

INDICATIVE BUNKER FUEL CALCULATIONS

TP TRADE
OCTOBER 2018



TWO SHIP SIZES ARE CONTEMPLATED AS REPRESENTATIVE OF THAT TRADE

Ship One	13,000 TEU Container Ship
East Coast Service	77 Days Round Voyage/60 Sea Days
West Coast Service	42 Days Round Voyage/30 Sea Days
Eastbound Voyage	7,000 Loaded FEU
Westbound Voyage	4,000 Loaded FEU
Fuel Utilization	175 MT per Day at Sea
Existing Fuel Cost (IFO 380)	\$450 per MT
ULSF (Low Sulfur) Cost	\$700 per MT



Ship Two	8,500 TEU Container Ship
East Coast Service	77 Days Round Voyage/60 Sea Days
West Coast Service	42 Days Round Voyage/30 Sea Days
Eastbound Voyage	4,500 Loaded FEU
Westbound Voyage	3,000 Loaded FEU
Fuel Utilization	150 MT per Day at Sea
Existing Fuel Cost (IFO 380)	\$450 per MT
ULSF (Low Sulfur) Cost	\$700 per MT



FUEL COST FOR 13,000 TEU VESSEL WITH TWO ASSUMPTIONS

East Coast	IFO 380	ULSF	Change
Cost per FEU if EB/WB is Weighted Equally	\$430 per FEU	\$670 per FEU	+240 per FEU
Cost per FEU if EB is Weighted as Head Haul*			
Eastbound	\$485 per FEU	\$750 per FEU	+265 per FEU
Westbound	\$340 per FEU	\$525 per FEU	+185 per FEU
 West Coast	 IFO 380	 ULSF	 Change
Cost per FEU if EB/WB is Weighted Equally	\$215 per FEU	\$335 per FEU	+120 per FEU
Cost per FEU if EB is Weighted as Head Haul*			
Eastbound	\$245 per FEU	\$380 per FEU	+135 per FEU
Westbound	\$170 per FEU	\$265 per FEU	+ 95 per FEU

* Most likely approach to carrier fuel formulae.

FUEL COST FOR 8,500 TEU VESSEL WITH TWO ASSUMPTIONS

East Coast

Cost per FEU if EB/WB is Weighted Equally

Cost per FEU if EB is Weighted as Head Haul*

Eastbound

Westbound

IFO 380

\$550 per FEU

\$615 per FEU

\$460 per FEU

ULSF

\$840 per FEU

\$930 per FEU

\$700 per FEU

Change

+290 per FEU

+315 per FEU

+240 per FEU

West Coast

Cost per FEU if EB/WB is Weighted Equally

Cost per FEU if EB is Weighted as Head Haul*

Eastbound

Westbound

IFO 380

\$270 per FEU

\$300 per FEU

\$220 per FEU

ULSF

\$420 per FEU

\$470 per FEU

\$350 per FEU

Change

+150 per FEU

+170 per FEU

+130 per FEU

BLENDING IMPACT WITH ASSUMPTIONS

ASSUMPTION 1 →

ASSUMPTION 2 →

ASSUMPTION 3 →

WC/EC Volumes 50/50

70% of Capacity at 8,500 TEU
30% of Capacity at 13,000 TEU

Use EB as Head Haul Method

13,000 TEU Vessel	IFO 380	ULSF	Change
Eastbound	\$365 per FEU	\$565 per FEU	\$200 per FEU
Westbound	\$255 per FEU	\$390 per FEU	\$135 per FEU
8,500 TEU Vessel	IFO 380	ULSF	Change
Eastbound	\$460 per FEU	\$700 per FEU	\$240 per FEU
Westbound	\$340 per FEU	\$525 per FEU	\$185 per FEU
Blended @ 70/30	IFO 380	ULSF	Change
Eastbound	\$430 per FEU	\$660 per FEU	\$230 per FEU
Westbound	\$315 per FEU	\$485 per FEU	\$170 per FEU

CONCLUSIONS

- An average TPEB service has a bunker cost per FEU of \$430 with IFO 380 fuel.
- That same service will have a bunker cost per FEU of \$660 with ULSF.
- A rough metric for bunker variability is \$1 per ton of ULSF fuel change = \$1 per FEU impact.
- This can be easily crafted into a customized bunker formula or new rate negotiations can be predicated as a starting point on ULSF fuel.



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