Puget Sound District
Activity Report Dashboard

2023 April

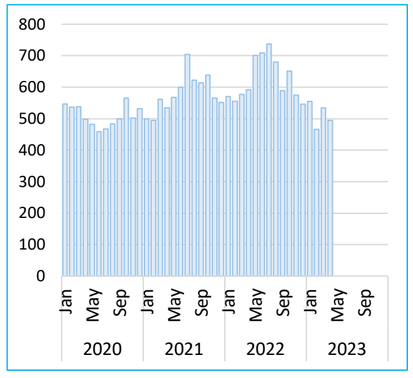
Licensed Pilots Including President
52

PS District Trainees
7

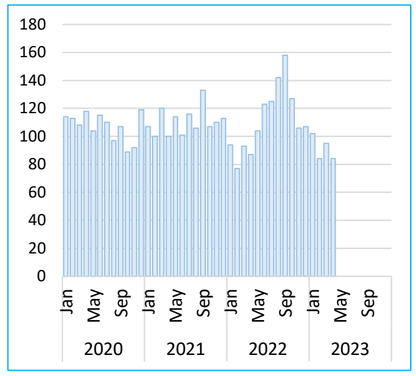
One pilot announced medical retirement in April (pilot may return work with a fit for duty letter).
This pilot is no longer being counted as NFFD; instead, licensed pilot count is reduced by one, for now.

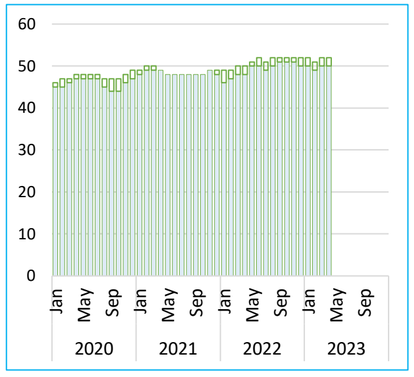
Licensed Pilots w/o Pres **51**
Pilots NFFD entire month **2**
Available Pilots **49**

Total Assignments
494



Repositions
84

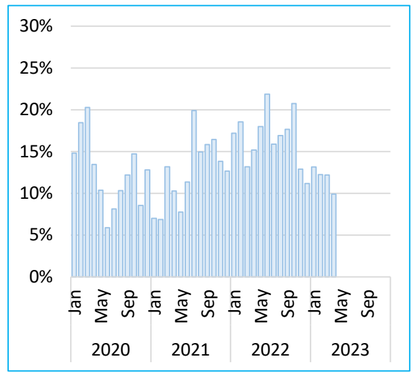




Off-Watch Assignments

(Callbacks)

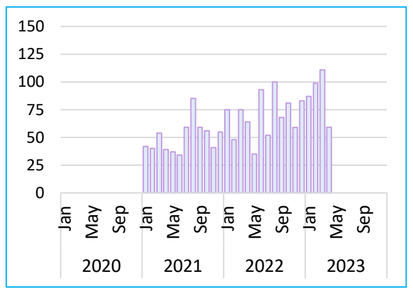
10%



Comp Days Used

(Licensed Pilots)

59

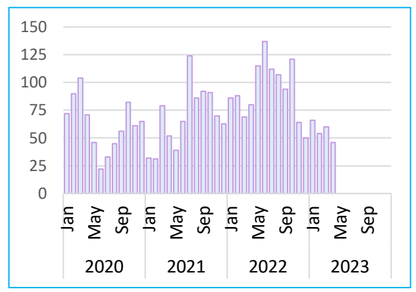


active/retired not reported separately prior to 2021

Comp Days Earned

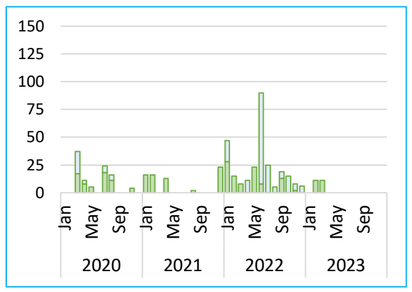
(Callbacks)

46



COVID Days* **0**

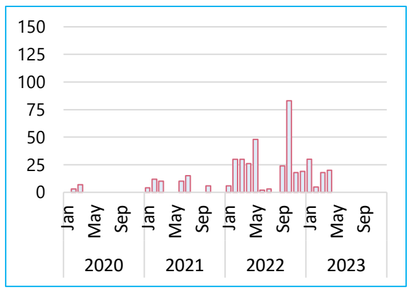
NFFD Days* **0**



* count days if pilot(s) not NFFD whole month

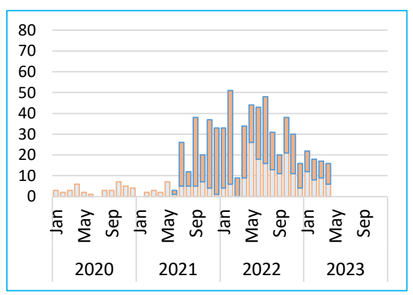
Training Days

20



Pilot Delays (Count)
combined total

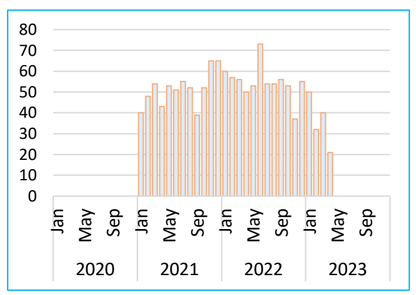
16



efficiency delay counts stacked on top
of pilot shortage delay counts on bottom

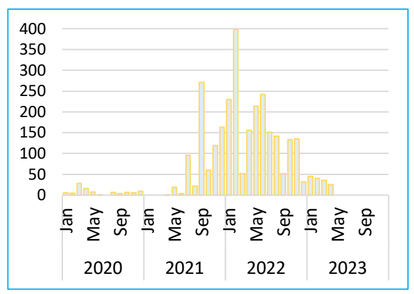
Billable Delays (Count)
by Customers

21



Pilot Delay Hours Total
Pilot Shortage & Efficiency

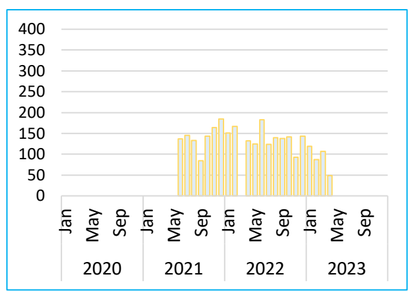
25.25 hrs



pilot delay hours not separated into
efficiency & pilot shortage components

Billable Delay Hours
by Customers

49 hrs



It appears that the causes of the significant increase in delays in the Puget Sound District starting in mid-2021 are: 5/17/2023

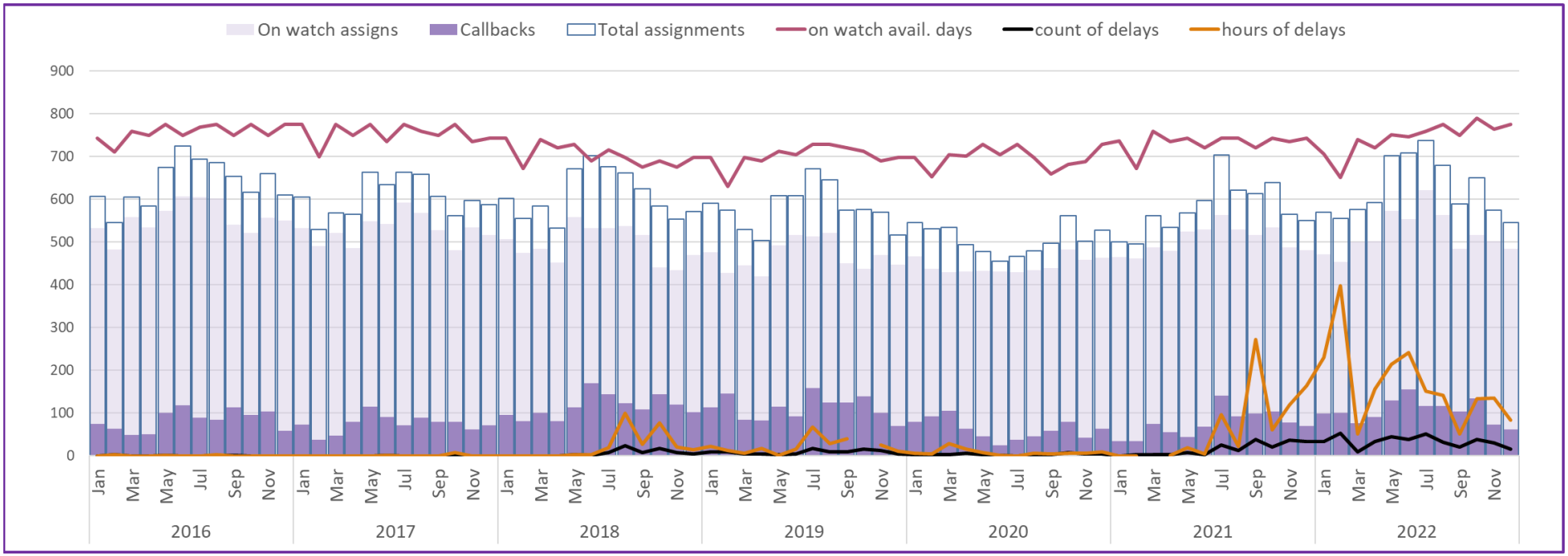
1) **2019 rest rule changes**
   The rest rule does not change the number of assignments but does increase the amount of time required to complete the assignments as pilots cannot move as quickly to the next assignment.

2) **2020 pandemic**
   The pandemic obscured the impacts of additional assignment time needed by the new rest rules. Without the pandemic, the delays would have appeared in 2020, and it would have been more obvious they were related to the rest requirement.

3) **2021 pandemic easing**
   By the middle of 2021, Puget Sound Vessel traffic had bounced back significantly, and the impact of the 2019 rest rule change was revealed. Until that time, the confounding variable of the pandemic had separated the cause from the effect, making it difficult to understand the problem.

The following charts are preliminary explorations of pilot availability and workload.

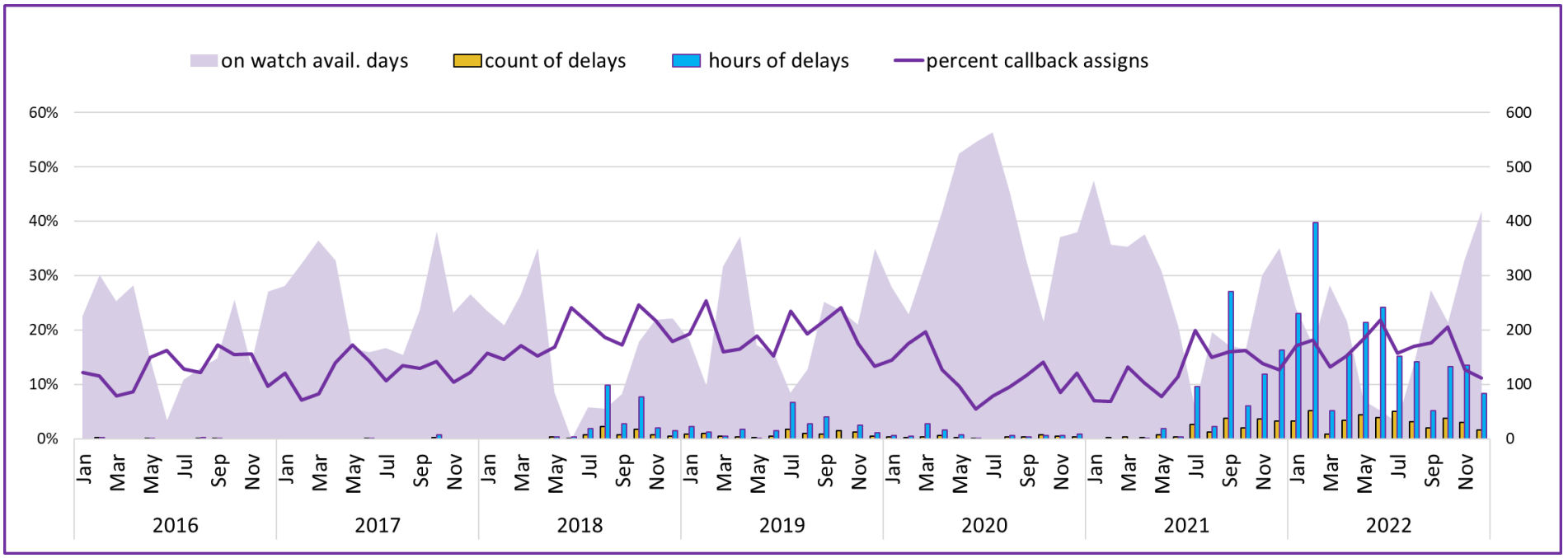
Comparing assignments to pilot on watch available days:



"On watch available days" each month = number of working pilots x number of days in month, subtract NFFD days if pilot NFFD part of month, then divide by 2, because half of pilots on watch at any given time. Idea was to look for combinations of demand and availability that seem associated with delays and callbacks.

5/17/2023

Comparing amount of on watch days to amount of callback assignments and delays:



This chart is looking at the number of "on watch available days" compared to total assignments – expressed as percentage above 100%. (purple shading)

Example: if there were 500 assignments and 600 on watch days, the chart shows 20% because 600 is 20% more than 500.

There is also a line showing percentage of callback assignments and delays are shown on a 2nd axis. This informs what kind of capacity is necessary.

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT PAGE 1

Apr-2023

The Board of Pilotage Commissioners (BPC) requests the following information be provided to the BPC staff **no later than two working days prior to a BPC meeting** to give Commissioners ample time to review and prepare possible questions regarding the information provided.

Activity

Total pilotage assignments:	494			Cancellations:	13				
Total ship moves:	481	Cont'r:	169	Tanker:	142	Genl/Bulk:	86	Other:	84
Assignments delayed due to unavailable rested pilot:	6			Total delay time:	9.75				
Assignments delayed for efficiency reasons:	10			Total delay time:	15.5				
Billable delays by customers:	21			Total delay time:	49				
Order time changes by customers:	105								
2 pilot jobs:	41	Reason:	PSP GUIDELINES FOR RESTRICTED WATERWAYS						
Day of week & date of highest number of assignments:	WED 4/26, THU 4/27						27		
Day of week & date of lowest number of assignments:	SUN 4/9						8		
Total number of pilot repositions:	84	Upgrade trips	22	YTD	71				
3 consecutive night assignments:	24	YTD	93						

Callback Days/Comp Days

	Starting Total	Call Backs (+)	Used (-)	Burned (-)	Ending Total
Licensed	2587	46	59		2574
Unlicensed	36			19	17
Total	2623	46	59	19	2591

On watch assignments	**445**	**Call back assignments**	**49**	**CBJ ratio**	**10.18%**

Pilots Out of Regular Dispatch Rotation (pilot not available for dispatch during "regular" rotation)

A. Training & Continuing Education Programs

1-Apr	2-Apr	Warsash, UK	Solent	Manned Model	SLI(2off)
1-Apr	10-Apr	Lyon, FR	Pt. Revel	Manned Model	HUP(6on*,3off), MYE(6on*,3off)

*On watch	Off watch	** paired to assign.	
12	7		

B. Board, Committee & Key Government Meetings (BPC, PSP, USCG, USACE, Port & similar)

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
1-Apr	7-Apr	Seattle	PSP	Administrative	KLA(7off)
1-Apr	8-Apr	Seattle	PSP	Administrative	GRK(8on*)
9-Apr	11-Apr	Seattle	PSP	President	GRK(3on*)
12-Apr	14-Apr	Vancouver, WA	PSP	West Coast Pilot Conference	GRK(2on*,1off), KLA(3on*)
17-Apr	17-Apr	Seattle	PSP	Quiet Sound	SEA**
17-Apr	18-Apr	Seattle	BPC	Vessel Exemption Committee	ANT*, MCG*
19-Apr	19-Apr	Seattle	BPC	TEC	ANT*, BEN, NIN
19-Apr	19-Apr	Mukilteo	PSP	NW Straits Foundation	MCG*
19-Apr	19-Apr	Seattle	BPC	OTSC	BOU
19-Apr	19-Apr	Seattle	BPC	BPC PREP	ANT*, BEN
20-Apr	20-Apr	Grays Harbor	BPC	BPC	ANT*, BEN*, KLA*
20-Apr	20-Apr	Seattle	PSP	CAMM	MEL**
21-Apr	21-Apr	Seattle	PSP	President	KLA*
25-Apr	25-Apr	Seattle	PSP	BOD	COR*, GRK, HAM, HUP, KLA*, MYE

26-Apr	26-Apr	Seattle	PSP	Quiet Sound	MAN, SEA			
26-Apr	26-Apr	Seattle	PSP	NWSA, T-5, T-18	BOU, LOB*			
26-Apr	26-Apr	Mukilteo	PSP	NW Straits Foundation	MCG**			
27-Apr	27-Apr	Tacoma	USCG	AMSC	MEL*			
27-Apr	27-Apr	Seattle	PSP	COE Systems, Dispatch/Admin	SEA			
					* On Watch	Off Watch	** paired to assign.	
					29	20	3	

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT PAGE 2

Safety/Regulatory

Outreach

Administrative

C. Other (i.e. injury, not-fit-for-duty status, COVID risk

Start Dt	End Dt	REASON	PILOT	
1-Apr	30-Apr	NFFD	BRU	30
6-Apr	30-Apr	NFFD	KEP	25

PSP Efficiency Measures

Combined an inter-port assignments with harbor shift **6** times

Combined meetings or training with revenue assignments **3** times

Combined cancellations with revenue assignments **1** time

Utilized immediate repo rule **6** times. This allowed A pilot to be assigned on the Seattle side quicker than on the PA side.

