Grays Harbor District Report

There were 2 jobs in October. Year to date through October we have had 58 arrivals for a total of 146 jobs. Captain D’Angelo has had the duty all year. There are 7 vessels schedule for November: 3 dry bulk, 2 liquid bulk, 1 log ship and 1 log barge.

T-2 Update

Ship loading operations resumed November 2, 2021 from storage silos utilizing two portable loaders. Rail cars from Dry Bulk Customer AGP started arriving the November 4, 2021 as soon as we made room in the silos.

Terminal Maintenance

T-4 fender repairs are complete and the Port has signed off on the work.

Port Commission awarded the Terminal Dredging contract for the 2022 season to HME Construction. We expect to dredge at all four berths for a total of 110,000 cubic yards during the winter and summer dredge openings.
### PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT
Oct-2021

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

<table>
<thead>
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<th>Description</th>
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</tr>
<tr>
<td>Cont' r:</td>
<td>202</td>
</tr>
<tr>
<td>Tanker:</td>
<td>165</td>
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<tr>
<td>Genl/Bulk:</td>
<td>151</td>
</tr>
<tr>
<td>Other:</td>
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<tr>
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<tr>
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<td>Reason:</td>
<td>PSP GUIDELINES FOR RESTRICTED WATERWAYS</td>
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<tr>
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#### Callback Days/Comp Days

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

**A. Training & Continuing Education Programs**

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<tr>
<th>Start Dt</th>
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**B. Board, Committee & Key Government Meetings (BPC, PSP, USCG, USACE, Port & similar)**

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<tr>
<th>Start Dt</th>
<th>End Dt</th>
<th>City</th>
<th>Group</th>
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<td>Seattle</td>
<td>PSP</td>
<td>Administrative</td>
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<td>Seattle</td>
<td>BPC</td>
<td>BPC ORIENTATION/TEC</td>
<td>BEN</td>
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<tr>
<td>4-Oct</td>
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<td>Seattle</td>
<td>BPC</td>
<td>TEC</td>
<td>ANT, SCR</td>
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<tr>
<td>11-Oct</td>
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<td>Seattle</td>
<td>PSP</td>
<td>Efficiency</td>
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<td>12-Oct</td>
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<td>Pension ANA, GRD, GRK, HUP</td>
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C. Other (i.e. injury, not-fit-for-duty status, earned time off, COVID risk)

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<tr>
<th>Start Dt</th>
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<th>REASON</th>
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<td>31-Oct</td>
<td>ETO</td>
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Presentations

If requesting to make a presentation, provide a brief explanation of the subject, the requested amount of

- Presentations may be deferred if prior arrangements have not been made.
- The Board may also defer taking action on issues being presented with less than 1 week notice prior to a schedule Board Meeting to allow adequate time for the Commissioners and the public to review and prepare for discussion.
**Other Information (Any other information requested or intended to be provided to the BPC)**

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</table>
Vessel Arrivals

Up 178 YTD Through October – Comparing to Depressed COVID Numbers Last Year

- Containers down 2
- Bulkers up 28
- Car Carriers up 24
- Cruise ships up 98
- Tankers/ATB’s up 4

Note: Container vessel arrival numbers are fluctuating due to the supply chain bottlenecks. Two weekly services have been suspended until further notice. The total amount of time a vessel is in queue, at anchor, drifting or at the dock are considerations in such decisions in addition to evaluating diversions to another port with all that entails (vessel loaded for a particular sequence of port calls, then diverting). Sweepers are vessels dedicated to picking up empties and several have been deployed to the west coast mostly destined for LA/LB.

Container Vessel Queuing: at Anchor, Drifting or Slow Steaming

- Vessels destined for T18 in Seattle are being informed weeks ahead of scheduled berth slots so that voyage planning can be adjusted to minimize time at anchor, time drifting and fuel use if slow steaming.
- LALB has exceeded 80 vessels at anchor or loitering offshore. Efforts are being implemented to adjust the queue there to allow changes in voyage planning while also addressing labor allocation procedures.
- Oakland’s backlog of container ships at anchor or drifting offshore has markedly reduced as vessels were skipping that port call but recently the Oakland backlog of ships was reduced to zero with a few days of only one or two awaiting berth slots.
- Ongoing supply chain issues include warehouse congestion, worker/truck driver/chassis shortages, underutilization of terminals (not picking loaded imports up)... ripple effects.

Northwest Seaport Alliance hosted a forum: Updates on Vessel Movement in Winter Weather

Coast Guard COTP, NWSA and PMSA made comments and answered media questions; see video here: https://www.youtube.com/watch?v=fPuA6PNOaZ8
US retailers boost Nov-Jan import projections
Bill Mongelluzzo, Senior Editor | Nov 08, 2021 3:03PM EST

US retailers are increasing their import projections for November through January because they expect merchandise that has been sitting on vessels stranded offshore major gateways will come flooding into the country in time for the holidays. The National Retail Federation projects that holiday sales this year will grow between 8.5 percent and 10.5 percent from last year. Port congestion in the US, power production shortfalls in China, vessel bunching outside of US ports, warehouses filled beyond capacity, chassis shortages, and congestion at inland rail ramps have been holding down the movement of product from factories in Asia to store shelves throughout the US. “The once-vaunted supply chain continues to come under pressure from all sides,” Ben Hackett, found of Hackett Associates, said in the Global Port Tracker.

Container lines bristle at surprise LA-LB port fees
Peter Tirschwell and Mark Szakonyi | Nov 03, 2021 11:13AM EDT

Container lines were caught unaware by the new port tariff announced by the ports of Los Angeles and Long Beach last week, and carrier executives are bristling at the idea that — for the second time in just two months — the Biden administration is ignoring their suggestions and delivering directives via the ports. The severity of the fees is difficult to overstate. The carrier is liable for $100 on the first day a container is in violation, $200 the second day, $300 the third day, and so on. Within a week, the total fees for a single container would total $2,800, and within two weeks, would total $6,000.

