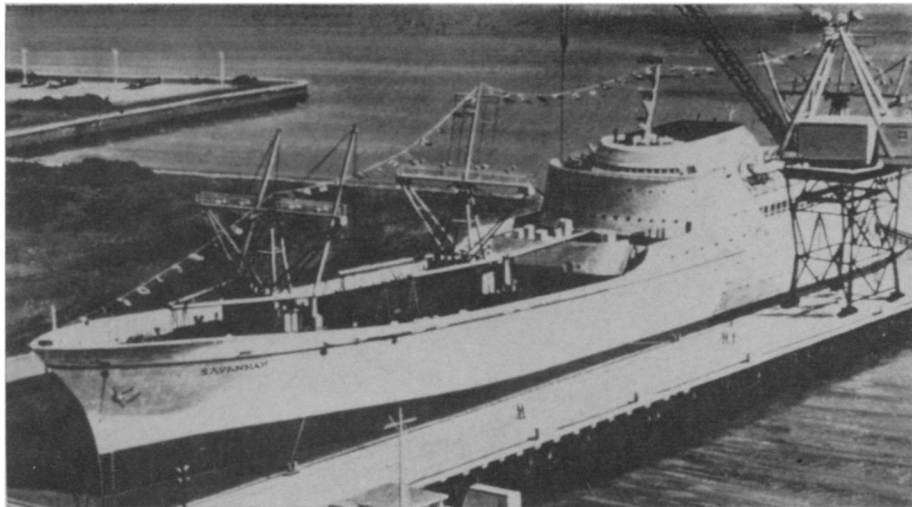


Technology and Politics Meet



Maritime Administration

Savannah: Experimental nuclear ship at its expensive mooring.

In the emotional, politics-ridden controversy over the future of the U.S. merchant fleet, the nuclear-powered Savannah floats at the center.

Conceived in the late 1950's as a spectacular nautical showcase for the wonders of peaceful atomic power, the unique merchant vessel was scheduled for temporary retirement this fall as an economy measure, after six years of demonstration tours and commercial shipping operations.

Last week, to the tune of indignant statements from outraged Congressmen, Maritime Administrator J. W. Gulick said he had reconsidered. He now feels, he told a Senate Commerce subcommittee, that the Savannah should be kept in operation during fiscal 1968.

Gulick's statement came after the House pumped an extra \$1.95 million to the Commerce Department appropriation and told the Administration it had to be spent to keep the Savannah operating.

With 70 percent of the American fleet over 20 years old, the Johnson Administration is trying to come up with a program that will keep the U.S. merchant marine competitive with less expensive foreign shippers. The question of nuclear power, with its higher initial investment but much lower fuel costs, is central to the whole technological problem, but its immediate value is the point in question.

The trend in large shipping operations is toward getting more use out of the ships. Present merchant vessels spend 40 to 60 percent of their time at the

pier, paying their crews to watch longshoremen unload and load cargo. If pier time could be cut, the ship could spend more time on the ocean.

At this point, say the atomic power proponents, the more expensive nuclear power plant begins to pay for itself. Greater speeds—up to 30 knots—and fuel costs half what they would be for fossil fuels, would make nuclear propulsion an attractive choice, particularly on long hauls, such as to the Far East.

On the other side is the argument that nuclear power is just too expensive and too far in the future to rescue the merchant fleet from its present deterioration. It would take five years to build another nuclear ship, and the money available should be spent on reliable, proven conventional vessels, accelerated, perhaps, by pre-packaging cargo.

The Savannah is held up by its opponents as an example of the high cost of nuclear power. The whole Savannah program has cost about \$106 million up to now. Under a contract with American Export Isbrandtsen Lines, which operates the ship as a commercial carrier, it costs the Government about \$3.3 million a year to run. This was all right for a demonstration, they say, but the demonstration has been made and there is no sense in keeping on with the expense.

Nuclear power proponents in Congress and industry counter by pointing out that the luxury fittings and the space sacrificed to passenger cabins make the Savannah less than ideal as

The Nuclear Ship

Savannah will remain

afloat as proponents and

opponents of nuclear

ship design seek

technology to strengthen

the U.S. merchant fleet.

a commercial carrier, which it wasn't designed for in the first place. Moreover, the major operating cost goes for training crews and for shore facilities to service the ship. If there were more nuclear vessels, these costs could be spread over a number of ships.

The actual operating costs for the Savannah, they say, run about \$1.4 million a year, which is only \$700,000 more than the subsidy for a conventional fossil-fuel ship.

What's more, proponents say there is much still to be learned from the Savannah. The ship is due for refueling in 1968, and the process—replacement of old cores—should be instructive.

The most important role for the Savannah, though, is to keep active the growing cadre of experienced nuclear ship operators and crew. To operate nuclear ships in the future, commercial lines will have to prove to the Atomic Energy Commission that they have the expertise to handle atomic reactors. It took the Savannah's present operators, American Export Isbrandtsen, several years to gain the confidence of the AEC's regulatory staff.

American Export proposed to the Maritime Commission a year and a half ago that three more nuclear merchant ships be built. They said studies showed that if the Government paid the conventional construction subsidy plus a subsidy for first-of-its-kind costs, the three ships could make \$500,000 a year each in commercial operations.

The proposal, say the line's officials, hasn't been answered.