Reduced call time between 1830-0759 allowed 1 pilots to be assigned, while prior rules would not have allowed for this.

Reduced call times between 1830-0759 reduced the 3&O type jobs **9** times

Month	Jobs	Pilot Delay Hours	CBJ Ratio	Combined Inter-Port and Harbor shift	Three and Out	NFFD or Covid			
JAN	555	45	13%	10	22	62			
FEB	466	40.5	12%	5	24	67			
MAR	534	35.35	12%	14	23	61			
APR	494	25.25	10%	6	24	55			

PMSA

West Coast Trade Report

April 2023

March 2023 – Partial Container Tallies

As a reminder to our readers, we only cite the container volumes reported by the ports we survey, not all of which have posted their latest monthly tallies before our publication date. Unless otherwise indicated, the container numbers appearing in this report represent TEUs.

In its April 7 news release, the National Retail Federation's Global Port Tracker (GPT) projected that container import traffic in March would total 1.68 million loads, which would represent a 28.2% drop from a year earlier. Only the previous month and the months of February and March 2020 saw fewer import loads arrive at U.S. seaports, according to the GPT. A similar report from Descartes Datamyne calculates that 1,853,705 import loads arrived at U.S. ports in March, down 27.5% year-over-year but up 4.2% from March 2019. Interestingly, the latter box counter further claims that USWC ports had gained market share in March.

As for the numbers the ports themselves have so far posted covering the year's third month, inbound container traffic (319,962) tumbled sharply by 35.4% from a year earlier at the **Port of Los Angeles** but was 7.7% above the level of pre-pandemic March 2019. Outbound loads (98,276) were down 12.1% from a year earlier and off by 38.2% from March 2019. Tallying both loads and empties, total container traffic through the port in the first quarter of this year amounted to 1,837,094, down 31.5% from last year's first quarter and 16.8% below the volume handled in the first three months of 2019.

Across the street at the **Port of Long Beach**, inbounds loads (279,148) were down 34.7% from a year earlier but tracked 13.0% higher than March 2019. Outbound loads in March (133,512) were up 16.9% over a year earlier but only represented a slender 1.6% gain over March 2019. Total YTD container traffic (1,721,326) was down 30.0% from last year's first quarter and off by 4.7% from the first three months of 2019.

Collectively, the two San Pedro Bay ports saw inbound loads this March exceed those in pre-pestilent March 2019 by a full 10.1%. Outbound loads from the two ports were up 2.6% from March 2022 but were still 20.2% below March 2019.

Altogether, however, inbound loads through the five major U.S. West Coast (USWC) seaports this March were up by just 0.4% from March of 2019, while outbound loads were down by 25.0%.

The **Port of Oakland** had a historically slow month of March this year. Inbound loads (60,311) were the fewest in any previous March since 2016, while outbound loads (65,635) were the fewest for any March dating back to 2002. YTD, total container traffic through the East Bay port amounted to 503,332, down 17.8% from the first quarter of pre-pandemic 2019.

The **Northwest Seaport Alliance Ports of Tacoma and Seattle** experienced their slowest March in their joint history. Both import loads (79,264) and outbound loads (51,759) were the fewest the NWSA handled in any previous March. Inbound loads this March were down 37.2% from a year earlier and were off by 32.3% from March 2019. Outbound loads were down 5.4% year-over-year but were also 40.4% shy of the March 2019 volume. Total first quarter traffic (679,820) was also the lowest first quarter figure in the NWSA's history.

Across the border in British Columbia, the **Port of Vancouver** experienced a sluggish March. Inbound loads (115,375) were down 29.9% from a year earlier and off 11.6% from March 2019. Outbound loads (64,851) edged up 2.0% year-over-year and were down 37.3% from March 2019. Total container traffic in this year's first quarter amounted to 707,767, down 15.3% from a year earlier and down 16.0% from the first three months of 2019.

Up in the far north of British Columbia, the **Port of Prince Rupert** handled a total of 187,543 loads and empties during the year's first quarter, its lowest first-quarter since 2017. Inbound loads in March (30,556) were down 35.0% from a

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475 14th Street, Suite 300, Oakland, CA 94612
510-987-5000 info@pmsaship.com

March Tallies Continued

year earlier and 29.1% below the number of inbound loads the port handled in March 2019. Outbound loads (14,848), while up by 16.3% year-over-year, were down 16.7% from March 2019.

Along the East Coast, the **Port of Virginia** recorded 105,315 inbound loads in March, 29.3% fewer than in the preceding March but down only 1.6% from March 2019. Outbound loads in March (100,473) were up 4.9% from a year earlier and up 12.5% over March 2019. Total container traffic YTD (794,162) was down 9.0% from last year but up 12.1% over the first quarter of 2019.

Further down the Atlantic Coast, the **Port of Charleston** handled 91,694 inbound loads in March, down 30.6% from a year earlier and down slightly (-1.3%) from March 2019. Outbound loads (59,771) slipped by 13.4% year-over-year, representing a 23.1% drop from March 2019. First quarter total container traffic at the South Carolina gateway (609,741) was down 15.5% from the same period last year but up 2.0% from the first quarter of 2019.

Inbound loads (170,295) in March at the **Port of Savannah** were down 19.4% from a year earlier but also down 8.6% from March 2019. Outbound loads (118,101), while up 8.0% year-over-year, were down 23.8% from March 2019.Total YTD container traffic at the Georgia gateway (1,184,387) was down 14.3% from last year's first quarter but up 2.8% over the first three months of 2019.

"The lack of suitable port infrastructure is a critical, unaddressed barrier to launching a floating offshore wind industry that is California based, especially for deployment off the central coast of California."

The top three sites to develop a staging and integration site for the development of offshore wind include the following cost estimates:

Port San Luis - $2.4 billion
China Harbor - $2.2 billion
Gato Canyon - $2.5 billion

The build out of a staging and integration site at these three sites is estimated to take "…at least 10-15 years…"

Source: California State Lands Commission; Alternative Port Assessment To Support Offshore Wind; Final Assessment Report

For the Record: Complete February 2023 TEU Numbers

Exhibits 1-3 provide the details on inbound and outbound loads as well as total container traffic (loads plus empties) through the North American ports this newsletter surveys.

Perhaps the most interesting numbers are those that attest to the provisional status of the **Port of New York/New Jersey** (PNYNJ) as America's busiest container port. Through the first two months of the year, PNYNJ moved 2,747 more containers than the **Port of Los Angeles** and 99,159 more than the **Port of Long Beach**, the nation's third busiest container port. The two big Southern California ports jointly handled 1,114,701 more containers than did their chief East Coast rival. From the perspective of the San Pedro Bay maritime gateways, the most worrisome bit of data is that, compared with the pre-pandemic February of 2019, total container traffic through PNYNJ edged up by 0.7%, while the combined volume through LA and Long Beach plunged by 17.1%.

Even more worrisome is that the volume of container traffic through the Southern California ports had already been waning before 2019. When compared to February 2018, inbound traffic this February was down by 30.5% or 220,960 loads. Similarly, outbound loads this February were down 33.0% from the same month five years earlier, a fall-

Exhibit 1 February 2023 - Inbound Loaded TEUs at Selected Ports

	Feb 2023	Feb 2022	Feb 2021	Feb 2020	Feb 2019	2023/2019 % Change
Los Angeles	249,407	424,073	412,884	270,025	348,316	-28.4%
Long Beach	254,970	390,335	373,746	248,592	302,865	-15.8%
San Pedro Bay Totals	**504,377**	**814,408**	**786,630**	**518,617**	**651,181**	-22.5%
Oakland	58,073	85,286	80,199	63,568	69,977	-17.0%
NWSA	83,104	125,851	103,648	91,660	99,669	-16.6%
Hueneme	11,214	11,921	7,005	5,085	4,696	**138.8%**
San Diego	6,056	6,496	6,274	5,988	6,036	**0.3%**
USWC Totals	**662,824**	**1,043,962**	**983,756**	**684,918**	**831,559**	-20.3%
Boston	7,475	4,400	5,281	11,622	12,057	-38.0%
NYNJ	288,314	385,539	334,176	300,445	295,523	-2.4%
Maryland	39,893	41,573	38,565	36,870	42,287	-5.7%
Virginia	108,808	143,476	110,274	97,559	105,357	**3.3%**
S. Carolina	93,780	119,582	81,899	88,178	77,667	**20.7%**
Georgia	184,189	220,398	189,677	170,007	149,685	**23.1%**
Jaxport	21,005	21,803	22,430	26,128	25,702	-18.3%
Miami	36,196	43,939	41,512	37,556	38,690	-6.4%
USEC Totals	**779,660**	**980,710**	**823,814**	**768,365**	**746,968**	**4.4%**
New Orleans	9,452	6,692	10,396	9,395	7,393	**27.9%**
Houston	141,946	125,965	92,434	89,923	86,953	**63.2%**
USGC Totals	**151,398**	**132,657**	**102,830**	**99,318**	**94,346**	**60.5%**
Vancouver	123,981	135,035	146,659	114,201	129,494	-4.3%
Prince Rupert	23,244	39,551	37,928	55,753	34,758	-33.1%
British Columbia Totals	**147,225**	**174,586**	**184,587**	**169,954**	**164,252**	-10.4%

Source Individual Ports

February 2023 TEU Numbers Continued

off of 95,184 outbound loads. Adding loads and empties, the total container flow through San Pedro Bay fell off by 522,101 between February 2018 and February 2023, a decline of 18.3%.

Looking just at the Port of Los Angeles, inbound loads (249,407) in February were the fewest in any previous February since 2009, when the nation was emerging from the Great Recession. Outbound loads (82,404) were meanwhile the fewest in any February since 2001. As an example of how much the dynamics of exporting through America's Port™ has changed over the past decade, the port actually moved almost exactly twice as many outbound loads (164,725) in February 2012 than it shipped this February. YTD, total container traffic (loads plus empties) amounted to 1,213,860, down 22.1% from February 2019.

February at the Port of Long Beach was only slightly less discouraging. Inbound loads (254,970) were not only down 34.7% from a year earlier, they were also 15.8% below the number of inbound loads the port had handled in pre-pandemic February 2019. Outbound loads (110,919) were down 5.9% year-over-year, but up 5.3% from the same month four years earlier before COVID emerged to crash maritime trade flows. Total container traffic so far this year

Exhibit 2 **February 2023 - Outbound Loaded TEUs at Selected Ports**

	Feb 2023	Feb 2022	Feb 2021	Feb 2020	Feb 2019	2023/2019 % Change
Los Angeles	82,404	95,441	101,208	134,469	142,555	-42.2%
Long Beach	110,919	117,935	119,416	125,559	105,287	5.3%
San Pedro Bay Totals	**193,323**	**213,376**	**220,624**	**260,028**	**247,842**	-22.0%
Oakland	55,741	62,334	69,525	78,280	67,837	-17.8%
NWSA	45,716	45,855	60,525	68,553	65,610	-30.3%
Hueneme	1,720	3,348	1,751	1,271	1,174	46.5%
San Diego	740	1,050	400	268	164	351.2%
USWC Totals	**297,240**	**325,963**	**352,825**	**408,400**	**382,627**	-22.3%
Boston	4,386	2,991	4,174	5,767	5,858	-25.1%
NYNJ	98,692	103,782	94,698	113,801	113,358	-12.9%
Maryland	20,126	23,697	19,564	20,049	18,556	8.5%
Virginia	96,399	88,582	87,466	80,834	76,642	25.8%
S. Carolina	61,448	54,755	67,411	74,235	62,086	-1.0%
Georgia	110,772	103,690	111,045	125,953	105,260	5.2%
Jaxport	40,896	41,846	43,408	38,451	38,837	5.3%
Miami	22,362	25,811	26,020	34,043	38,947	-42.6%
USEC Totals	**455,081**	**445,154**	**453,786**	**493,133**	**459,544**	-1.0%
New Orleans	18,999	16,297	23,160	24,417	18,718	1.5%
Houston	116,265	82,079	79,840	110,854	86,460	34.5%
USGC Totals	**135,264**	**98,376**	**103,000**	**135,271**	**105,178**	28.6%
Vancouver	66,575	53,058	74,109	84,918	92,869	-28.3%
Prince Rupert	8,406	12,563	12,130	19,380	11,677	-28.0%
British Columbia Totals	**74,981**	**65,621**	**86,239**	**104,298**	**104,546**	-28.3%

Source Individual Ports

February 2023 TEU Numbers Continued

(1,117,448) was down 10.9% from February 2019.

Setting aside February 2015, when labor strife hampered container traffic up and down the West Coast, this February was the slowest February in over a decade at the **Port of Oakland**. The 58,073 inbound loads that passed through the port this February were the fewest since February 2012, while the port's 55,741 outbound loads were the fewest of any February since 2002. Total container traffic YTD (333,065) was the lowest volume in the first two months of any year since 2010.

In the Pacific Northwest, the **Northwest Seaport Alliance Ports of Tacoma and Seattle** handled 83,104 inbound loads in February, down 34.0% from a year earlier and down 16.6% from the pre-pandemic February of 2019. Outbound loads (45,716) were off by just 0.3% year-over-year but were still down 30.3% from February 2019. Total traffic through the two ports (438,842) was down 23.1% y/y and down 16.4% from February 2019.