NWSA terminal joins LA-LB in assessing excessive container dwell fee
Bill Mongelluzzo, Senior Editor | Nov 02, 2021 4:09PM EDT

Husky Terminal and Stevedore in Tacoma, Wash., on Tuesday implemented a $315-per-container fee on local-delivery import loads that remain at the facility for more than 15 days, the latest move from West Coast port terminals looking to clear yards of excessive-dwelling containers. The Tacoma fee, which follows a similar announcement last week by the ports of Los Angeles and Long Beach, is intended to nudge retailers into removing laden import containers that are congesting marine terminals and contributing to delays throughout the port-related supply chain.

Supply chain difficulties threaten long-term harm to ag exporters
By Bill Tomson, AgriPulse

Farmers are having problems getting their products to international buyers, costing them sales and lost profits and threatening to sever precious relationships with foreign customers. Whether it’s a container of milk powder, chicken, almonds, walnuts or oranges, shipments are getting stuck in warehouses or sitting at ports for extended periods of time when they should be cruising to buyers in places like Jakarta, Tokyo or Seoul.

Port of Seattle Speeds Up Decarbonization Plans by 10 Years
The Maritime Executive
https://www.maritime-executive.com/article/port-of-seattle-speeds-up-decarbonization-plans-by-10-years

The Port of Seattle’s commission has voted to speed up its carbon-cutting efforts by ten years and now aims achieve net-zero emissions from its own operations by 2040. The port has also committed to accelerating its goal for tenant and port user emissions to be carbon neutral or better by 2050.
First Glimpse at the Ports’ September’s TEU Numbers

Note: The ports we survey take anywhere from a few days to a few weeks to report their container trade statistics. Because West Coast ports are generally more agile in compiling and releasing their monthly TEU counts than are ports elsewhere in the country, these “First Glimpses” may give a misleading indication of the latest trends. Readers are reminded that the TEU tallies cited in this newsletter are not derived from forecasting algorithms or from partial information available from U.S. Customs and Border Protection but instead represent the actual TEU counts as reported by the major North American seaports we survey each month.

According to a report in the venerable and esteemed Journal of Commerce, U.S. containerized imports from Asia totaled almost 1.6 million TEU in September, “meaning every month this year has seen imports average almost 20 percent higher than the historical monthly average of about 1.3 million TEU.” America’s ports, of course, handle boxloads of imports from places other than Asia. In its latest forecast, the National Retail Federation’s Global Port Tracker believes that September would see loaded import traffic reach 2.25 million TEUs. If both numbers are accurate, then Asia would account for roughly 70% of all laden containers arriving at U.S. ports. As it turns out, that percentage is roughly consistent with U.S. Census Bureau’s data on the declared weight of containerized imports from Asia through the first nine months of 2021.

The national media’s recent discovery that seaports matter in America’s economic well-being has brought an onslaught of misperceptions about containerized trade. Generally fed little in the way of context, a casual reader of the august New York Times or a viewer watching a network news broadcast about congested supply chains might expect to see the nation’s ports recording exceedingly high year-over-year rates of import growth. Yet, because container import volumes in September 2020 were particularly robust, year-over-year comparisons with this September are likely to seem moderate, especially for the Pacific Coast ports which bore the brunt of the import surge last fall. As for containerized exports, a subject of profound interest to traders in agricultural commodities and their congressional allies, trade continued to shrivel in September, especially in comparison to pre-pandemic levels.

Honors for being the first U.S. port to post its September tallies go to the Port of Boston, which was among those seeing negative growth in both directions of trade. Import loads at the New England gateway were down by 62.4% from last September and by 57.3% from September 2019. Export loads similarly plunged by 59.1% from a year earlier and by 52.2% from two years ago. Overall container traffic (loads + empties) declined by 24.4% from last year and by 32.1% from September 2019.
Also among the early reporters, the **Port of Virginia** continued to show impressive growth numbers in September, with import loads up 25.7% year-over-year and up 32.8% over September 2019. Virginia was among the minority of U.S. ports that showed gains in their outbound trades. Export loads from the port grew by 6.8% over last September and by 12.8% over the September before that. Overall container traffic (loads + empties) rose 19.4% over a year earlier and by 26.8% over September 2019.

**Savannah** recorded a 9.8% year-over-year gain in import loads in September, with inbound loads also up 27.1% from September 2019. Export loads edged up from last year by 3.5% but were only 0.9% above the volume in September 2019. Total YTD container traffic through the Georgia port totaled 4,148,117 TEUs, 25.5% ahead of last September and 20.3% over the previous September.

Down on the Gulf Coast, **Houston** saw its inbound loads grow by 11.4% over last September and by 27.4% over the same month in 2019. However, Houston’s traffic in outbound loads shriveled by 24.5% from a year earlier and by 31.8% from two Septembers ago. Total container movements through the Texas port amounted to 281,500 TEUs, 10.7% more than a year earlier and 11.9% above the port’s 2019 volume.

Up in British Columbia, the **Port of Prince Rupert** struggled in September with import loads down 23.4% year-over-year and down 27.4% from September 2019. Export loads were likewise off by 12.3% from last September and by a slightly slimmer 10.2% from two years earlier. Total container traffic at the Canadian port dropped 23.0% from a year ago and by 25.5% from 2019.

