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Rural Economy and Connectivity Committee
FAO: Clerk to the Committee, Steve Farrell

by email only

23 April 2020

Dear Mr Farrell

Inquiry into construction and procurement of ferry vessels in Scotland

Further to our correspondence in response to the additional questions and information requested by the Committee subsequent to our oral evidence given on 11 March 2020, thank you for the opportunity to provide details in supplementary areas that time did not permit to be fully addressed during the hearing.

In particular, I think it is important to explain to the Committee members the basis of our submission that the design and fuel type of hulls 801 and 802 are not on any view a "prototype" experimental or cutting edge technology, as has been repeatedly contended by FMEL former management and others.

<u>801 and 802 are not prototype nor novel</u>

The report obtained by FMEL from Burness Corlett Three Quays (BCTQ) dated 14 March 2018 (provided within the written submission by FMEL former management to the Committee) discusses the authors' views that these vessels were particularly complex and innovative. I would however refer the Committee members specifically to paragraph 1.1.7 of the BCTQ report which states:

> "*By the end of 2015 there were 30 LNG fuelled passenger and vehicle ferries in service. Of these 27 were in operation in Norway and the Baltic. By 2020 a further 23 LNG fuelled passenger and vehicle ferries will have entered service.*"

BCTQ develop their discussion around the relative inexperience of the UK flag state authorities and UK ship-builders of such vessels, and it is true that that vessels of this type are found mostly in Scandinavia. CMAL contend that where BCTQ in all fairness refer to 30 or more previously existing passenger vessels of this kind at the time the contracts were entered into makes wholly untenable the proposition that 801 and 802 were "prototype" in any way.

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LNG fuel passenger ferries already in existence at time of Invitation to Tender

Exploring our contention that hulls 801 and 802 are not novel or prototype, we were asked by the Committee where vessels such as these had previously been built, and how long they took to build. Please find below a (non-exhaustive) list of sixteen LNG fuel ferries of similar scale already delivered and in operation at the time of the CMAL Invitation to Tender for this project in late 2014:

Vessel name	Length Overall (m)	Breadth (m)	Passengers	Cars	Builder	Delivered
BERGENSFJORD	129.8	19.1	590	212	Aker Soviknes, Norway	2006
FANAFJORD	129.8	19.1	590	212	Aker Brattvaag, Norway	2007
STAVANGERFJORD	129.8	19.1	590	212	Aker Soviknes, Norway	2007
RAUNEFJORD	129.8	19.1	590	212	Aker Brattvaag, Norway	2007
MASTRAFJORD	129.8	19.1	590	212	Aker Soviknes, Norway	2007
MOLDEFJORD	122.2	16.2	390	125	Remontowa, Poland	2009
FANNEFJORD	122.2	16.2	390	125	Remontowa, Poland	2010
ROMSDALFJORD	122.2	16.2	390	125	Remontowa, Poland	2010
KORSFJORD	122.2	16.2	390	125	Remontowa, Poland	2010
BOKNAFJORD	129.9	18.8	600	242	Fiskerstrand, Norway	2011
LANDEGODE	96.0	16.8	390	120	Remontowa, Poland	2012
VAEROY	96.0	16.8	390	120	Remontowa, Poland	2012
BAROY	93.0	16.8	390	120	Remontowa, Poland	2012
LODINGEN	93.0	16.8	390	120	Remontowa, Poland	2012
RYFYLKE	123.7	17.7	550	165	Remontowa, Poland	2013
HARDANGER	123.7	17.7	550	165	Remontowa, Poland	2013

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Duration of build phase for first deliveries of LNG-fuelled passenger ferries

In relation to the build duration of vessels of similar type and size, please find below indicative number of months from contract signature to the date of delivery as available from public sources for each of the first-in-class of vessels of that design:

Name	Length Overall (m)	Breadth (m)	Passengers	Cars	Builder	Note	Contract to delivery (months)
BERGENSFJORD	129.8	19.1	590	212	Aker Soviknes	First of Bergensfjord class at this yard	22.3
FANAFJORD	129.8	19.1	590	212	Aker Brattvaag	First of Bergensfjord class at this yard	24.0
BOKNAFJORD	129.9	18.8	600	242	Fiskerstrand	One off	18.3
LANDEGODE	96	16.8	390	120	Remontowa	Lead ship of 4	23.8
RYFYLKE	123.7	17.7	550	165	Remontowa	Lead ship of 2	21.1
PRINSESSE ISABELLA	99.9	18.5	600	160	Remontowa	One-off	22.8

As mentioned in our written submission to the Committee, the contracted duration of construction of hulls 801 and 802 was 31 months – which on the basis of the average build period for similar vessels shown above is ample. Sufficient time was given to FMEL, in the knowledge of the potential for disruption to their programme by reason of the proposed yard redevelopment including the construction of a new fabrication hall.

International regulation and standards for LNG vessels

The first ferry to be powered by LNG was built at the Aker Langsten yard in Norway, is named "GLUTRA" and entered service in 2000 in Norway, with a capacity of 86 cars and 300 passengers. This was truly a prototype, a ground-breaking use of this fuel for a passenger ship – fifteen years earlier than the contract award by CMAL to FMEL.

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Det Norske Veritas (DNV) a Classification Society based in Norway, issued its first rules for construction of gas-fuelled vessels in 2001. With a global coverage and know-how, since this time DNV and others have been capable of supporting ship-builders wherever the vessels in question may be built and ultimately registered.

The development of an International Code of Safety for ships using gases or other low flashpoint fuels (which became known as the IGF Code) was proposed to the Marine Safety Committee of the International Maritime Organisation in 2004.

The IMO adopted Interim Guidelines MSC.285(86) in 2009 for the arrangement and installation of LNG-fuelled machinery on board ships and the IGF Code came into force worldwide on 1 January 2017.

The IGF Code was referenced in the Invitation to Tender for these vessels issued by CMAL in December 2014 and acknowledged by FMEL in their tender bid.

Simply put CMAL consider that, far from being novel or prototype, the construction of the passenger ferries that we requested of FMEL with LNG as fuel was already a proven use of this technology for this specific vessel category. By the admission of the technical consultants to FMEL, in fact some thirty such vessels were already in operation and over twenty more in production by the time our contracts were placed.

Please let me know if there is any further detail that we may be able to provide.

Yours sincerely

Kevin Hobbs
Chief Executive Officer