Across the border in British Columbia, February at the **Port of Vancouver** was rather less languid. Inbound loads (123,981) fell by 8.2% year-over-year, while also 4.3% shy of the number of inbound loads the port handled in February 2019. Outbound loads (66,575) jumped 25.5% from a year

Exhibit 3 **February 2023 - YTD Total TEUs**

	Feb 2023	Feb 2022	Feb 2021	Feb 2020	Feb 2019	2023/2019 % Change
NYNJ	1,216,607	1,524,298	1,346,404	1,196,148	1,207,747	**0.7%**
Los Angeles	1,213,860	1,723,359	1,634,831	1,350,181	1,557,757	**-22.1%**
Long Beach	1,117,448	1,597,503	1,535,741	1,165,257	1,253,902	**-10.9%**
Georgia	816,507	937,126	850,412	742,076	742,121	**10.0%**
Houston	633,442	594,826	453,802	524,247	413,446	**53.2%**
Virginia	545,346	558,221	519,495	435,050	468,262	**16.5%**
Vancouver	480,915	505,148	600,705	497,159	573,358	**-16.1%**
NWSA	438,842	570,327	557,403	524,748	595,461	**-26.3%**
South Carolina	416,657	456,935	398,534	408,234	383,820	**8.6%**
Oakland	333,065	387,593	389,587	391,476	398,178	**-16.4%**
Montreal	238,420	264,687	263,328	263,251	258,773	**-7.9%**
JaxPort	195,375	199,159	224,480	209,258	220,934	**-11.6%**
Maryland	184,607	158,678	166,626	169,402	170,176	**8.5%**
Miami	181,878	196,791	206,189	189,528	187,852	**-3.2%**
Port Everglades	n/a	181,025	170,852	176,285	171,992	**n/a**
Prince Rupert	124,142	155,202	171,120	181,827	161,848	**-23.3%**
Philadelphia	122,468	118,467	103,267	108,100	94,347	**29.8%**
Mobile	n/a	94,109	75,473	69,785	59,249	**n/a**
New Orleans	75,883	67,190	85,356	103,531	89,593	**-15.3%**
Hueneme	45,923	45,005	35,100	32,412	21,542	**113.2%**
Boston	35,904	36,404	34,607	48,801	47,833	**-24.9%**
Portland, Oregon	24,288	21,392	11,739	5,072	20	**∞**

Source Individual Ports

February 2023 TEU Numbers Continued

earlier but were still 28.3% below the volume reported in February 2019. Total container traffic (480,915) was off by 4.8% from a year earlier and down 16.1% from the total volume recorded in February 2019.

The **Port of Prince Rupert** reported 23,244 inbound loads in February, the fewest it has handled in any February since 2014. Outbound loads (8,406) were the least the port has handled in any month on record except for November 2021, when a series of storms battered the port. The northern British Columbia gateway saw its meagerest volume of container traffic (124,142) in the first two months of any year since 2017.

Back along the Atlantic Seaboard, the **Port of New York/ New Jersey** topped all other U.S. ports in February in terms of inbound loads and total traffic through this year's first two months. Its 288,314 inbound loads beat out the Port of Long Beach (254,970) and the Port of Los Angeles (249,407). Its outbound trade (98,692 loads) put it in fourth place nationally, behind the Port of Houston (116,265), Long Beach (110,919), and Savannah (110,772). PNYNJ was also the nation's busiest container port through the first two months of this year, with 1,213,860 total of loads and empties, just edging out the Port of LA's 1,213,860.

At the **Port of Virginia**, inbound loads in February (108,808) plunged 24.2% from a year earlier but were still up 3.3% over February 2019. Outbound loads (96,399) rose 8.8% over the previous year and were 25.8% higher than the outbound volume the port handled in February 2019. Through the first two months of this year, the port processed 16.5% more loads and empties than it had four years ago.

Down the Atlantic coast, the **Port of Charleston** handled 93,780 inbound loads in February, a year-over-year fall-off of 21.6%. Still, that was 20.7% higher than the number of inbound loads seen in February 2019. Outbound loads, meanwhile, rose by 12.2% to 61,448 year-over-year but were down 1.0% from the last pre-pandemic February. Total container moves through the South Carolina gateway so far this year (416,657) represented an 8.8% drop from a year earlier but an 8.6% gain over February 2019.

The **Port of Savannah** handled 184,189 inbound loads in February, a y/y fall-off of 16.4%. But that still represented a 23.1% gain over the 149,685 inbound loads the Georgia port had handled back in February 2019. Outbound loads (110,772) were up 6.8% from a year earlier and 5.2% ahead of the February 2019 tally. Total container traffic YTD (816,507) was down 12.9% from the preceding year but up 10.0% from the first two months of pre-pandemic 2019.

Along the Gulf Coast, the **Port of Houston** again bucked the trend of year-over-year declines by posting a 12.7% increase in inbound loads (to 141,946) over the preceding February. That also constituted a robust 63.2% jump over the number of inbound loads the Texas port had handled in the pre-pandemic February of 2019. Outbound loads in February (116,265) were up 41.7% from a year earlier and up 34.5% over February 2019. Total TEU traffic in the first two months of the year amounted to 633,442, a 6.5% gain year-over-year and a 53.2% increase over the same period in 2019.

In its April 7 press release, the National Retail Federation reported that February 2023 import loads totaled 1.55 million TEUs at the thirteen U.S. ports monitored by the Global Port Tracker. That was down 14.4% from January and down 26.8% year-over-year. It was also the lowest import volume since the COVID-19 pandemic crashed global trade in February and March 2020.

Weights and Values

Here we offer an alternative to the customary TEU metric for gauging containerized trade. The percentages in **Exhibits 4 and 5** represent U.S. West Coast shares of the box trade through mainland U.S. ports. They are derived from data compiled by the U.S. Commerce Department from documentation submitted by the importers/exporters of record. Both exhibits provide ongoing evidence of the diminishing role West Coast ports have generally been playing in handling the nation's containerized trade, especially with respect to shipments arriving from East Asia.

Prior to the onset of the COVID-19 pandemic in early 2020, the USWC share of the volume of all containerized import tonnage arriving at mainland U.S. ports was normally significantly higher than this February's 31.3% share. In February 2019, for example, America's Pacific Coast ports accounted for 38.7% of containerized import tonnage. But a year before that, the USWC share was even higher at 40.3%. Over the past twelve months, the decline has been

February 2023 TEU Numbers Continued

Exhibit 4 Major USWC Ports Shares of U.S. Mainland Ports Worldwide Container Trade, February 2023

	Feb 2023	Jan 2023	Feb 2022
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	**31.3%**	**31.8%**	**37.1%**
LA/LB	21.7%	23.3%	26.6%
Oakland	3.5%	3.1%	3.5%
NWSA	3.8%	3.5%	5.0%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	**37.3%**	**38.0%**	**42.7%**
LA/LB	28.1%	30.0%	32.9%
Oakland	2.8%	2.6%	3.1%
NWSA	5.1%	4.3%	5.4%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	**31.5%**	**30.8%**	**34.3%**
LA/LB	19.2%	18.3%	19.9%
Oakland	5.5%	5.3%	6.8%
NWSA	5.9%	5.4%	5.8%
Shares of U.S. Mainland Conatainerized Export Value			
USWC	**25.8%**	**26.7%**	**28.1%**
LA/LB	16.2%	17.2%	16.9%
Oakland	5.6%	5.4%	6.9%
NWSA	3.2%	3.2%	3.2%

Source: U.S. Commerce Department.

Exhibit 5 Major USWC Ports Shares of U.S. Mainland Ports Containerized Trade with East Asia, February 2023

	Feb 2023	Jan 2023	Feb 2022
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	**49.8%**	**50.1%**	**55.5%**
LA/LB	36.8%	39.6%	41.7%
Oakland	4.6%	3.8%	4.6%
NWSA	6.4%	5.6%	7.9%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	**57.4%**	**57.1%**	**60.1%**
LA/LB	44.3%	46.4%	47.0%
Oakland	3.6%	3.1%	3.9%
NWSA	8.1%	6.6%	7.8%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	**51.8%**	**49.1%**	**57.6%**
LA/LB	32.6%	29.8%	35.9%
Oakland	7.8%	7.5%	10.0%
NWSA	10.2%	8.8%	10.7%
Shares of U.S. Mainland Conatainerized Export Value			
USWC	**53.8%**	**54.1%**	**56.4%**
LA/LB	34.0%	35.4%	35.9%
Oakland	10.7%	9.6%	12.0%
NWSA	7.6%	7.1%	7.8%

Source: U.S. Commerce Department.

February 2023 TEU Numbers Continued

Exhibit 6

Five Years of Inbound Loads at LA, Long Beach, and PNYNJ

Source: Individual Ports

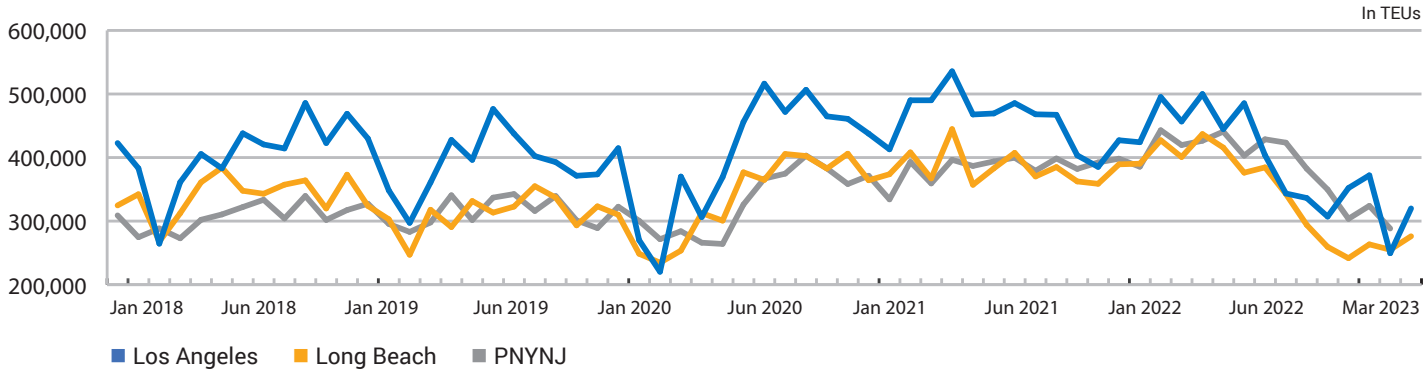
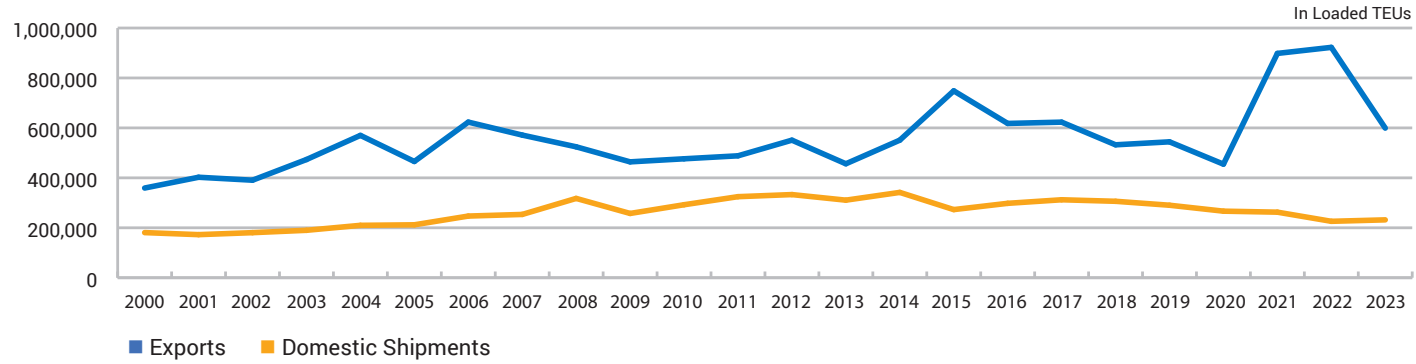


Exhibit 7

A Century of March Container Trade at San Pedro Bay

Source: Ports of Los Angeles and Long Beach



especially abrupt, most notably at the San Pedro Bay ports, whose combined share of the import trade fell to 21.7% this February from 26.6% a year earlier.

In pre-pandemic February 2019, the USWC share of containerized import tonnage from East Asia stood at 56.9%, with the two San Pedro Bay ports accounting for a 43.5% share. Oakland (4.2%) and the NWSA (8.2%) also handled a larger portion of the trade than they did this February. Looking back a bit further, February 2018 saw the USWC ports handle 59.1% of the import trade from East Asia, while Los Angeles and Long Beach combined for a 46.6% slice of the trade. Despite the massive number of import containers USWC ports have handled during the pandemic, market share has clearly eroded.

The Top Three U.S. Container Ports

As **Exhibit 6** reveals, the number of inbound loads through the nation's three busiest container ports has been trending lower since last spring. To be sure, the very latest numbers do indicate an uptick but not one expected to be replicated over the next couple of months. What's interesting is how the three ports have been jockeying for top position.

February 2023 TEU Numbers Continued

The Month of March at San Pedro Bay

Exhibit 7 depicts loaded container traffic through the two San Pedro Bay ports in every March since the turn of the century. Inbound volumes have clearly risen. This March's total of inbound loads (599,110) represented a 66.8% bump over the 359,171 inbound loads the two ports handled in March 2000. But it's been a very uneven journey. March inbound loads peaked last year at 922,476. And even though this March saw a sharp drop from a year earlier, outbound loads this March represented a 10.1% gain over March 2019.

Combined outbound loads this March (231,788) did tick up 2.6% from last March but otherwise were the fewest in any other March since 2005. Since the onset of the pandemic, Long Beach has consistently out-exported its neighbor in terms of loaded containers, while Los Angeles has had the edge in shipping empty containers.

The peak March for outbound loads was in 2014, when the Ports of LA and Long Beach combined to send 341,709 loads overseas. Until this March, each March since 2017 saw fewer outbound loads leave San Pedro Bay than in the preceding March.

Mixed News on Nut Exports

The Almond Board of California reports that exports in the month of March were up 24.0% from a year earlier. This came after February's exports rose 29.7% year-over-year. For the current crop year (which began last August 1), almond exports have been up 12.4%. By contrast, domestic shipments have been down 5.8%. In the eight months of the current crop year, exports accounted for 69.3% of all shipments. Exports to South/Central Asia, Australia-New Zealand, and East Asia accounted for 29.5% of all exports, while an even larger 32.4% share of exports went to Europe.

California's #2 agricultural export, pistachios, is also enjoying robust export sales, with overseas shipments in March up 60.9% from a year earlier, according to the committee that administers the federal marketing order for pistachios. But the California Walnut Board reports that walnut exports were down 10.9% from March 2022, owing largely to a fall-off in shipments to Europe.

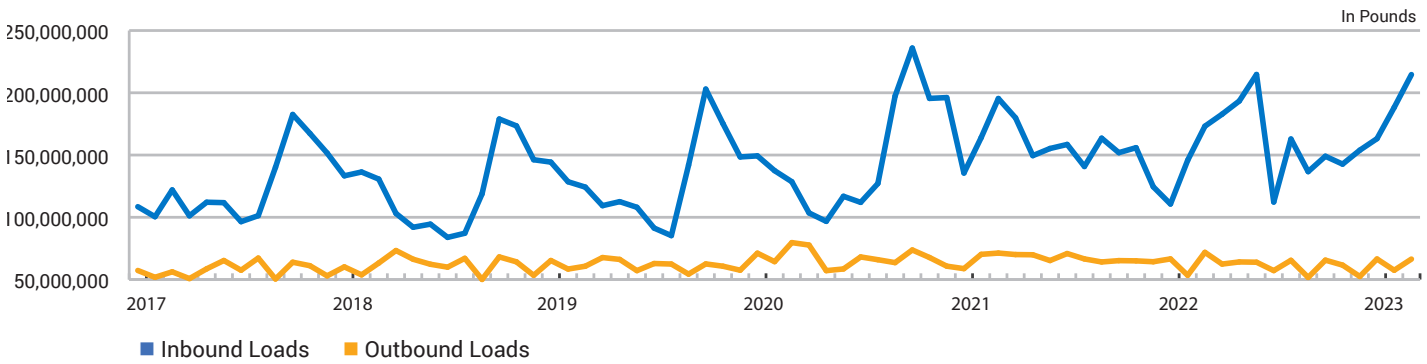
We will be sure to keep a close eye on exports of agricultural produce as flood waters recede and normal farming operations resume this spring and summer.

Speaking of Almonds

The Almond Board of California has been especially vocal in complaining of allegedly unfair or discriminatory shipping practices that have penalized agricultural exporters since the outbreak of the COVID pandemic. One issue we have in interpreting these charges is that the almond trade is historically spasmodic, with dramatic peaks and troughs throughout the typical year, as **Exhibit**

Exhibit 8 **Almond Exports vs. Domestic Shipments**

Source: Almond Board of California



February 2023 TEU Numbers Continued

8 shows. While we will stipulate that agricultural exports may have been impeded by the urgent need to return empty containers to meet the imperatives of America's thirst for imported goods from East Asia, we can't help but wonder what logistical impediments have long plagued the industry's ability to expand its domestic shipments.