**Vancouver**’s September numbers were stronger, at least on the import side. Inbound loads totaled 164,750 TEUs, a 5.9% year-over-year gain and an increase of 5.4% from September 2019. Export loads, though, were down 24.2% from a year earlier and by 24.9% from September 2019. Owing to a major increase in export empties, total container traffic through Vancouver so far this year totaled 2,858,235 TEUs, up 15.7% from 2020 and up 10.1% from the same point in 2019.

The **Port of Long Beach** reported its September container counts were down from a year ago. For the month, the port handled 748,472 total TEUs. In announcing its latest box counts, Long Beach trumpeted the month as its second busiest September ever. However, as luck would have it, the port’s busiest September ever was last September, when the port handled 795,580 total TEUs. As a result, inbound loads at the San Pedro Bay port were down 8.7% from a year earlier but up 4.3% from pre-pandemic September 2019. Outbound loads were off by 1.6% year-over-year and down 10.1% from September 2019. Total TEUs handled at the port were down 5.9% from last September but up 5.9% from the September before that.

Next door, the **Port of Los Angeles** posted some numbers for September that are bound to lead to some head scratching among those new to the port congestion crisis. How, they may ask, can the nation’s busiest port have handled 3,736 fewer inbound loaded TEUs than it had a year earlier? That’s because, like its neighbor in San Pedro Bay, it was ground zero for the import surge that started engulfing U.S. ports a year earlier. A better guide to the port’s performance is that inbound loads this September were 16.3% higher than in the last arguably normal September in 2019. On the other hand, exports of cargo-bearing boxes continued to deteriorate at the port, with outbound loads down 41.9% from a year ago and by 42.1% from September 2019, when 55,055 more loaded TEUs left the port than during this September. Empty outbound container traffic was up by 29.7% year-over-year and by 45.3% over September 2019. YTD, total TEU traffic at the Port of LA amounted to 8,176,917 TEUs, up 26.5% over this point last year and by 15.3% over two Septembers ago.

In Northern California, the **Port of Oakland**’s September container trade contracted sharply. Inbound loads, which declined by 16.4% from the preceding month, were down by 12.9% year-over-year and by 3.7% from September 2019. Exports also declined by 13.3% off August and by 17.8% year-over-year and by 13.7% from two Septembers ago. The total number of containers that passed through Oakland in September (182,935 TEUs) was the port’s smallest monthly volume since February 2020.

The numbers from the Northwest Seaport Alliance Ports of **Seattle** and **Tacoma** showed a meager 0.2% year-over-year gain in import loads, which also represented a 6.6% decline from September 2019. Outbound loads, meanwhile, were similarly down 14.6% from a year earlier and 30.4% from two years earlier. Total international
First Glimpse at the Ports’ September’s TEU Numbers

container traffic through the two ports in the year to date (2,236,446 TEUs) was down 7.6% from the first nine months of last year and down by 5.0% from the same period in 2019.

Finally, California’s Port of Hueneme is seeing such growth from the shift to containerizing fruit imports from Central and South America that its container traffic now exceeds that of the Port of Boston. September saw 19,850 total TEUs pass through Port of Hueneme as opposed to Boston's 9,895 TEUs of total container traffic.

Detailing the August 2021 TEU Numbers

First, some housekeeping notes. We have been obliged to suspend our efforts to include TEU data from the Ports of Manzanillo and Lazaro Cardenas because of timeliness and transparency issues.

Due to the COVID-19 pandemic’s ongoing impact on global trade, we will continue to offer Exhibits 1-3 with columns comparing the container numbers for the latest month for which complete statistics are available with the same month in the two preceding calendar years. We also compare the numbers on a YTD basis.

According to a National Retail Federation (NRF) October 7, 2021, press release, U.S. ports covered by Global Port Tracker handled 2.27 million Twenty-Foot Equivalent Units in August, the latest month for which final numbers are available. That was up 3.5 percent from July and up 7.8 percent from a year earlier and tied March as the second-busiest month since NRF began tracking imports in 2002. May remains the busiest month on record at 2.33 million TEU.

As our Exhibit 1 shows, inbound loads at the mainland U.S. ports we track totaled 2,344,942 TEUs, up 8.0% from a year earlier. But then we include four ports the Global Port Tracker doesn’t: Boston, Maryland, New Orleans, and Port of Hueneme. Still, our tally of loaded imports for the ports the Global Port Tracker does track finds import loads in August totaling 2,268,445 TEUs, 3.3% lower than the Global Port Tracker total. Our tally also shows import loads were up 7.8% over a year earlier.

Looking at the individual ports we monitor, inbound loads in August at the two San Pedro Bay ports rose by 1.4% (+12,020 TEUs) from a year earlier (when imports initially began surging) and by 17.5% (+132,705 TEUs) from August 2019. What’s worth noting is that, through the first eight months of this year, the two ports handled 1,270,524 more inbound loaded TEUs than they had in the comparable period in 2019, before anyone had ever heard of COVID-19.

Imports, meanwhile, edged higher at the Port of Oakland, where the number of inbound loads increased by 1.6% (+1,588 TEUs) from August 2020 and by 10.8% (+9,525 TEUs) from August 2019.

Altogether, the three major California ports saw their loaded inbound TEU numbers increase by 1.4% (+13,608 TEUs) over last August. That was also 16.8% (+142,239 TEUs) more than they had handled in that more typical August two years ago.

Further up the coast, the import trade through the Northwest Seaport Alliance Ports of Seattle and Tacoma in August showed a year-over-year gain of 3.3% (+3,557 TEUs). Nevertheless, that volume was down 0.7% (-820 TEUs) from August 2019.

Even further north, though, August’s import numbers were not uniformly positive in British Columbia. The Port of Vancouver did record an impressive 8.2% (+13,770 TEUs) year-over-year increase in inbound, but a 35.5% (-24,140 TEUs) contraction at Prince Rupert brought the overall British Columbia import numbers into negative territory, collectively down 4.4% (-10,370 TEUs) from a year earlier. Still, August’s import volume at the two BC ports was up 3.5% (+7,517 TEUs) from August 2019.

