	0.62

U.S.-FLAG RESULTS

Page 5 of 5

COST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
CAPITAL COSTS	102,285.71	2.92	22.8
MANNING AND SURSISTENCE	131,266.67	3.75	29.3
FUEL	154,833.33	4.42	34.5
M+R	4,546.03	0.13	1.0
SUPPLIES AND EQUIPMENT	11,365.08	0.32	2.5
INSURANCE	22,730.16	0.65	5.1
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	21,600.00	0.62	4.8
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	448,626.98	12.82	100.0

FOREIGN-FLAG RESULTS

Page 1 of 1

COST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
CAPITAL COSTS	51,142.86	1.46	19.9
MANNING AND SUBSISTENCE	66,826.67	1.91	25.9
FUEL	98,250.00	2.41	38.1
M-R	3,977.78	0.11	1.5
SUPPLIES AND EQUIPMENT	11,365.08	0.32	4.4
INSURANCE	13,979.05	0.40	5.4
CARGO HANDLING	0.00	0.00	0.0
OTHER PORT COSTS	12,000.00	0.34	4.7
AGENCY, BROKERAGE, AND COMMISSION	0.00	0.00	0.0
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
CORPORATE OVERHEAD	0.00	0.00	0.0
TOTAL	257,541.43	7.36	100.0

APPENDIX B-6
FOREST PRODUCT CARRIER -
ALASKA/WEST COAST

FOREIGN-FLAG RESULTS

Page 1 of 3

STAT. RELIABLE AND EICHNER NFR CALCULATOR

SHIP CHARACTERISTICS

ITEM	AMOUNT
S1) LENGTH	364 FEET
S2) GRT	19,165 TONS
S3) CARGO DEADWEIGHT	29,240 TONS
S4) GRAIN CUBIC	35,670 CUBIC METERS
S5) MACHINERY TYPE	2 *
S6) DESIGN SPEED	16 KNOTS
S7) SHIP	13,040
S8) FUEL RATE AT FULL R.P.	44 L.TONS/DAY
S9) PORT FUEL RATE	3 L.TONS/DAY
S10) CREW COMPLIMENT	27

VOYAGE CHARACTERISTICS

ITEM	AMOUNT
V1) SERVICE FREQUENCY	0.0 DAYS BETWEEN CALLS
V2) ROUND TRIP VOYAGE LENGTH	1,200.0 MILES
V3) PREFERRED R.T. VOYAGE TIME	0.0 DAYS
V4) NUMBER OF FOREIGN PORT CALLS	1.0
V5) NUMBER OF DOMESTIC PORT CALLS	1.0
V6) ONE WAY MILES OF LOW SPEED OPS.	0.0
V7) AVERAGE SPEED IN LOW SPEED OPS.	0.0 KNOTS
V8) VOYAGE CANAL TRANSIT COSTS	0.0 DOLLARS
V9) NUMBER OF VESSELS IN FLEET	1.0

* 1=STEAM, 2=DIESEL

PORT CHARACTERISTICS

PORT	TONS LOADED	TONS DISCHARGED	DAYS IN PORT
FOREIGN	0	27,000	2.00
DOMESTIC	27,000	0	2.00

FOREIGN-FLAG RESULTS

Page 2 of 3

UNIT PORT COSTS

PORT	CARGO LOADING \$/TON	CARGO DISCHARGING \$/TON	OTHER CARGO HANDLING \$/TON	PORT COSTS \$/PORT CALL
FOREIGN	0.00	3.25	0.15	15,000.00
DOMESTIC	3.50	0.00	0.40	15,000.00

VESSEL SYSTEM COSTS

ITEM	AMOUNT
VC11) DEPRECIATION	300,000 DOLLARS/VESSEL YEAR
VC12) INTEREST	367,000 DOLLARS/VESSEL YEAR
VC14) CHRY COST	25,000 DOLLARS/NAV YEAR
VC15) SUSTINENCE	1,000 DOLLARS/NAV YEAR
VC16) FUEL COST	150 DOLLARS/L.TON
VC17) M+N	300,000 DOLLARS/SHIP YEAR
VC18) SUPPLIES, EQUIP., STORES	350,000 DOLLARS/SHIP YEAR
VC110) M+N INSURANCE	175,000 DOLLARS/SHIP YEAR

ADMINISTRATIVE COSTS

ITEM	AMOUNT
CA11) AGENCY, BROKERAGE, AND COMMISSIONS (DOMESTIC)	0.70 \$/TON
CA12) AGENCY, BROKERAGE, AND COMMISSIONS (FOREIGN)	0.70 \$/TON
CA13) CORPORATE OVERHEAD	10.40 PERCENT OF GROSS COSTS

FOREIGN-FLAG RESULTS

Page 3 of 3

COST SUMMARY

--	EXPENSE CATEGORY	COST PER VOYAGE	COST PER TON	PERCENT OF TOTAL
	MANNING AND SUBSISTENCE	16,045.71	0.59	4.5
	FUEL	17,036.11	0.66	5.1
	M-R	6,857.14	0.25	1.9
	SUPPLIES AND EQUIPMENT	8,000.00	0.30	2.3
	INSURANCE	4,000.00	0.15	1.1
	CAPITAL COSTS	15,264.00	0.57	4.3
	STEVEDORING COSTS	182,250.00	6.75	51.6
	OTHER CARGO HANDLING COSTS	14,050.00	0.55	4.2
	PORT COSTS	30,000.00	1.11	8.5
	WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
	AGENCY, BROKERAGE, AND COMMISSION	21,060.00	0.78	6.0
	CORPORATE OVERHEAD	36,697.49	1.36	10.4
	TOTAL	352,860.46	13.07	100.0
	LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.0)
	NET TOTAL	352,860.46	13.07	100.0

U.S.-FLAG RESULTS SUMMARY

Page 1 of 1

COST SUMMARY

<u>EXPENSE CATEGORY</u>	<u>COST PER VOYAGE</u>	<u>COST PER TON</u>	<u>PERCENT OF TOTAL</u>
MANNING AND SUBSISTENCE	55,500.57	2.06	12.5
FUEL	33,497.22	1.24	7.5
M-R	6,857.14	0.25	1.5
SUPPLIES AND EQUIPMENT	8,000.00	0.30	1.8
INSURANCE	16,000.00	0.59	3.6
CAPITAL COSTS	30,491.43	1.13	6.9
STEVEDORING COSTS	102,250.00	6.75	41.0
OTHER CARGO HANDLING COSTS	14,850.00	0.55	3.3
PORT COSTS	30,000.00	1.11	6.7
WATERWAY TOLLS AND PILOT FEES	0.00	0.00	0.0
AGENCY, BROKERAGE, AND COMMISSION	21,060.00	0.78	4.7
CORPORATE OVERHEAD	46,265.42	1.71	10.4
TOTAL	444,859.78	16.48	100.0
LESS OPERATING SUBSIDY	(0.00)	(0.00)	(0.0)
NET TOTAL	444,859.78	16.48	100.0

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CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

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