Back in 1986, Blue Diamond Almonds, the huge Sacramento-based grower cooperative, launched a television ad featuring actual almond growers imploring Americans to buy "A Can a Week, That's All We Ask". Perhaps it worked for a while. Since 2017, however, the almond industry's peak month for domestic shipments came back in March 2020. Domestic shipments in March of this year were below the volumes reported in the same month in 2022, 2021, and 2020. Exports, however, have never seen a better March.

Well, It Was a "Low-Ice" Year

Around this time each year, while residents living along the western shore of Lake Superior in Minnesota anticipate the first sightings of songbirds from the south, they actually hold a major festival to commemorate the arrival of the first "saltie" or oceangoing vessel of the shipping season at the **Port of Duluth-Superior**. There's even a contest in which entrants predict the specific day and precise time the first incoming saltie passes beneath Duluth's Aerial Lift Bridge and enters its harbor. The prize package is said to include luxurious accommodations, delicious meals, and tickets to area attractions.

According to the *Duluth News Tribune*, the earliest an oceangoing vessel ever arrived at the port was on March 30. That was in 2013, a year before the record was set for the latest arrival (May 7). This year, the St. Lawrence Seaway, which connects the Great Lakes to the Atlantic Ocean, reopened on March 22. The Soo Locks, which connect Lake Superior to Lake Huron and the rest of the Great Lakes, opened three days later.

This year's winner established a new record. The 656-foot *Federal Dart* arrived on March 28 at 3:30pm, carrying 23,000 short tons of Turkish cement. The ship had sailed from Akcansa, Turkey on March 3 and, after a brief port call at Algeciras in Spain, crossed the Atlantic and entered the St. Lawrence River.

Its record-setting early arrival at Duluth was facilitated, according to the National Oceanic and Atmospheric Administration, by the fact this has been a "low-ice" year, with just 4.9% of the Great Lakes covered with ice in contrast to 25% a year ago. More intriguing for climatologists is that Lake Superior's average ice cover had declined from nearly 80% in 1973 to just over 40% in 2020, according to the U.S. National Ice Center and the Canadian Ice Service. Presumably, neither agency has had much of a popular following in Southern California…until maybe the past few snowy months.

Jock O'Connell's Commentary:

Containerized Exports: Nothing to See Here?

The maritime industry's more celebrated box counters can't, it seems, be bothered to pay much heed to exports. The containerized trade statistics most commonly cited in the nation's media are arguably those contained in the monthly Global Port Tracker published by the National Retail Federation (NRF) in collaboration with Hackett Associates. Admittedly, it's not the fault of the NRF that these reports only cover imports. The NRF, after all, has no compelling reason to commission the routine collection of data on America's maritime export trade. Still, the Global Port Tracker numbers are dutifully reported by the media, notably by the venerable *Journal of Commerce* and the even more venerable *Wall Street Journal*. By contrast, were it not for the occasional airing of grievances by organizations like the Agricultural Transportation Coalition, the general public and their elected representatives might not have heard much about America's containerized export trade. The more uncharitable among them might even come to believe that outbound loads are little more than ballast about which the less said the better.

Yet, that's not an entirely unfair conclusion. Apart from agricultural produce, the mainstay of America's containerized export trade has long been our detritus or, more benignly, recyclables in the form of scrap paper, metal, plastics, and used clothing. Not exactly the kinds of things a wealthy, technologically sophisticated country likes to brag about. It's also the case that the numbers of loaded export containers are not only overshadowed by the volume of import loads, they have also been dwarfed in recent years by the numbers of outbound empties sailing from U.S. ports. As **Exhibit A** amply testifies, empties have dominated outbound container traffic for several years now at America's largest maritime gateway, the Ports of Los Angeles and Long Beach.

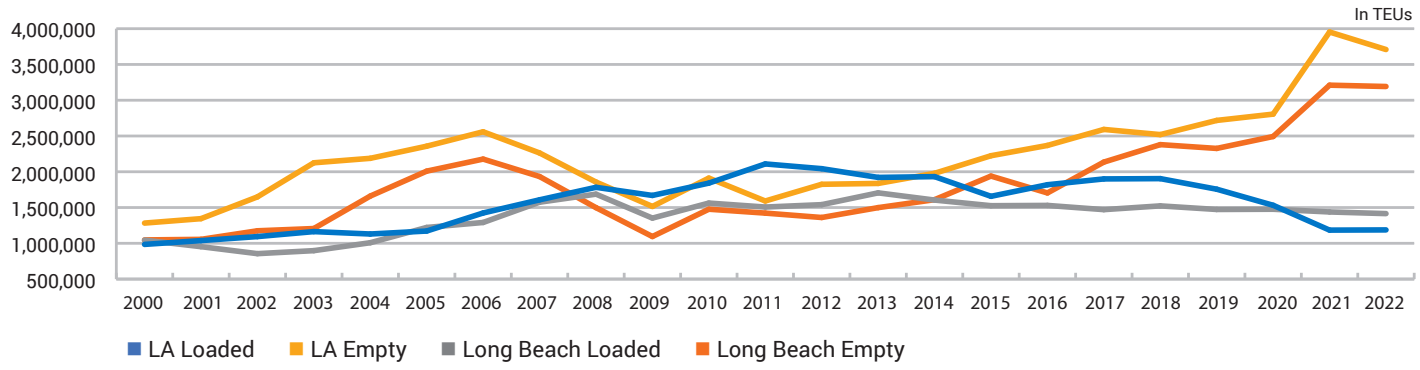
A History of Diminishing Container Exports

But it's not just at the two Southern California ports where the nation's containerized export trade has lately been waning. The number of outbound loaded TEUs from the five major U.S. West Coast ports peaked a decade ago. The Port of Los Angeles topped out at 2,109,394 outbound loads in 2011, while the Ports of Long Beach and Oakland both crested in 2013 at 1,704,924 and 1,014,786, respectively. The Northwest Seaport Alliance Ports of Tacoma and Seattle began reporting their joint numbers in 2013 and saw their outbound loads peak in 2016 at 984,481 TEUs. Compared with their highest years for outbound loads, traffic last year at LA was down 43.7%, 17.0% at Long Beach, and 25.0% at Oakland. See **Exhibit B**.

Exhibit A

San Pedro Bay: Outbound Loads vs. Outbound Empties

Sources: Ports of Los Angeles and Long Beach



Commentary Continued

Exhibit B

Outbound Loads from Major U.S. West Coast Ports

Sources: Individual Ports

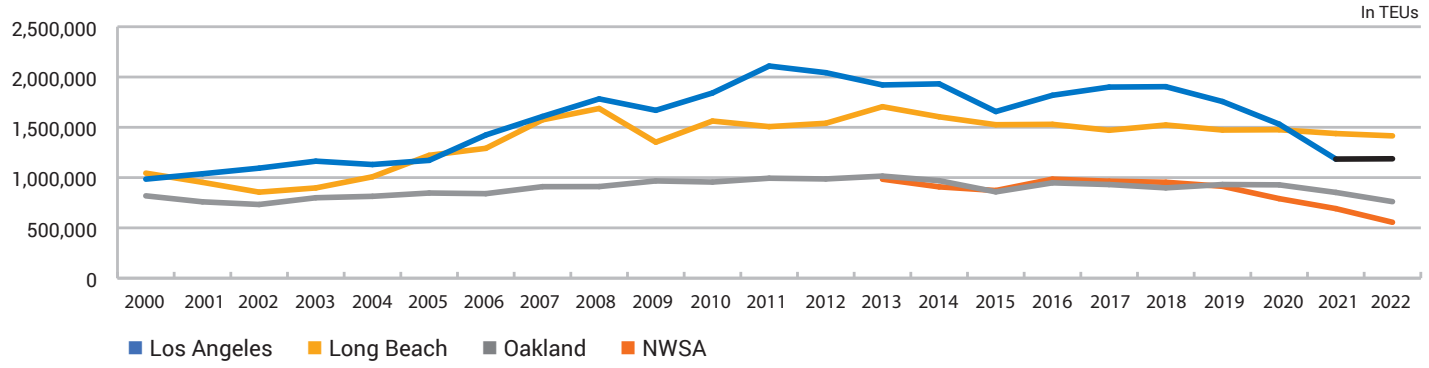
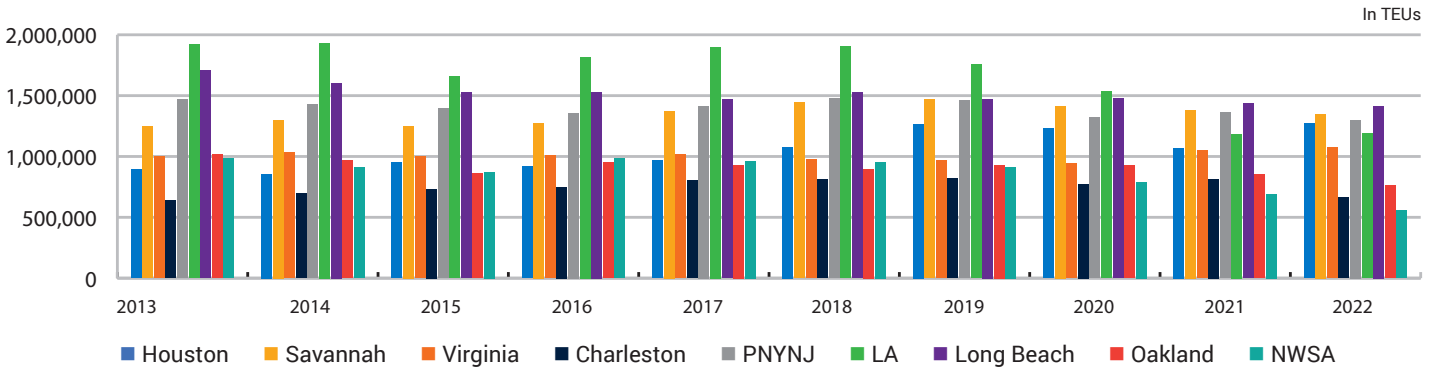


Exhibit C

Outbound Loads from Major U.S. Ports

Source: Individual Ports' Webpages



Lest anyone think the decline in containerized exporting is merely a Left Coast phenomenon, consider **Exhibit C**, which charts the volume of outbound loads at the nation's ten largest container ports over the past decade. Among all of these ports, outbound loads dropped by 13.4% between their peak in 2018 and last year.

Over on the East Coast, outbound loads at the Port of New York/New Jersey peaked, as far as the available data indicate, in 2011 at 1,621,264 TEUs. (Data on the Port Authority's website distinguishing loaded from empty containers began that year.) Last year's trade in outbound loads (1,299,070) was down 19.9% from the presumed peak.

The peak years for outbound loads at other major U.S. ports have been much more recent. Indeed, both the Ports of Houston and Virginia had their best years last year, while the Ports of Savannah and Charleston peaked in 2019. Presumably, the steadily larger shares of the nation's containerized import trade that have been driven to Atlantic and Gulf Coast ports in recent years helped regional exporters by providing more empty containers to fill, more slots on departing vessels, and shipping rates that were more attractive than when the ports were much less busy.

Generally, one of the standard explanations for the overall decline in outbound loads is that our trading partners

Commentary Continued

have gradually grown less indulgent about the quality of our exports of waste and scrap. China, for example, erected barriers in 2013 ("Green Fence Policy"), in 2017 ("National Sword Policy"), and in 2018 ("Blue Sky Policy") that denied U.S. exporters the ability to, for example, ship containers filled with old pizza boxes, many still featuring bits of mozzarella and pepperoni. Accordingly, China's share of U.S. containerized exports of waste and scrap paper (HS 4707) collapsed from 74.4% in 2016 to 2.8% last year. Worldwide, our containerized waste and scrap paper export trade has fallen 28.0% in tonnage terms since peaking in 2018. Similar restrictions were imposed on plastics and ferrous waste. Further, as their own economies have developed, China and a host of emerging economies like Thailand, Indonesia, Vietnam, Malaysia, and India have become more self-sustaining in fulfilling their own demand for recyclable materials. The cumulative impact of a more finicky world is likely to drag down a major segment of our containerized export trade. According to the latest "State of Disposal and Recycling in California" report from CalRecycle, the relevant state agency: "recyclable materials accounted for 23 percent of the 58 million tons of all material exported from California" in 2020.

One thing not mentioned in the CalRecycle report, or indeed in the relatively few media references to the nation's containerized export trade, is the cost of shipping. This may be one of those cases where warnings to update your software go ignored. Waterfront lore has long maintained that containerized export loads are little more than the dependent stepchildren of the containerized import trade. More specifically, it's the rates paid by those shipping enormous volumes of import loads that largely finance transoceanic sailings. Outbound loads are thus valued more as necessary ballast than as a significant revenue source.

Yet, the upside of being commercially disparaged has usually been much cheaper cargo rates. This, in turn, eventually leads to questions about the sustainability of shipping low-margin goods abroad if outbound shipping rates were to start rising. Were it not for importers effectively subsidizing the backhaul trade by paying most of the cost of roundtrip sailings, heaven knows how many American businesses would find exporting to overseas markets to be just plain unprofitable.

The effective subsidization of export shipping rates is not a hidden benefit, but it mostly goes unacknowledged by exporters. It almost never comes up when elected officials are persuaded to lament about the alleged misdeeds of ocean carriers and marine terminals. If anything, the word "entitlement" springs to mind.

The shipping rates covering the vast majority of containerized imports are defined by contracts negotiated between shippers and shipping lines. As these specifics of these contracts are considered proprietary information and are not generally disclosed, the more easily available spot rates are often used as surrogate, albeit heavily caveated, cost indicators. The U.S. Department of Agriculture's Agricultural Marketing Service compiles

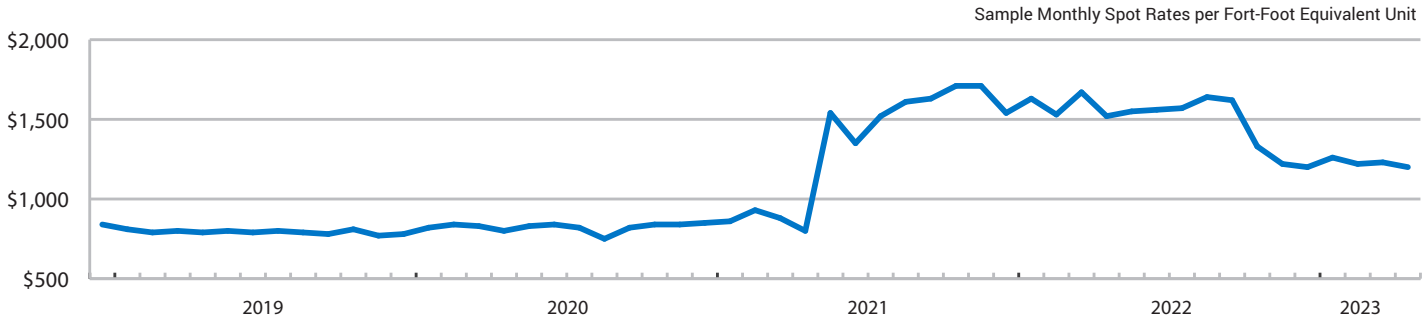
Apart from agricultural produce, the mainstay of America's containerized export trade has long been our detritus or, more benignly, recyclables in the form of scrap paper, metal, plastics, and used clothing.