Year-over-year gains in import loads along the East Coast were strongly positive apart from Boston and JaxPort. The biggest percentage gains were recorded at Miami.
### Exhibit 1
**August 2021 - Inbound Loaded TEUs at Selected Ports**

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<td>Los Angeles</td>
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<td>516,286</td>
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<td>437,613</td>
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<td>2,922,949</td>
<td>29.6%</td>
<td>3,174,318</td>
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<tr>
<td>Long Beach</td>
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<td>71,453</td>
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<td>437,109</td>
<td>-19.5%</td>
<td>437,109</td>
<td>-19.5%</td>
</tr>
<tr>
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<td>4.1%</td>
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<tr>
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<tr>
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<tr>
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<td>16.9%</td>
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</table>

*Source: Individual Ports*
## Exhibit 2
### August 2021 - Outbound Loaded TEUs at Selected Ports

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<th></th>
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<td>-1.8%</td>
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<td>10,417</td>
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<td>655,460</td>
<td>7.9%</td>
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<td>7.9%</td>
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<td>24,407</td>
<td>193,129</td>
<td>25.2%</td>
<td>214,196</td>
<td>1.9%</td>
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<td>240,000</td>
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<td>-7.8%</td>
<td>4,311,028</td>
<td>-15.1%</td>
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</table>

Source: Individual Ports
(32.9%) and Port Everglades (29.1%), although the biggest numerical increase along the East Coast (+32,829 TEUs) was reported by PNYNJ. By comparison, the largest numerical bump year-over-year in inbound loads was recorded by Long Beach (+42,634 TEUs). Overall, the nine USEC ports we track handled 105,986 more inbound loaded TEUs than in August of last year, an increase of 11.1%. The same nine ports likewise saw a 13.5% (+126,565 TEUs) gain in inbound loads over August 2019.

YTD, the USWC ports we track have taken in 8,672,501 loaded import TEUs through August, 583,185 TEUs more than the 8,089,316 inbound loads handled by the USEC ports we monitor.

As for the containerized export trade, Exhibit 2 testifies that traffic up and down the Pacific Coast has been not what you’d call robust. Only Port of Hueneme and Vancouver (barely) bucked the dismal trend. Outbound loads from the two San Pedro Bay ports were down 14.3% (-36,829 TEUs) from a year earlier and down 18.6% (-50,582 TEUs) from two Augusts ago. Outbound loads at Oakland (-4,391 TEUs), the NWSA ports (-3,431 TEUs), and Prince Rupert (-3,788 TEUs) all declined from a year earlier. Vancouver exported just 85 more loaded TEUs than it had a year ago. Through the first eight months of this year, USWC ports sent 494,927 fewer loaded TEUs abroad than they had two years earlier.

On the USEC, loaded export container traffic in August was up 3.7% (+18,302 TEUs) over last August but down by 5.4% (+29,006 TEUs) from August 2019. YTD, USEC ports handled 1,323,513 more export loads than did USWC ports.

At the two Gulf Coast ports we track, export loads were down 12.3% (-14,811

<table>
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<th>Ports</th>
<th>Aug 2021</th>
<th>Aug 2020</th>
<th>% Change</th>
<th>Aug 2019</th>
<th>% Change</th>
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<td>3,076,998</td>
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<td>1,980,512</td>
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<td>672,633</td>
<td>3.6%</td>
<td>722,977</td>
<td>-3.6%</td>
</tr>
<tr>
<td>Prince Rupert</td>
<td>689,806</td>
<td>704,468</td>
<td>-2.1%</td>
<td>782,659</td>
<td>-11.9%</td>
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<td>Philadelphia</td>
<td>486,597</td>
<td>424,141</td>
<td>14.7%</td>
<td>410,477</td>
<td>18.5%</td>
</tr>
<tr>
<td>New Orleans</td>
<td>350,475</td>
<td>384,394</td>
<td>-8.8%</td>
<td>426,225</td>
<td>-17.8%</td>
</tr>
<tr>
<td>Boston</td>
<td>142,541</td>
<td>175,846</td>
<td>-18.9%</td>
<td>201,483</td>
<td>-29.3%</td>
</tr>
<tr>
<td>Port of Hueneme</td>
<td>140,316</td>
<td>115,942</td>
<td>21.0%</td>
<td>83,918</td>
<td>67.2%</td>
</tr>
<tr>
<td>Port of San Diego</td>
<td>106,727</td>
<td>101,729</td>
<td>4.9%</td>
<td>93,348</td>
<td>14.3%</td>
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<tr>
<td>Portland, Oregon</td>
<td>56,415</td>
<td>32,766</td>
<td>72.2%</td>
<td></td>
<td>26</td>
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<tr>
<td>US/Canada Total</td>
<td>42,627,387</td>
<td>34,808,893</td>
<td>22.5%</td>
<td>37,760,637</td>
<td>12.9%</td>
</tr>
<tr>
<td>US Mainland Only</td>
<td>38,347,739</td>
<td>31,021,013</td>
<td>23.6%</td>
<td>33,605,394</td>
<td>14.1%</td>
</tr>
</tbody>
</table>

Source Individual Ports

Exhibit 3: August 2021 Total TEUs (Loaded and Empty) Handled at Selected Ports
TEUs) from last August and down by 21.8% (-29,477 TEUs) from the August before that.

Exhibit 3 shows that the mainland U.S. ports we monitor handled 38,347,739 total TEUs (loaded + empty) this year through August. That was up 23.6% (+7,326,726 TEUs) over the same period last year and up 14.1% (+4,742,345 TEUs) from the first eight months of 2019.

