



# Floating Cities

The economic impact of Washington's luxury cruise industry.

**A**s a major portal to the Pacific and gateway to Alaska, Seattle has recently emerged as a leading West Coast port of call for the luxury passenger cruise ship industry. Over the past decade, the number of cruise ships calling in Seattle has burgeoned from six vessels carrying 6,615 passengers in 1999 to 218 vessels carrying 875,433 passengers in 2009. This year, the Port of Seattle estimates that 223 luxury cruise ships carrying a projected 858,000 passengers will sail from Seattle. The projected 2010 annual business revenue generated by these luxury cruise sailings is \$425 million, and the industry will contribute \$18.9 million to annual state and local taxes and support 4,447 local jobs.

## TERMINAL FACILITIES EXPANSION

Celebrity Cruises and Norwegian Cruise Lines berth at Pier 66, an 11-acre facility on the downtown waterfront, for their weekly cruises to Alaska. The Pier 91 terminal opened in 2009 and is home to Carnival, Holland America Line, Princess Cruises and Royal Caribbean, all operating Alaska voyages. Pier 91 also features a U.S. Customs desk, concierge service and onboard airline check-in facilities. This terminal expansion has allowed Seattle to compete with Vancouver, B.C., formerly the sole hub of cruise traffic in the region.

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## REDUCING THE CARBON FOOTPRINT

The Port of Seattle, in conjunction with the Port of Tacoma, commenced the Puget Sound Maritime Air Emissions Inventory in 2004 to reduce the carbon footprint of ship traffic. In 2005, the Port of Seattle, the Environmental Protection Agency, the Puget Sound Clean Air Agency (PSCAA) and Seattle City Light joined with Princess Cruises to install the first shore power connection for a cruise vessel in Seattle. The availability of shore power allows vessels at berth to turn off their engines. In 2006, Holland America also installed a shore power connection. According to the Port, shore

power connections slash a cruise ship's greenhouse emissions by 29 percent during each berthing operation.

While it is mandatory for all cruise ships not using shore power to burn fuel with a sulfur content no greater than 1.5 percent, the PSCAA and the Port of Seattle launched an At Berth Clean Fuels (ABC Fuels) program in January 2009, which pays participating vessels that agree to utilize low sulfur fuel of no greater than 0.5 percent with a \$2,250 incentive per port call. To date, at least one luxury cruise line is participating in the ABC Fuels program.

The Port of Seattle has recently instituted a plan to further reduce carbon emissions and greenhouse gases. Starting Jan. 1, 2011, the Port will prevent trucks older than model year 1994 from entering the terminal area.

## PROTECTION OF THE WASHINGTON MARINE ENVIRONMENT

Cruise ships, which are in essence small floating cities, also present environmental challenges to the navigable waters of Washington. In 2004, the Washington Department of Ecology (WDOE), the Port of Seattle and the Northwest Cruise Ship Association, representing nine major cruise lines, executed a voluntary Memorandum of Understanding, which requires cruise ships to implement procedures concerning the disposal of wastewater in Washington waters that exceed federal standards.

The agreement also prohibits the discharge of treated wastewater from cruise ships within a half-mile of commercial or tribal shellfish beds to prevent contamination. It also prohibits outright any discharge of untreated wastewater, and limits the discharges permitted in the Olympic Coast National Marine Sanctuary. Furthermore, cruise ships are required to install advanced wastewater treatment systems that are certified and periodically inspected by WDOE.

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