Commentary Continued

Exhibit D

A Brief History of FEU Spot Rates Los Angeles to Shanghai

Source: U.S. Department of Agriculture Agricultural Marketing Service, Drewry Supply Chain Advisors



monthly spot rates for containers shipped from Los Angeles/Long Beach to Shanghai. Prior to the disruptions caused by the COVID-19 pandemic, these rates were generally well under $1,000 per forty-foot container (FEU). But as **Exhibit D** reveals, the cost of sending a container from San Pedro Bay to Shanghai nearly doubled between March and April 2020 and remained elevated until subsiding in last year's fourth quarter. (The latest numbers from USDA are for this March, when the reported rate for shipping an FEU to Shanghai was $1,200.)

Normally, backhaul rates have compared very favorably with the head haul rates for container shipments between Shanghai and Southern California's ports. However, as the pandemic spurred a surge in Asian imports flooding U.S. ports, eastbound transpacific spot rates exploded. According to Freightos, a popular platform for booking cargo shipment, FEU spot rates on the China to West Coast passage soared from under $5,000 in late 2021 to slightly over $20,000 last September. Those spot rates have since collapsed.

Drewry Supply Chain Advisors' most recent report (April 20) lists a $1,856 per FEU rate on the Shanghai to Los Angeles route, down 79% year-over-year. By comparison, Drewry pegs the comparable spot rate for shipping an FEU from LA to Shanghai at $1,009, a difference of $847.

With outbound rates still lingering above pre-pestilent levels, it's certainly conceivable that some portion of the recent fall-off in outbound loads can be linked to the spike in shipping rates. What could be profitably exported at $800 per FEU became unprofitable at $1,600…and may even remain unprofitable at $1,200.

When the mix of cargoes shipped in containers from West Coast ports comes principally from farmyards and junkyards, it's difficult to see how rhetorical gestures like calls for a national export strategy would yield a significant boost in the volume of containerized exports from America's Pacific Coast gateways, even if shipping rates were to recede.

Disclaimer: The views expressed in Jock's commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.

"An Inflection Point"

By John McLaurin, President, Pacific Merchant Shipping Association

I can't recall what prompted me to pose this question, but several years ago I asked a colleague in our Long Beach office whether California would have ports in the future. Without hesitation, he responded: "Yes. We shall call them marinas."

Humor aside, while the situation isn't that dire, we clearly face a number of challenges.

Two weeks ago during a monthly webinar that he holds which is normally viewed by 500-600 people, a senior maritime industry professional stated that West Coast ports were at an "inflection point", meaning that cargo that has been diverted from the West Coast may not come back. Among other issues, he cited labor uncertainty, regulatory uncertainty and rising costs, and the perception that Californians and their political leaders do not welcome trade or appreciate the benefits of the supply chains that serve the state. He sarcastically noted that while people don't like warehouses, they all like same-day delivery.

California ports and the commerce they facilitate are a critical part of California's economic success. They also represent innovation and leadership with regard to environmental achievements on a global scale. In order to maintain California's presence in the world marketplace, it is imperative that we protect and invest in these international gateways.

According to the California Association of Port Authorities (CAPA), the businesses operating at the ports of Long Beach and Los Angeles generate over 800,000 jobs in the state and over 2.7 million jobs throughout the nation. The Port of Oakland supports over 84,000 jobs in the Bay Area, and its close proximity to California's Central Valley agricultural sector provides a strong, balanced international gateway.

During the last three years of COVID, California ports and the supply chain endured the most intense business period in the state's history. Shortly after the start of the pandemic, the goods movement industry was forced to adapt to an unprecedented surge in cargo volumes due to massive consumer demand for goods, adjusted to shortages in equipment and space, congested terminals and rail yards. The shocks to global supply chains and resulting congestion occurred on a massive and international level, whether in Oakland, Chicago, Singapore or Rotterdam.

I think everyone can be proud of the efforts of the state's maritime industry along with everyone else in the logistics sector as the results defied the challenges. By the end of the pandemic, California ports processed a record number of containers. The supply chains running through the state's ports kept the national economy afloat during a worldwide pandemic.

But now, we need policy makers and the public at large to pay greater attention to another critical issue: the unprecedented competitiveness challenge facing California's ports. For years prior to the pandemic, California ports were experiencing a decline in market share. Now that pandemic cargo volumes have leveled off, the decline in market share has accelerated. We are losing our discretionary cargo.

Above all, we need policy makers, regulators, environmental advocates, and community groups to collaborate with the goods movement industry on devising pragmatic, holistic policies that will enable our goods moving industries to meet exacting environmental goals while growing steadily more competitive.

"An Inflection Point" Continued

The consequences associated with this loss of market share have direct and negative impacts on the California economy. California can expect to lose high quality logistics jobs throughout the supply chains as container volumes move to ports in other states.

The reason for the decline centers around three issues. First, the state needs to reevaluate policies that slow down the supply chain and increase costs, and re-engineer policies so that environmental and economic goals can both be achieved. They are not mutually exclusive goals.

Second, California has established zero-emission goals for the goods movement sector, but the path to achieving those goals is uncertain. For example, California has mandated that the port-based supply chain become all electric by 2035, but there are significant challenges in building the power grid infrastructure and ensuring the supply of reliable electricity on that timetable. In order to electrify the trucking component of the supply chain, approximately 400 heavy-duty truck charging units need to be built every month between now and 2035. Yet, over the past several years, vessel operators have been repeatedly asked to disconnect from the power grid during times of great stress to the power system in order to avoid widespread blackouts. Every recent hot spell has occasioned pleas for the public to avoid using electrical appliances between the hours of 4-9pm when the demand for power peaks.

Nevertheless, public policy goals are driving an ever-greater demand for electricity without corresponding mandates on power generation or transmission. As demand and extreme weather events increase, the need for adequate power infrastructure shifts from a long-term planning goal to an immediate operational concern. I believe that time has arrived.

And third, California must embrace, create and invest in a robust strategy for promoting the state's role as a premier international trade gateway. Other states have made their ports a centerpiece of their economic growth. Trade routes and volume, like other business decisions, are impacted by perceptions. Unfortunately, California's reputation for working earnestly with cargo owners and other supply chain partners is less than golden.

To market our ports we have to believe in our ports. That is difficult to do when public officials cavalierly discount the value of maritime real estate against various fields of dreams. It is difficult to do when port budgets are viewed simply as ATM machines to fund failed municipal ambitions. It is difficult to do when people assume that cargo must come to California without acknowledging how many shipping options are now available to cargo owners.

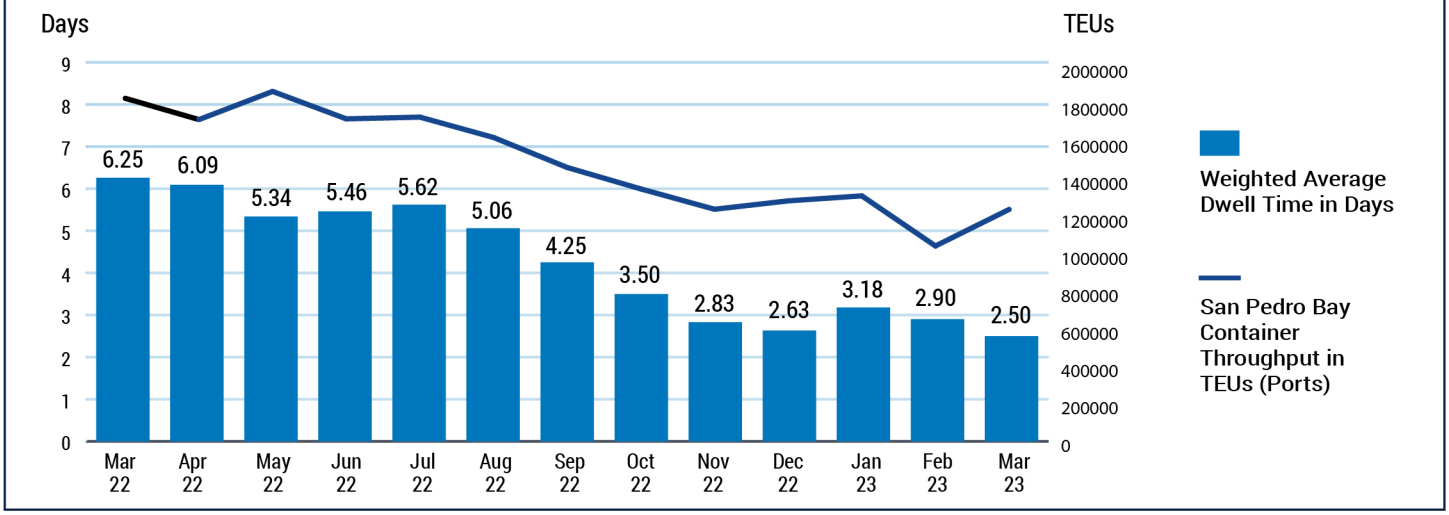
If it weren't for the pandemic import surge, few people would have cause to truly appreciate and value California's supply chains. But memories and attention spans are short. We should not take our ports and supply chains for granted.

Above all, we need policy makers, regulators, environmental advocates, and community groups to collaborate with the goods movement industry on devising pragmatic, holistic policies that will enable our goods moving industries to meet exacting environmental goals while growing steadily more competitive.

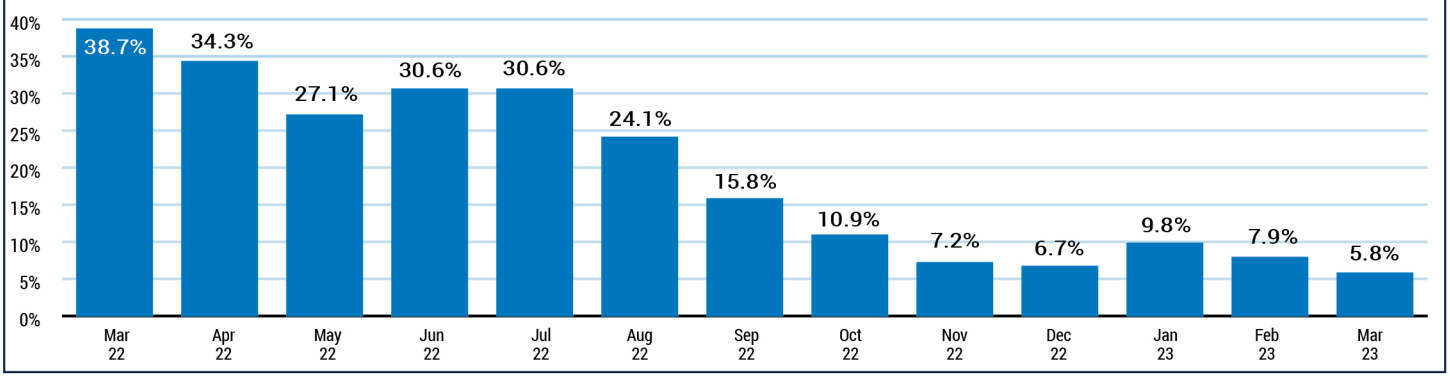
So, my plea to you is this: get engaged. If we want ports instead of marinas, get ready to fight for them!

Container Dwell Continues To Fall in March

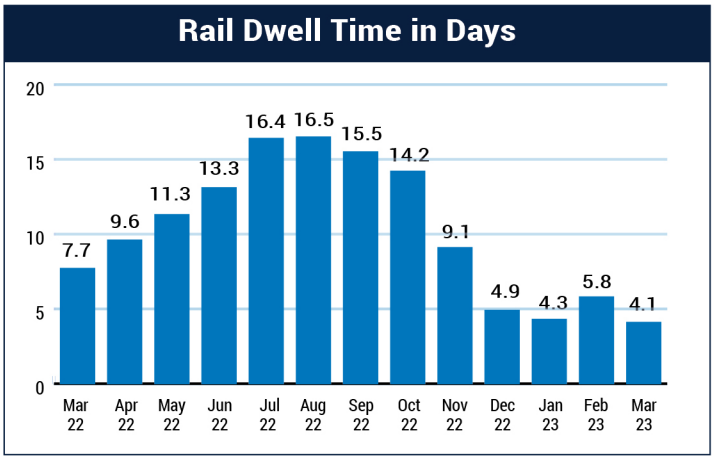
San Pedro Bay Weighted Average Inbound Laden Container Dwell Time in Days



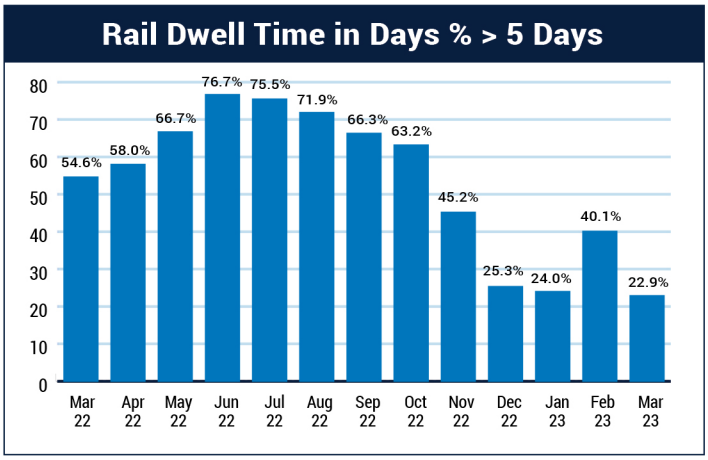
Dwell Time in Days % > 5 Days



Rail Dwell Time in Days



Rail Dwell Time in Days % > 5 Days



WA State Board of Pilotage Commissioners

Industry Update: May 18, 2023 BPC Meeting

Vessel Arrivals April 2023 YTD

Down by 12.2% compared to 2022

- Containers down 18
- Bulkers down 45
- General down 11
- RoRo down 8
- Car Carriers up 32
- Tankers down 7
- ATB's down 13
- Passenger down 16

The **double digit percentage decrease** in arrivals correlates closely to the percentage falloff in pilotage assignments which has decreased 10.6% from 2022 YTD.

For context, *if a reduction of 10.6% was applied to the authorized number of pilots (56) it would result in a reduction of 5.98 pilots*. There are of course more factors to be considered but a macro picture of this dynamic/trend is both relevant and informative.

Quiet Sound and ECHO

Budget dollars are coming in. ECHO will repeat the slowdowns of 2022 (Haro, Boundary, tug displacement in the SJDF and slowdowns south of Swiftsure Bank. A handout has been produced and is in the process of being distributed. QS will likely repeat the slow down trial of 2022 while also collected more data regarding changes in underwater noise and the overall program.

Orca Protection Bill

PMSA edits were accepted in the final bill (SB 5371) clarifying exempted vessels to include vessels participating in the vessel traffic scheme, following VTS/COTP orders, Rules of the Road and departing/entering lanes to/from destination.

Pilot Service Supply, Demand, Delays

(Repeated as issues still exist)

With decreasing ship calls and assignments and a review of key factors, we continue to recommend a deeper dive into daily supply/demand meaning how many pilots are on watch AND available either on assignment or resting and what the demand is (number and type of assignments). If the number of pilots available on a daily basis is less than half of the pilots, then it is relevant to determine why and what can be done to increase on watch availability.

Port State Control and Compulsory Pilotage

Given the reminder from the BPC to cruise operators regarding compulsory pilotage, it is relevant to stay informed of the risk profile of such vessels. The Coast Guard Port State Control Program (and that of other nations) has been and is essential in efforts to eliminate substandard foreign vessels. The 2022 PSC Annual Report is now available and the forwarded letter is included: https://www.dco.uscg.mil/Portals/9/DCO%20Documents/5p/CG-5PC/CG-CVC/CVC2/psc/AnnualReports/annualrpt2022.pdf

Rear Admiral Wayne R. Arguin

Assistant Commandant for Prevention Policy

United States Coast Guard

I am pleased to present to you the 2022 U. S. Coast Guard Port State Control (PSC) Annual Report summarizing the enforcement of SOLAS, MARPOL, and other international conventions on foreign vessels trading in U.S. ports. In 2022, we conducted 8,706 SOLAS safety exams with a total of 78 detentions. The annual detention ratio of 0.89% is an increase over last year's low of 0.73%; however, the three-year rolling average detention ratio decreased slightly from 0.87% to 0.80%. These low detention rates are a testament to the professionalism, skill, and dedication of the mariners who sail and maintain these vessels, as well as the companies, administrations, and classification societies that provide the support and oversight to ensure an efficient and safe worldwide marine transportation system (MTS).