For What It’s Worth
Through the first eight months of 2021, the declared value of containerized imports entering U.S. mainland ports totaled $604.87 billion. Nominally, this was up 26.5% from the same period last year and up 13.5% from the $535.01 billion in containerized imports reported in the first eight month of 2019. The two San Pedro Bay ports together handled imports valued at $204.38 billion, up 23.3% from $165.69 billion the year before and up 10.3% from the $185.31 billion they had handled in the same period in pre-pandemic 2019.

Perhaps surprisingly given the fall-off in outbound loaded TEUs from pre-pandemic levels, the declared value of containerized exports remained almost unchanged in nominal terms. This year’s $185.23 billion in containerized imports through August barely exceeded the $185.18 billion reported in the same eight months of 2019. This year’s export trade was, however, up 12.4% in value from last year’s $164.79 billion.

Weights and Values
Following along with different ways of gauging containerized trade, we offer here two alternative measures – the declared weight and value of the goods loaded into those TEUs. The percentages in the following exhibits are derived from data compiled by the U.S. Commerce Department that are normally published with a five-week time-lag.

Exhibit 4 shows how the three major USWC gateways have been faring with respect to their respective shares of containerized imports discharged at mainland U.S. seaports in August. We again remind readers that, although it may appear that the five major USWC maritime gateways monopolize the movement of containers through ports in the states of California, Oregon, and Washington, that’s not really the case. In recent years, smaller ports have boosted the major ports’ combined share of containerized import tonnage through mainland U.S. ports by 1.5-2.0%. In August, the total USWC share of containerized import tonnage through mainland ports was 37.0%, 1.7% higher than the 35.3% share jointly held by the USWC Big Five.

Port of Hueneme is an important port-of-entry for refrigerated containers laden with fresh fruit imports from Central and South America. And Portland (the riverport in Oregon, not the seaport in Maine) is gradually re-building its international container trade, with the number of total TEUs handled in August (7,364 TEUs) up from just six two years ago.
Exhibit 5 displays the shares of U.S. container trade involving the Far East handled by the five major USWC ports. Collectively, these five ports handled 57.7% of all containerized import tonnage that entered U.S. mainland ports from the Far East in August. That was down from last August, when the same five ports received 59.6% of all containerized import tonnage, but it was up from the 57.0% share in the pre-pandemic month of August 2019. Adding in the containerized import tonnage handled by the smaller ports of California, Oregon, and Washington, the overall USWC share in August 2021 was boosted to 58.6%. On the export side, the role of the smaller USWC ports has been edging up. This August, they added 1.6% to the Big Five’s 52.2% share of containerized export tonnage handled from U.S. mainland ports to markets in the Far East. Two Augs ago, the smaller ports added just 0.1% to the Big Five share.

The tonnage coming out of the smaller ports of California, Oregon and Washington boosted the overall USWC share to 53.8%. However, that was down from 56.4% a year earlier and from 58.5% in August 2019.

Who’s #1?

Once again, there was no doubt that the nation’s busiest port in August was the Port of Los Angeles with a total of 954,377 empty and loaded TEUs crossing its docks that month. The neighboring Port of Long Beach was the next busiest port with 807,704 total TEUs. Together, the San Pedro Bay gateway managed to move 1,762,081 TEUs in August. In third came the Port of New York/New Jersey (PNYNJ) with 780,782 total TEUs. Fourth place went to Savannah with 485,595 total TEUs. The Northwest Seaport Alliance Ports of Tacoma and Seattle ranked fifth among the U.S. ports we track with a total of 305,071 total TEUs in August.

Not surprisingly, the Port of Los Angeles was also the nation’s busiest port year-to-date, with 7,273,053 total TEUs through August. Second was Long Beach with 6,346,377 TEUs, while PNYNJ placed third with 5,934,664 TEUs. Fourth-place Savannah handled 4,857,054 total TEUs through the first eight months of this year, while the NWSA ports processed 2,472,838 total TEUs. (North of the border, Vancouver reported handling 2,472,838 TEUs through August.)

Counting loaded boxes only, Los Angeles remained in the lead with 586,964 loaded TEUs in the month of August. Neighboring Long Beach came next with 526,911 loaded TEUs in August, followed by the Port of New York/New Jersey with 503,062 loaded TEUs. Savannah ran well behind with 355,783 loaded TEUs followed by Houston with 245,451 total loads.

In the category of inbound loads discharged in August, Los Angeles (485,672 TEUs) topped Long Beach (407,426 TEUs) and PNYNJ (399,716). Inbound loads at Savannah...
meanwhile totaled 241,713 TEUs, while fifth place Houston handled 159,791 inbound loaded TEUs in August.

Once again, export loads were a different story. The Port of Long Beach led all mainland U.S. ports with 119,485 loaded export TEUs, followed by Savannah with 114,070 TEUs. PNYNJ came next with 103,886 TEUs, topping Los Angeles (101,292 TEUs). Houston claimed fifth place with 85,660 export loads, just nosing out Virginia (85,256 TEUs).

**Two-Year Trends**

We all know that the past two years have occasioned much tumult in the container shipping industry. In the first quarter of last year and trailing into the summer, container flows through North American ports contracted sharply as governments moved to stem the spread of the Covid-19 virus. Then, last fall, import traffic picked up dramatically, while exports continued to lag. The reasons for the divergent paths have been and will continue to be debated, especially now that the White House has intervened in the affairs of the nation's major seaports.

