

## **EXPLANATION OF CONSENT AGENDA ITEM E.2.c.7 – June 22, 2016**

### **ITEM:**

Consideration of approving staff's recommendation to amend Canaveral Port Authority Tariff No. 14. The proposed items would amend Rule 715 - Cargo Wharfage to add wharfage charges for aerospace/aircraft items.

### **EXPLANATION:**

#### **Rule 715 – New Category: Aerospace/aircraft items**

Space X, a privately owned American aerospace manufacturer and space transport services company has recently been successful in the autonomous recovery of the first stage of its Falcon 9 launch vehicle. Port Canaveral is currently, along with its cargo partner GTUSA, LLC providing dockage services to Space X's ocean drone platform. Due to the heavy weight and the effect of this weight on the Port's berths, staff is recommending that its tariff be expanded to include a wharfage charges category for aerospace/aircraft items. The current tariff does not include cargo wharfage rates for aerospace/aircraft items. After researching several ports, staff has been able to find one port which addresses similar items. Based on this research, staff is recommending that a charge equal to the greater of \$500 per ton or \$15,000 per item be assessed as wharfage. Staff understands that the current Falcon first stage weights approximately 30 tons when it arrives in the Port on the drone ship. Using this weight, it is anticipated that each time the rocket stage is transported over the berth; a charge of \$15,000 will be assessed and collected from the owner of the item. As new aerospace companies relocate to the Space Coast it is anticipated that the Port will need to accommodate items of a similar nature in the future and will retain the right to negotiate these future charges, if needed.

**Staff recommends approval**  
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