Since its inception, the QUALSHIP 21 program has made incredible gains in its goal of encouraging and rewarding quality shipping by recognizing flag administrations, companies, and vessels that consistently maintain a high level of safety. At the end of calendar year 2022 the QUALSHIP21 program included an impressive enrollment of 4,431 vessels; a staggering tribute to the hard work of flag surveyors, company management, and especially the hard working mariners who take pride in sailing these outstanding vessels. In addition to incentives such as decreased exam frequency that help facilitate timely commerce and allocate exam resources; this program is also a platform for showcasing the exceptional safety records of these vessels and companies. I am thankful to be leading the Coast Guard's prevention program at a time when so many within the international maritime community are increasing their commitment to providing the resources needed by mariners to repair and properly maintain their vessels.

As national and international environmental regulations continue to evolve and mature, we look forward to close partnerships with other administrations to facilitate compliance and foster responsible expansion of the global MTS. As the keystone of the global economy, the MTS remains the most economical and environmentally friendly method for worldwide transportation of vital goods and commodities; and maintains a robust position that will be bolstered by growing commitments to carbon reduction, alternative fuels, and efficient vessel routing. The U.S. Coast Guard gladly recognizes a 39% year-over-year increase in the number of ships in the QUALSHIP 21 E-Zero program; a notable recognition for vessels choosing to go beyond basic requirements by committing to foster exceptional environmental stewardship throughout their operations.

In addition, the Coast Guard continues to focus on the evolving nature of cyber risk management by updating policies, procedures, and guidance to strengthen the cyber security posture of maritime assets and mitigate risks within the global MTS. We are relentlessly engaging with industry stakeholders to share information and coordinate preparedness and response efforts that will leave ports and vessels better equipped to handle threats, and will minimize disruptions to the MTS caused by cyber security incidents.

Finally, I want to thank my headquarters staffs, Captains of the Port, and especially the port state control officers for their dedication to safety, port security, and environmental stewardship. I look forward to building on the strong relationships we enjoy with flag administrations, classification societies, owners, and vessel operators as we work together to support mariners, eliminate substandard shipping, and promote safe and secure marine commerce around the globe.

Semper Paratus

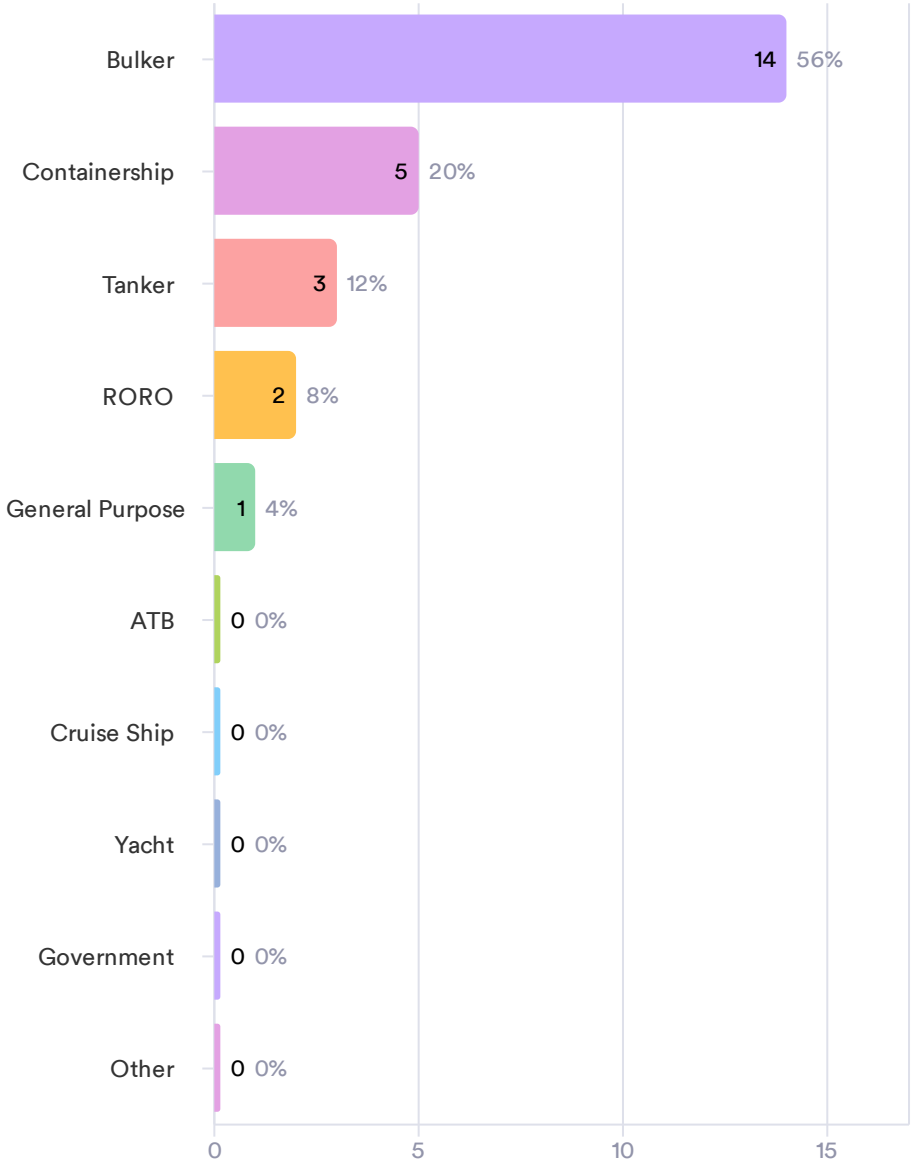
Pilot Ladder Safety Summary

Washington State (PS & GH 1/1/23 - 3/31/23)

Pilot Ladder Safety Report

Vessel Type:

25 Responses



Vessel Name:

25 Responses

Data	Responses
Evmilos	2
Pan Unity	2
Spring Breeze	1
Scrub Island	1
Pacific Honour	1
Ocean Bao	1
Torm Thunder	1
CL Beijing	1
CK Bluebell	1
American Freedom	1
BBC Jupiter	1
Ever Shine	1
Clementine Maersk	1

Pilot Ladder Safety Report

Flag State:

25 Responses

Data	Responses
PAN	5
HKG	3
USA	2
BHS	2
CYP	2
PMD	1
KOR	1
MHL	1
PRT	1
DEN	1
ATG	1
GBR	1
DIS	1

Classification Society:

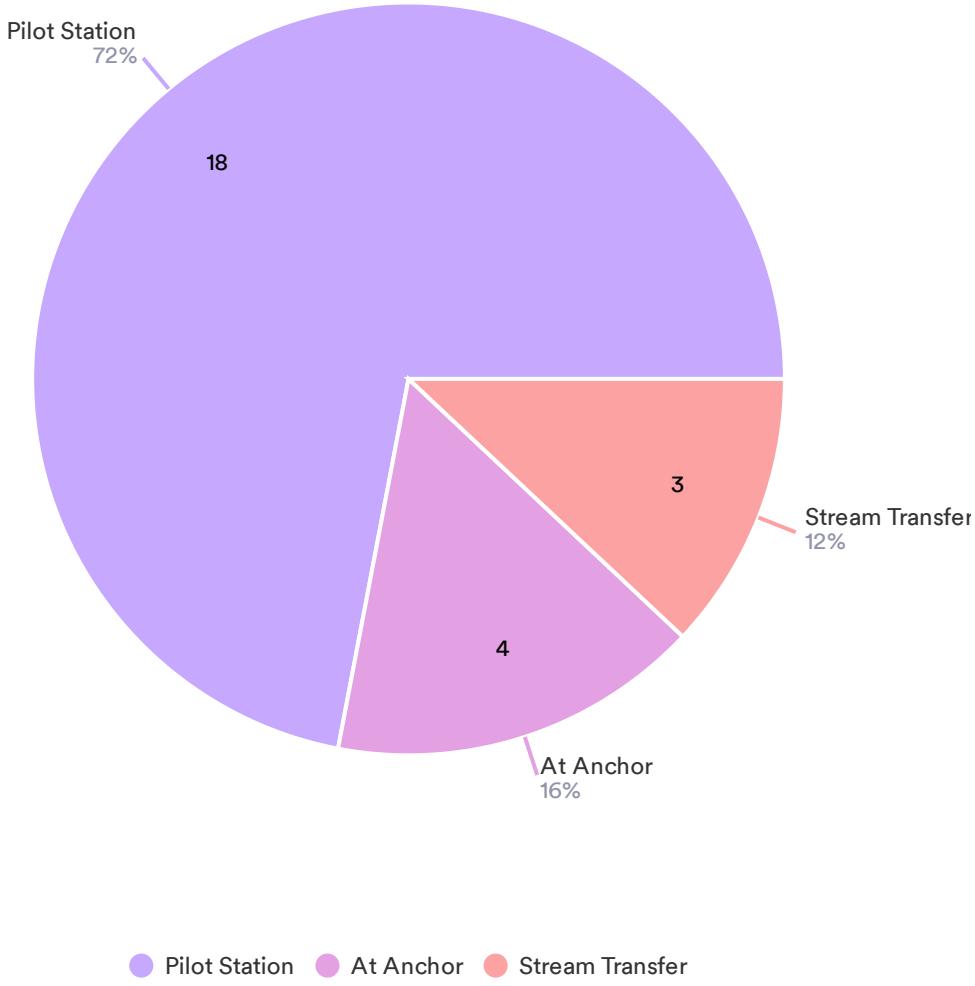
11 Responses

Data	Responses
KRS	3
ABS	2
NK	2
GL	1
LR	1
BV	1
BB	1

Pilot Ladder Safety Report

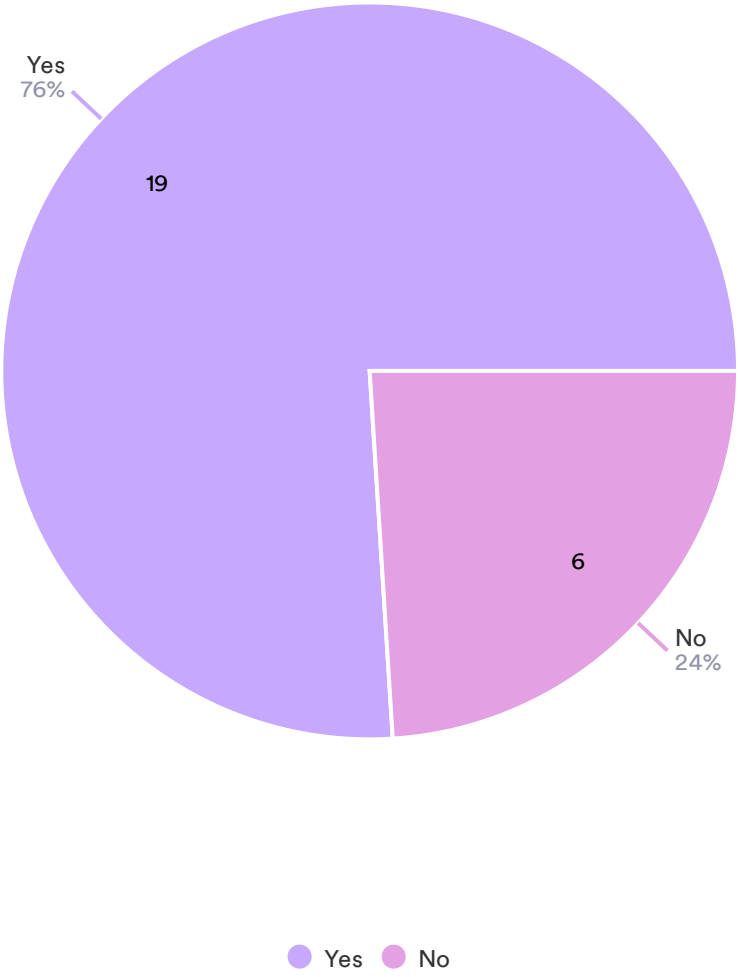
Geographic Location:

25 Responses



Master Notified:

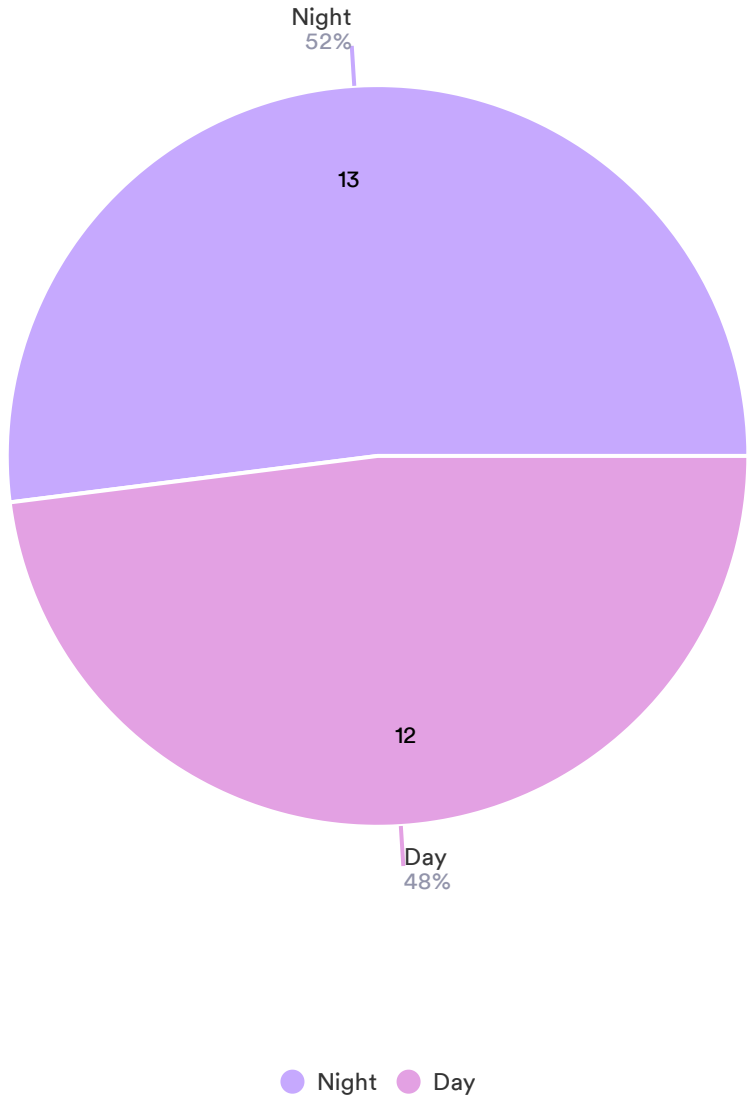
25 Responses



Pilot Ladder Safety Report

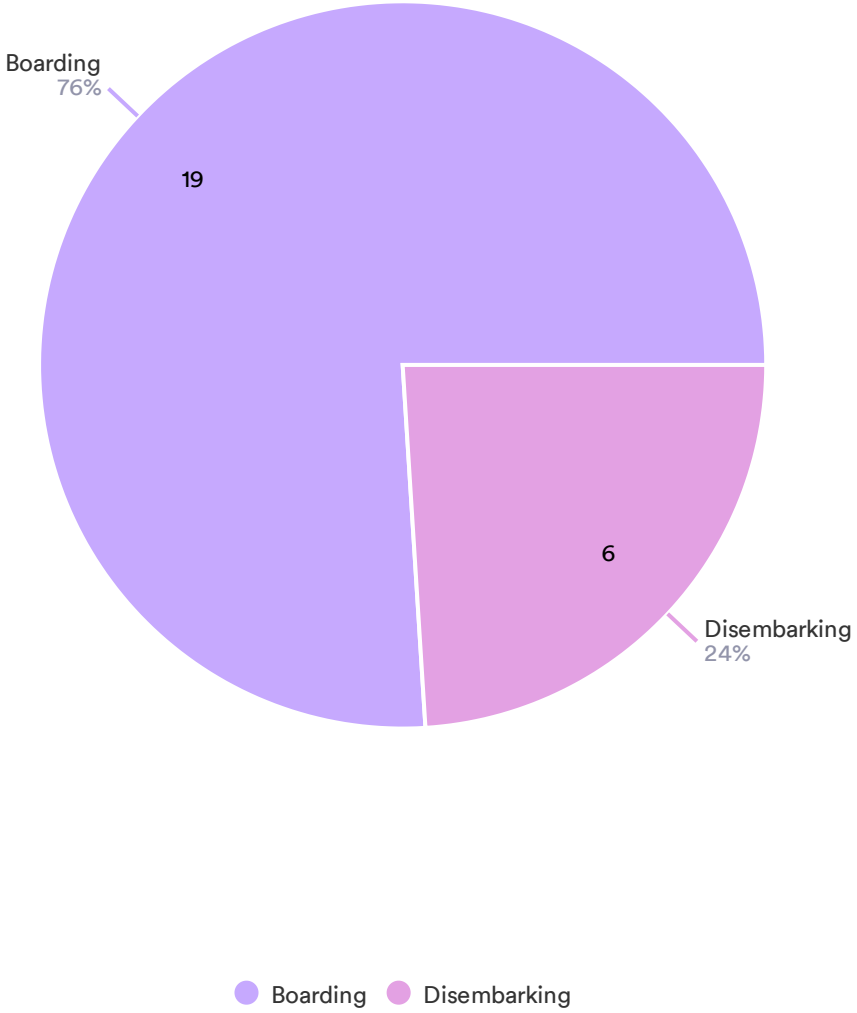
Day/Night:

25 Responses



Boarding/Disembarking:

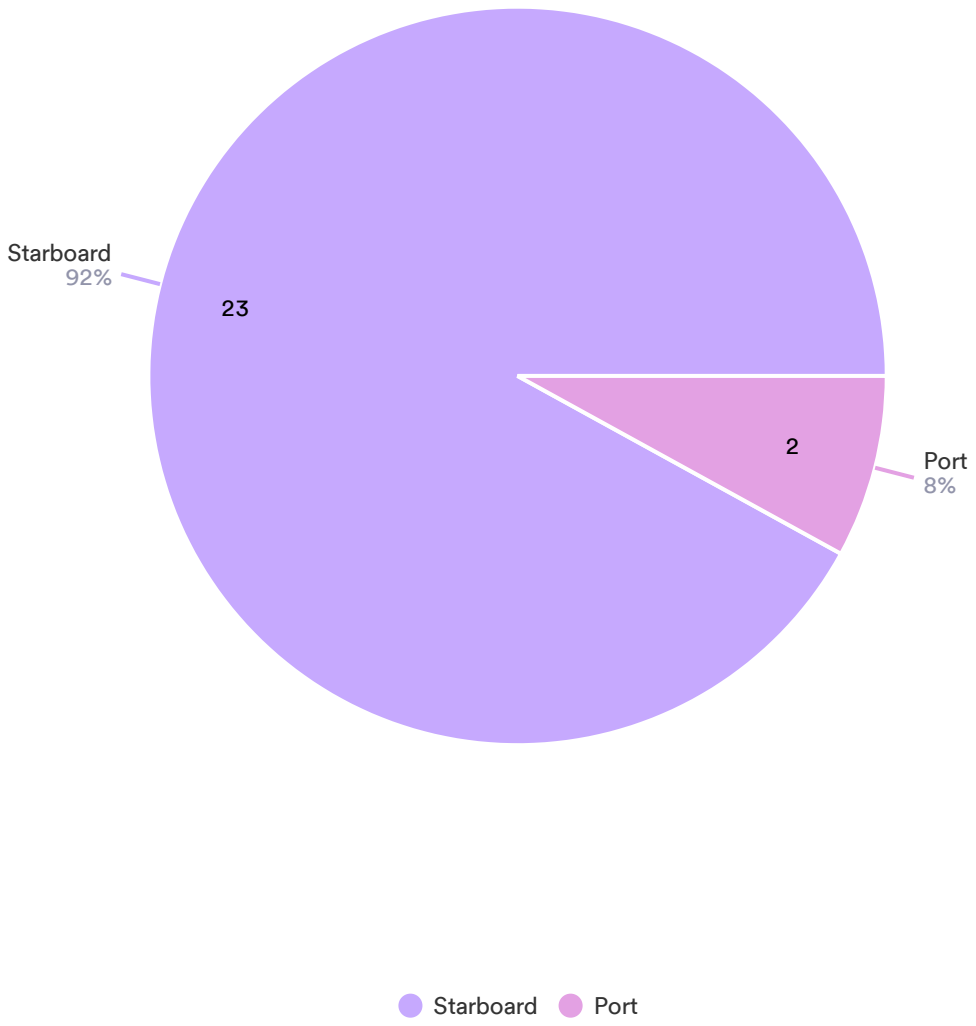
25 Responses



Pilot Ladder Safety Report

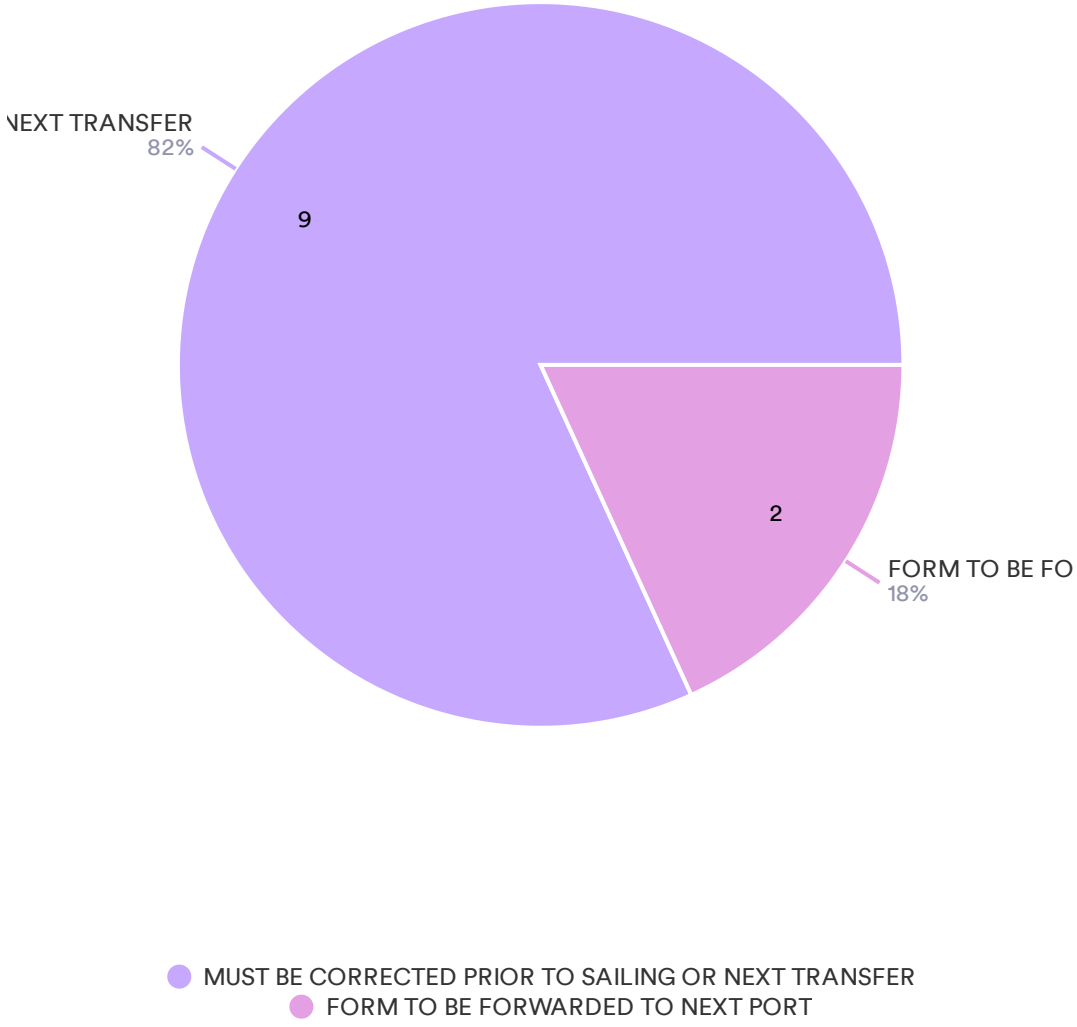
Port/Starboard:

25 Responses



Notification:

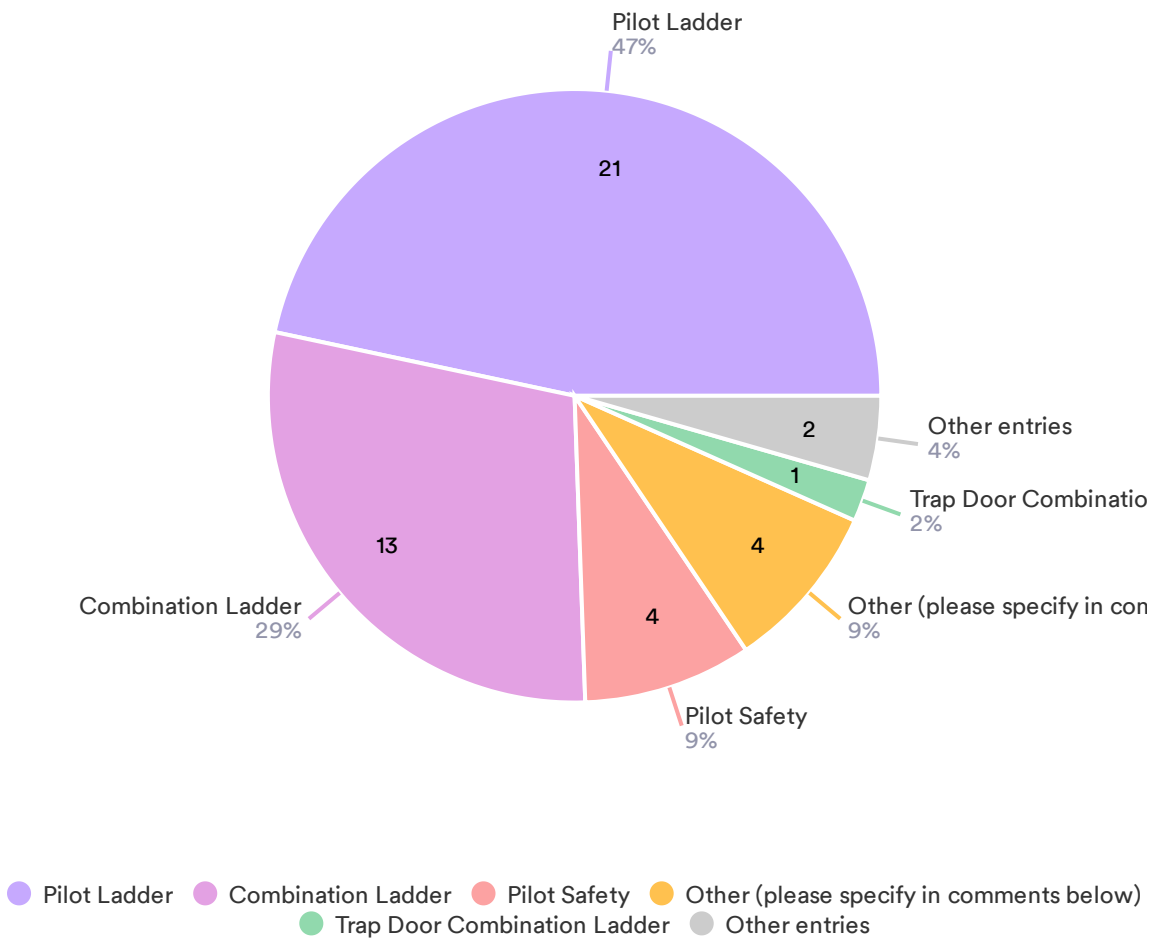
11 Responses



Pilot Ladder Safety Report

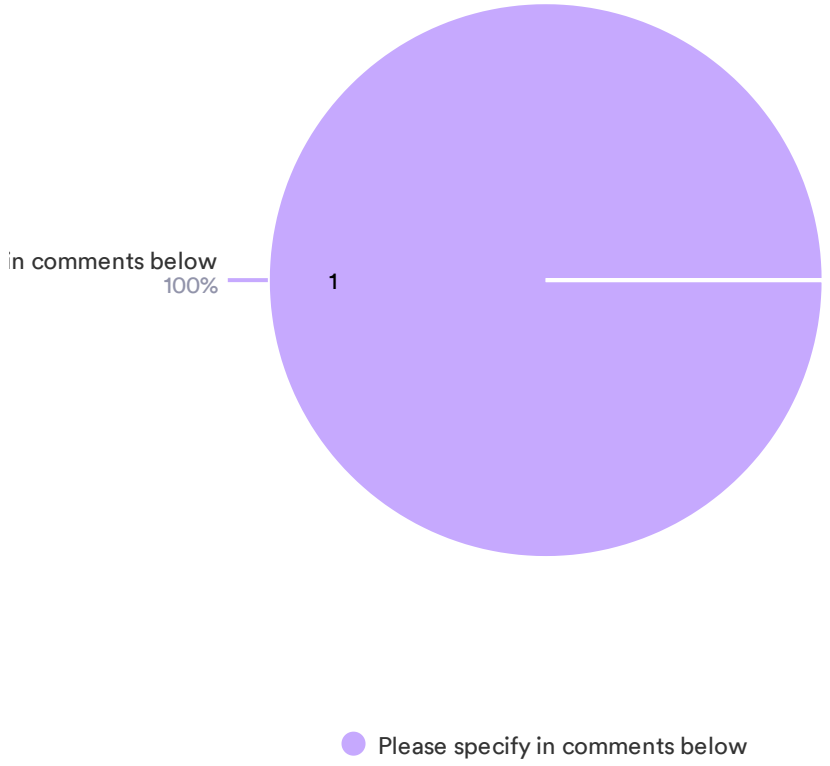
Non-Compliance:

45 Responses



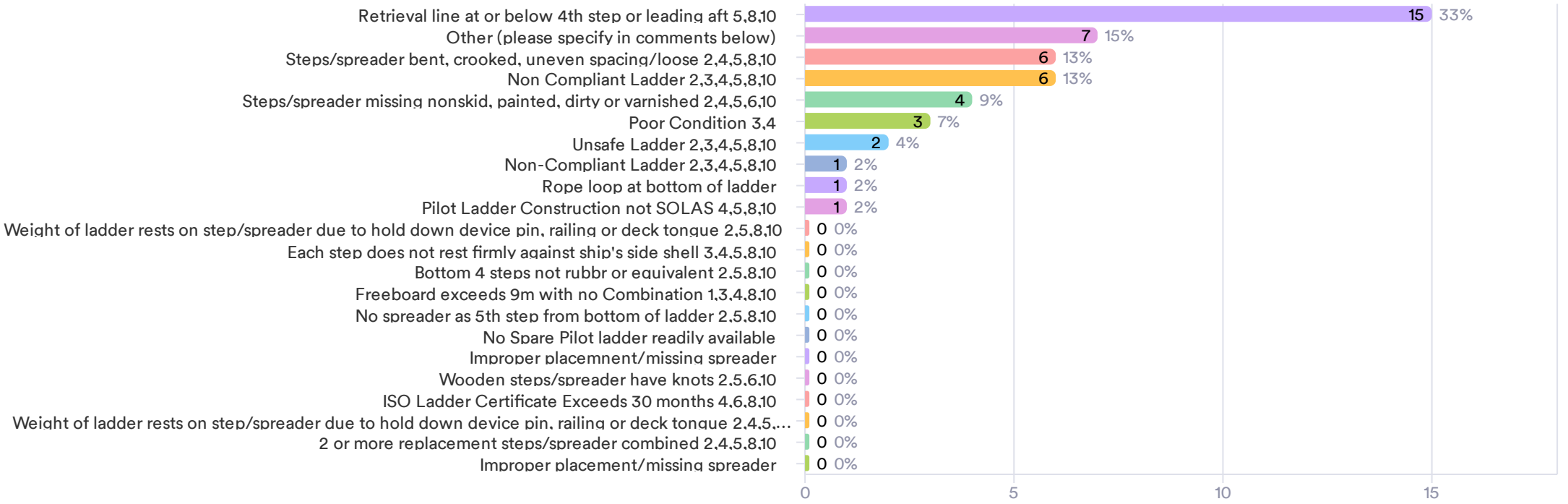
Gangway:

1 Response

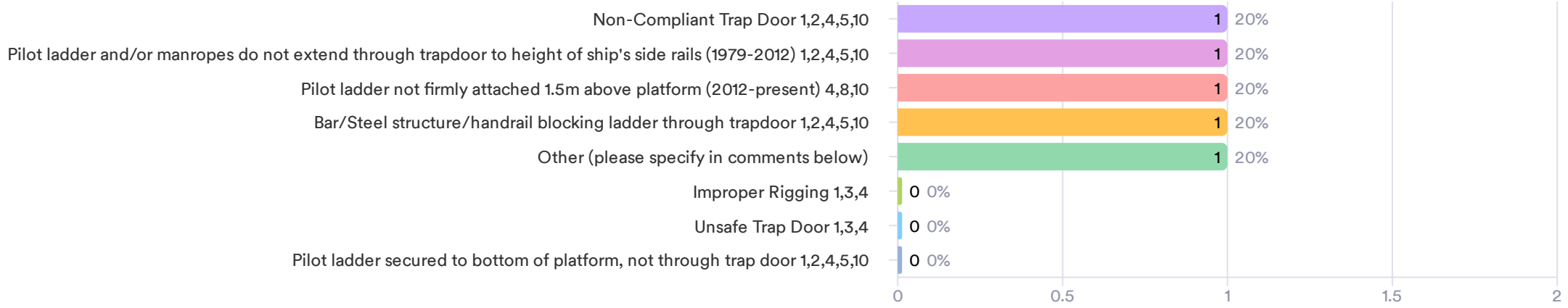


Pilot Ladder Safety Report

Pilot Ladder:

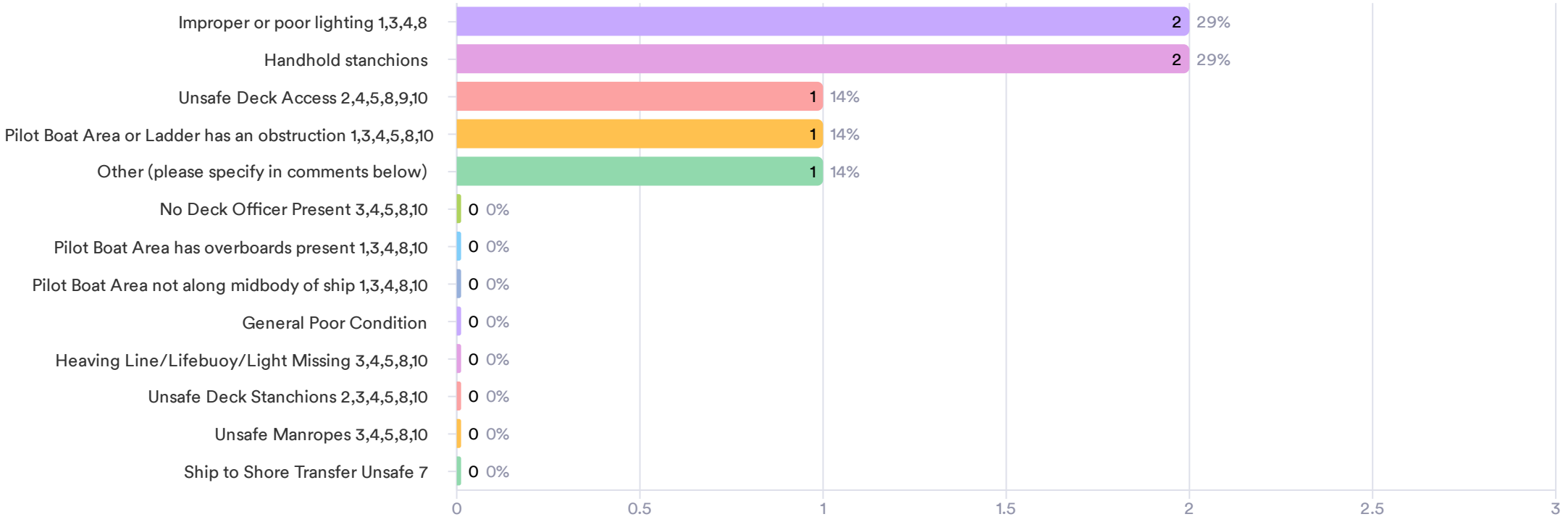


Trap Door Combination Ladder:

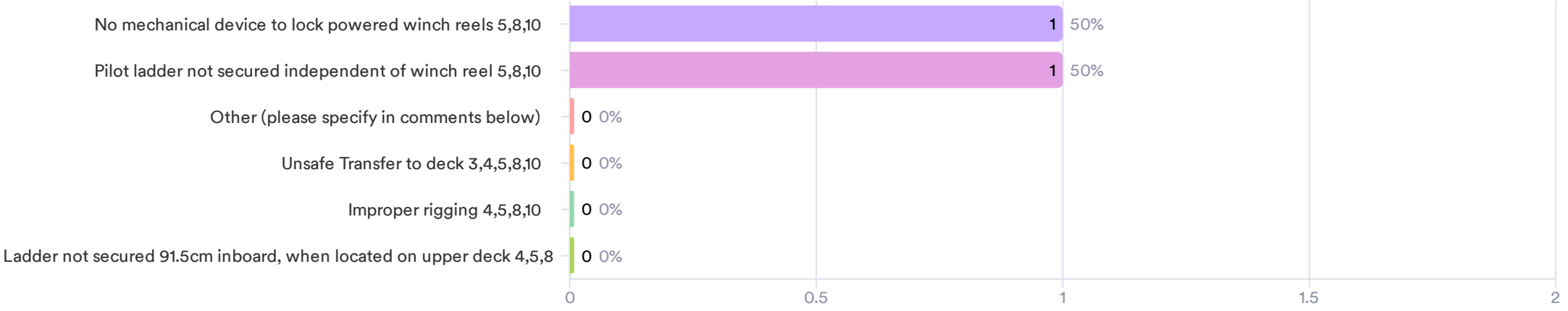


Pilot Ladder Safety Report

Pilot Safety:

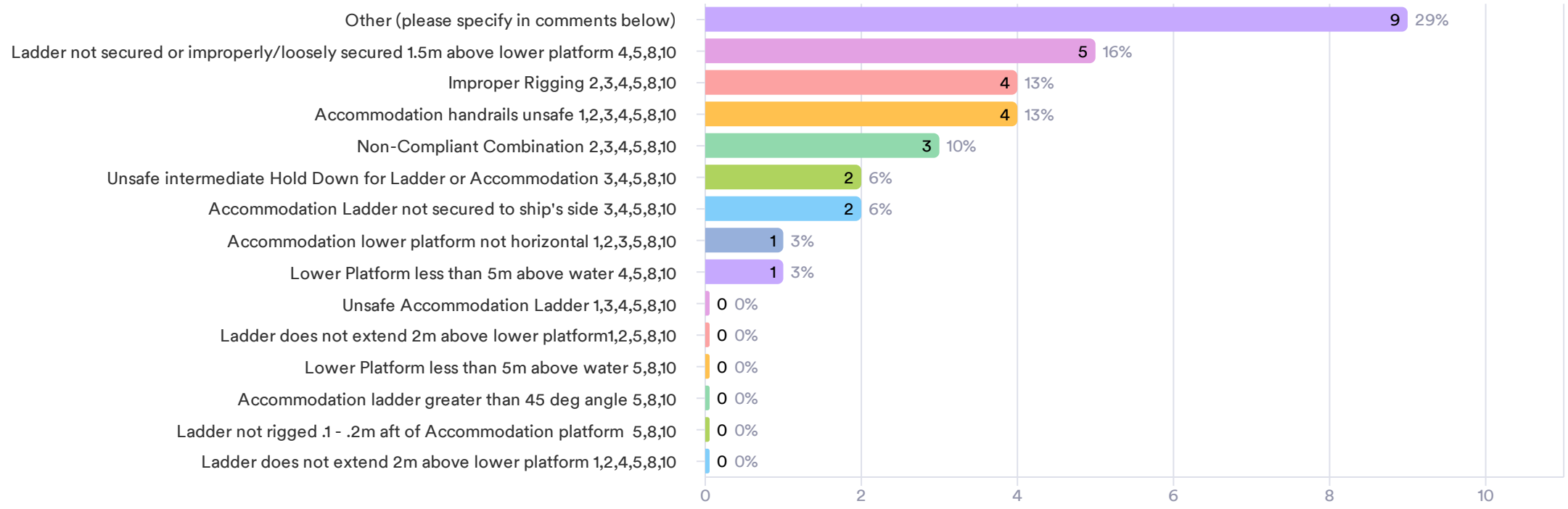


Ladder Winch Reel:

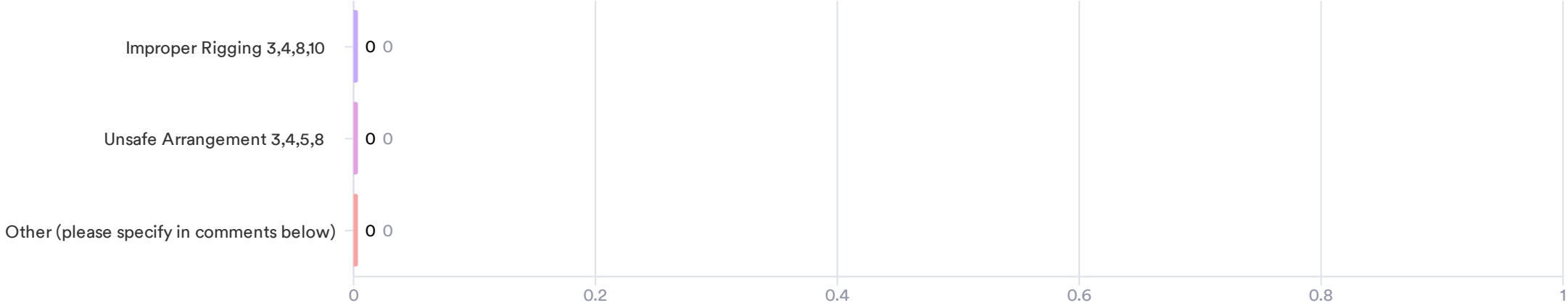


Pilot Ladder Safety Report

Combination Ladder:



Side Pilot Port:



STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS
2901 Third Avenue, Suite 500 | Seattle, Washington 98121 | (206) 515-3904 | www.pilotage.wa.gov

Meeting Minutes – Pilot Safety Committee (PSC)
February 8, 2023, 10 am to noon

Attendees: John Scragg (PSP), Andrew Drennen (BPC), Jaimie Bever (BPC), Ivan Carlson (PSP), Charlie Costanzo (PSP), Eleanor Kirtley (BPC), Jason Hamilton (BPC), Mike Folkers (PGH), Scott Anacker (PSP), Mike Moore (PMSA), Bettina Maki (BPC)

Regrets: Sheri Tonn (BPC)

1. **Review of Minutes of previous meeting on 10/31/2022**

   The minutes were approved with minor corrections.

2. **Pilot Ladder Forms**

   Dangerous ladder reports from 4th quarter of 2022 were reviewed, as well as Jotform data summaries for the quarter and the entire year. The data summaries will be shared with the Board. ' There was continued discussion of efforts to communicate with agents and vessel captains about noncompliant ladders and also efforts to communicate with other pilotage districts about dangerous transfer arrangements. It's a slow process, but each effort makes a difference and is part of a cumulative effect. Some interactions are disappointing with no response or change, but others are very positive with vessel agents and personnel demonstrating willingness to improve safety and comply with regulations.

3. **Rest Rule Exceptions**

   Grays Harbor Q4 data was not available, so was not reviewed.
   PSP had one 10-hr rest rule exception and one 13-hr assignment duration exception. The pair of assignments that went over 13 hours was discussed – it was caused by a 2 h 48 m delay of the first vessel because of ramp issues. Andrew Drennen was interested in understanding the dispatch decision making when the first vessel of two paired assignments is delayed. When it becomes clear that the first vessel's delay is going to cause the two assignments to exceed `13 hours, can another pilot be dispatched to the second vessel or can the pilot on the first vessel proceed to the second vessel on time and reschedule the first vessel? In a case where two vessels are trading locations, there would not be the option to proceed to the second of the two assignments. It is best to avoid incurring a rest exception if it becomes clear ahead of time that one vessel's delay is going to make it impossible finish paired assignments in 13 hours. It was also pointed out that bridge time would have ended before 13 hours, somewhat mitigating safety concern.

4. **Open Letter from BPC/PSP/PMSA regarding EVER FORWARD grounding and investigation, addressing distractions and situational awareness**

The committee discussed possible policies or further actions around cell phones, distractions, and situational awareness. John Scragg stated that Bridge Resource Management Training focuses quite a bit on this and is emphasized in the pilot training program and as part of pilots' ongoing training. Mike Moore brought up the issue of "deference" to the pilots, and how that can be mitigated, especially when there may be cultural factors that discourage questioning the pilot. Several pilots acknowledged how they are aware of this possibility and how they try to overcome it by communicating very clearly. Ivan Carlson explained that PSP uses a checklist for master pilot exchange that includes discussion of cell phones and expectations of crew en route. Scott Anacker described his practice of using speakerphone to make it clear that any calls are related to piloting. Andrew Drennen acknowledged the potential unintended consequences of policies that prohibit cell phone use – it might accidentally cause hesitation around necessary communication if not designed carefully. Jason Hamilton acknowledged that good policies around devices and distraction have been challenging to implement, with the grounding incident demonstrating the slow progress in this area. He asked for Charlie Costanzo to comment. Charlie suggested waiting for National or International organizations to provide guidance in the form of best practices that smaller organizations can align with. Eleanor Kirtley asked how the adoption of helmets by the pilots had come to be, given there is no policy or requirement about wearing helmets. She was interested in identifying communication strategies that are effective in influencing behavior. John Scragg noted that there has been increased emphasis on helmets in the pilot training program, and awareness of another pilot's injury also influenced helmet use among the pilot corps. Mike Moore asked if other pilotage districts have cell phone policies. Ivan Carlson stated that Columbia River Bar Pilots and Maryland Pilots have policies that are not very similar he felt this was an example of why it is probably best to wait for a national or international organization to lead on this issue. Ivan noted that incorrect PPU use was another aspect of the EVER FORWARD grounding. He noted that PSP has improved PPU training recently. Scott Anacker agreed and emphasized that tools should increase situational awareness, not reduce it. He mentioned PSP has established best practices for PPU use.

5. **Laser MSO report**

The committee discussed a recent MSO report of a laser strike. These are uncommon maritime occurrences and it was felt that no action was needed at this time and that any action could unintentionally encourage "copycat" activity.

6. **Efficiency Measures and Delays**

Ivan Carlson prepared some summary data about things that affect pilot availability, including both nonrevenue activity and impacts such as 3& outs (requires extended rest period), order time changes, cancellations, etc. Data is for the 4 year period 2019-2022. Jaimie Bever suggested that any discussion be put on hold temporarily given the upcoming KPI workshops that will be part of the next two Board meetings where best use of data will be considered by the commission.

7. **COVID 19**

The committee decided that COVID-19 should no longer be a standing agenda item. If/when COVID becomes a more serious problem again, it can be added to the agenda.

8. **Wrap up/Next Steps**

The next meeting is to be scheduled for late April or early May. Quarterly meetings are preferred unless there are urgent matters. The committee adjourned at 11:30.