For the sake of providing historical context, here we present a series of five graphs demonstrating the past two years of container traffic in

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**Exhibit 6**  
**Laden Container Traffic at San Pedro Bay: September 2019-September 2021**  
Sources: Ports of Los Angeles and Long Beach

**Exhibit 7**  
**Laden Container Traffic at Oakland: September 2019-September 2021**  
Source: Port of Oakland

**Exhibit 8**  
**Laden Container Traffic at NWSA: September 2019-September 2021**  
Source: Northwest Seaport Alliance
Loaded TEUs at the three major USWC ports (the San Pedro Bay Ports of Los Angeles and Long Beach, the Port of Oakland, and the Northwest Seaport Alliance Ports of Seattle and Tacoma), and two of their main East Coast competitors: the Port of Savannah and the Port of New York/New Jersey. Please note that the graphs for all but PNYNJ cover the period from September 2019 through this September. Because PNYNJ does not report its monthly TEU tallies in a timelier manner, the period covered in Exhibit 10 runs from August 2019 through August 2021.
We are now more than a year into the logistical equivalent of seeing six or seven gallons of water being poured into five-gallon buckets. Global supply chains are clogged. Ports here and abroad are congested. Warehouses are stuffed to the ceiling. Clearly, the existing goods movement infrastructure has been no more able to cope with the demands that have lately been placed on it than all those five-gallon buckets.

What to do?

There is no consensus, except to reject the swamped-bayou strategy of just hanging on until the waters recede. The Port of Long Beach is opting for longer gate hours in hopes of easing its congestion. The Port of Los Angeles is banking on enhanced information-sharing to make its container flows more efficient.

But most of the Big Thinkers, once they have gotten through the initial run-in-circles, scream-and-shout phase of analysis, appear to favor investing in bigger buckets. And why not? We finally have a President who is serious about infrastructure and a Congress that's willing to pony up some funds, albeit in sums pathetically inadequate to the task.

To be sure, even the Buy-Bigger-Buckets crowd probably understands that the wave of imports flooding America's ports since the onset of the pandemic last year will eventually subside and will likely do so well before more hardware can be deployed to alleviate the stress that might soon be much less stressful. The goal of most analysis is to get ahead of events, to prepare for the next flood, and most importantly to spend the new federal money before it's taken off the table.

So order books are being compiled, and plans are being drafted for bolstering the nation's goods movement infrastructure, especially in and around its ports. Billions will be spent, much of it wastefully if history is any guide.

But wait. What if this isn’t an infrastructure problem? What if, instead, it’s the result of a psychological defect that has been inflicted on the consumer market?

Back in mid-20th century America, my dear, departed mother would regularly peruse the thin, black-and-white pages of the famed mail-order catalog published by the Sears, Roebuck Company of Chicago, Illinois. It was as close as Americans of that era got to online shopping. From time to time, mother would spy something she liked and that she couldn’t obtain from a local department or hardware store in Portland, Maine. So she would draft a letter she would address alternately to Mr. Sears or Mr. Roebuck (doing business was a personal matter to mother; no faceless corporations for her). Since this was also before widespread use of personal checking accounts, she would further be obliged to trudge downtown to the Casco Bank & Trust to obtain a cashier’s check to cover the purchase price and the shipping charge. (No Amazon Prime then.) Finally, she’d entrust her order to the then highly regarded U.S. Post Office, which would take a few days to convey her order to either Mr. Sears or Mr. Roebuck in far-off Chicago. Then she would wait, with more patience than she normally had for her son.

Back then in the halcyon years celebrated by conservatives and septuagenarians, Dwight Eisenhower was in the White House and a package containing my mother’s order would normally show up in four to six weeks’ time. Its arrival was always a special occasion, and we prayed that she would not be entirely disappointed if the color was not quite what she had imagined or that the size was too small or large. But the point here is to remind us that she and millions of other American consumers considered several weeks to be an entirely reasonable period to wait for an order to arrive all the way from Chicago, Illinois.

Today, we have lost all patience. We simply can’t wait. We want that package to arrive tomorrow, if not later today. How did this happen? How did we become so impulsive about our consumption? What would mother think? (Okay, let’s not go there.)

The fault, obviously, lies with a man named Jeff Bezos. Long before the pandemic prompted homebound
Commentary Continued

consumers to entertain themselves by ordering stuff they didn’t really need, Mr. Bezos taught Americans that they could have their orders delivered to their front steps with alacrity bordering on celerity. He, more than the New Math or any other cultural phenomenon of the early 21st century, changed us, a nation otherwise accustomed to heroic commutes to and from work, into foot-stomping children on a sugar high.

And it was not just Americans that Mr. Bezos and his followers (like the Walton clan) have transformed. This September, for a change of scenery, I rented an apartment in Vienna, a gracious city in which I had spent an undergraduate year at a time much closer to the Vienna of “The Third Man” than to today. To my dismay, I discovered I could not escape Amazon. The only question was whether my order would be shipped to me by Mr. Bezos’ minions in Bavaria, Czechia, or Slovakia. Danke für Ihren Einkauf, Herr O’Connell.

Now what has this to do with the crisis at the ports?

Plenty. To be able to satisfy his customers’ expectations of speedy delivery, Mr. Bezos has been obliged to pepper the landscape with various warehouses, distribution facilities, and what he calls fulfillment centers, many of them large enough to house every single homeless person in America. After all, you simply can’t do next-day, let alone same-day delivery if you’re dispatching shipments the old-fashioned way from a handful of storehouses scattered around the country. You’ve got to be in the next town.

So Mr. Bezos (and those retailers who copied him) went on a colossal building spree. His e-tail giant alone reportedly opened over 100 new fulfillment centers, sortation centers, regional air hubs, and delivery stations across the U.S. just while I was away in September.

The port congestion issue arose, I submit, because Amazon and its rivals had made near-instantaneous home delivery a highly desirable alternative to the old in-person shopping model that was effectively being shut down during the first several months of the pandemic.

This resulted in a huge upswing in demand for imported goods, but not so much from consumers themselves as from the rapidly growing number of fulfillment centers and delivery points Amazon and others were building. The imperative of keeping its own far-flung shelves adequately stocked with merchandise broke the nation’s import supply chains, not the orders placed by actual consumers. In effect, Amazon and its competitors have not been fulfilling consumer demand so much as they are filling their fulfillment centers. No wonder that ports are clogged and inland supply chains are now overwhelmed.

Despite the exaggerated load this has placed on the goods movement infrastructure, Amazon, Walmart, and other retailers continue to promote next-day or second-day delivery for most consumer items. That requires maintaining extensive inventories in more locations than would otherwise be needed. And, so long as they build more and more storage facilities, they will be obliged to import vast quantities of merchandise.

In summary, it’s not consumers’ orders that are congesting the system; it’s those merchandizers who insist on fostering expectations of immediate delivery.

So what’s the answer to supply chain congestion? Instead of addressing today’s crisis as an infrastructure deficiency, suppose President Biden addressed the nation and, in a suitably avuncular manner, told us all to slow down, take a deep breath, and count on getting that bedsheet or yoga mat we ordered next week rather than tomorrow.

Perhaps Mr. Bezos himself could help ease the logistical strain by offering financial incentives for deferred deliveries. Instead of charging extra for same-day delivery, Amazon could offer a 5% discount on merchandise slated for delivery in a week or 10% on orders that would be fulfilled the week after that.

Imagine how much Amazon could consolidate its fulfillment centers. Imagine how much less it would have to import if it moderated its ASAP delivery policy.

Imagine how much my patient mother would have saved.

Disclaimer: The views expressed in Jock’s commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.
The Goods Won’t Move By Themselves
By Mike Jacob, PMSA Vice President & General Counsel

PMSA is proud to endorse the efforts of the industry, ports, and labor to respond to the current cargo congestion crisis as announced by President Biden this week (see Statement by John McLaurin, republished below in this edition of the West Coast Trade Report), and we encourage more creative approaches to be piloted and evaluated until the congestion is eased. However everyone in the intermodal supply chain knows that these short-term and one-time efforts are no solution for long-term capacity constraints and congestion on the US West Coast. One thing that would help: actual federal focus, investment, and coordinated support for freight and the industrial transportation network which supports Pacific trade.

It is absolutely no surprise that the White House’s announcement of business and labor efforts emphasized that the only real and effective short-term solutions to this congestion problem lie in the marketplace itself. That’s why the most important, pertinent, and prescient statement made by President Biden in his remarks this week may have very well been his admonition that the voluntary opening by marine terminals of longer gate hours at the ports in Southern California only has the “potential” to reduce congestion and supply chain snarls “because all of these goods won’t move by themselves.”

He is absolutely right, but perhaps more importantly it needed to be said. For every cog in the supply chain wheel, the business model is one that works best when it is recognized the least. When operating smoothly, the just-in-time international intermodal supply chain has been a modern marvel at producing efficient transportation across the globe at ever lower and lower per unit costs and lower and lower per unit emissions. This has given consumers – the ultimate driver of cargo volumes - worldwide the luxury of never needing to think about the health or infrastructure that undergirds the freight and industrial transportation systems that satisfy the demands of the 21st century global economy.

In fact, it is truly a compliment to all of us in the supply chain that we have pulled off the most improbable of feats: being both ubiquitous to the world economy and invisible to the world’s consumers at the same time.

Unfortunately, COVID has exposed us, and laid bare the impacts of an unprecedented global demand surge that the industry and its port and labor partners could never have imagined, envisioned, planned, or anticipated. One of the silver linings may be that the health and performance of the intermodal supply chain will no longer just be a theoretical and unseen concern, as political leaders can no longer take our supply chain’s ubiquity, capital and labor, or capacity to absorb regulatory and infrastructure constraints for granted. Where once the intermodal supply chain was viewed as an insatiable well by many policymakers, now constraints and limits exist and the global consumer is demanding that they be addressed.

In that context, it is important for our federal leaders to step up and begin to invest in the infrastructure and policies necessary to truly facilitate future growth, ensure smooth operations of international cargo flows, and assist the supply chain to absorb the costs of future environmental improvements. Specifically, since our West Coast ports continue to be the overwhelming gateway for our goods, maybe our nation should start investing in its infrastructure to match its patterns of consumer demand.

First of all, the overall national public funding and policy attention that is paid to facilitating the elimination of congestion, expansion of infrastructure, and reduction of negative freight and industrial transportation externalities has been historically and remains embarrassingly low. The paucity of actual, significant federal freight policy essentially left all of the funding of our freight infrastructure to the private sector to fund in conjunction with state and local government partners. The lack of federal focus was so acute that in 2010 the California Legislature adopted a resolution to ask Congress to adopt a national freight policy and to increase federal investments in freight infrastructure, congestion relief, and air quality.

Obviously, the lack of a national freight policy hurt West Coast trade. Self-help states like California and Washington were left to bear locally the costs of both facilitating infrastructure investments and reducing negative impacts related to congestion and air quality without the benefit of full federal partnership in trade-supporting investment.

In response to calls like these there has been an increase in focus on trade and freight infrastructure and
The Goods Continued

investment at the national level, but in many respects these new funding streams have actually compounded the lack of focus on how to ensure the success of West Coast ports. As pointed out recently by the Port of Los Angeles, since 2010 federal investment in Pacific Coast ports has equaled approximately $1.2 billion, while federal investment in Gulf and Atlantic Coast ports have totaled $10.8 billion. After accounting for Great Lakes port spending, over 90% of federal investment has gone to ports not on the West Coast. This is obviously incongruent with the actual cargo volumes being supported by Pacific ports of over 40% of our national container flows.

This is not harmless; rather the federal government’s freight investment policies actually undermine our supply chain productivity. Because Pacific ports are essentially funding all of their own overhead, their ability to continue making self-help investments in infrastructure and environmental improvements is sabotaged when the federal government makes capacity enhancing infrastructure at other seaports which are competing with the West Coast for discretionary import cargoes from Asia. It is no coincidence that the West Coast ports’ loss of discretionary cargo market share to East and Gulf Coast competitors continued during the past decade when federal investments have skewed heavily towards East and Gulf Coast ports which were expanding their capacity and ability to take this traffic from the Pacific trades.

So while we are seeing marketplace responses to congestion worldwide to short term congestion and capacity constraints, the responses from the federal government should not only be focused on how to help create capacity in our freight transportation system, but how to improve and expand federal investment in our freight transportation system strategically, fairly, and effectively. If the goal is to actually improve throughput and the reliability, resiliency, and durability of the existing system, then that should result in an abandonment of the current approach to trade where 90% of federal funds are effectively spent everywhere except where they would be most useful. It is, without a doubt, time for us to invest our tax money where we as consumers collectively demand it – at the containerized seaports on the West Coast.

And if we don’t, the goods won’t move by themselves.

October 13, 2021 Statement

By John McLaurin, President, Pacific Merchant Shipping Association

The Pacific Merchant Shipping Association (PMSA), whose members are ocean carriers and marine terminals, are encouraged by the actions of the Biden Administration to relieve congestion in the supply chain. This federal leadership has the potential to expedite needed shipments of goods throughout the United States.

To be clear, all parts of the supply chain are struggling under a surge in cargo. Marine terminal gates are open, and most are providing extended hours but are not being utilized. The problem is that trucks are not using the extended hours due to a shortage of drivers, warehouses are full and also suffer from a lack of personnel, chassis that carry containers are not being returned causing equipment shortages. It is a system of systems all dependent upon each other.

We applaud President Biden and his Administration for encouraging system-wide solutions that will allow the International Longshore and Warehouse Union (ILWU) workers to continue their dedicated service. While many professions were working remotely, the ILWU and marine terminal staff continued to load and unload ships and process containers. Southern California ports have processed more containers in 2021 than at any point in their history.

Accomplishing that goal was not easy. PMSA members have taken several actions to address the congestion that resulted from the pandemic and the disruptions throughout the global manufacturing and goods movement supply chain. Ocean carriers have secured more vessels to meet the growing demand for goods from United States businesses and consumers, terminals and ocean carriers have obtained land outside of port areas to store containers. Despite all of the challenges due to COVID-19, ocean carriers have transported a record amount of goods to California ports. To date, the Ports of Los Angeles and Long Beach have processed 30% more TEU’s in 2021 than in 2020.

We look forward to working with the Biden Administration to keep the supply chain moving.
Import Dwell Time Is Up For September; Rail Dwell Time Is Down

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

Dwell Time in Days  % > 5 Days

Rail Dwell Time in Days

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The Washington State Board of Pilotage Commissioners, together with USCG and IMO, requires compliance with SOLAS V Reg 23 & IMO Resolution A.1045(27) requirements for pilot transfer arrangements (PTAs). Vessel Deck Officers and Crew should be well trained in these regulations to enable Pilots to safely embark and disembark.

Washington State pilots frequently encounter pilot ladders not in compliance with safety standards, including the examples shared in this notice, which were documented through our reporting process for dangerous ladders.

Noncompliant pilot ladders have caused serious injury and death. Be aware that pilots may refuse to board vessels with noncompliant ladders and that this may result in delays.

These occurrences (see next pages) are brought to your attention to remind you of the following requirements:

General:

- A licensed Deck Officer must be present during Pilot transfers
  SOLAS V, Regulation 23, 2.2
- Pilot ladder should rest firmly against ship’s side.
  SOLAS V, Regulation 23, 3.3.1.3
- Pilot ladder steps should be horizontal and evenly spaced.
  IMO Resolution A.1045(27) 2.1.2.6-7
- Pilot ladder steps and spreaders should not be varnished or painted.
  ISO 799-1:2019(E), 4.1
- Pilot ladders more than 30 months old must have a certificate of strength testing.
  ISO 799-1:2019(E), 10.4

Combination ladders:

- Accommodation ladder should be well secured to the ship’s side.
  IMO Resolution A.1045(27) 7.2.2.5
- Pilot ladder should be rigged immediately adjacent to the lower platform of the accommodation ladder.
  IMO Resolution A.1045(27) 3.6
- Pilot ladder should extend 2 meters above the lower platform of an accommodation ladder.
  IMO Resolution A.1045(27) 3.6
- Pilot ladder should be secured 1.5 meters above platform.
  SOLAS V, Regulation 23, 3.3.2.1
- Lower platform of an accommodation ladder should be at least 5 meters (16 feet) above sea level.
  IMO Resolution A.1045(27) 3.3
Pilot ladder should extend 2 meters above the lower platform of an accommodation ladder.

*IMO Resolution A.1045(27) 3.6*

Pilot ladder should be secured 1.5 meters above platform.

*SOLAS V, Regulation 23, 3.3.2.1*

Pilot ladder should rest firmly against ship’s side.

*SOLAS V, Regulation 23, 3.3.1.3*

Pilot ladder steps should be horizontal and evenly spaced.

*IMO Resolution A.1045(27) 2.1.2.6-7*

Pilot ladder steps and spreaders should not be varnished or painted.

*ISO 799-1:2019(E), 4.1*

**Note:** This ladder was encountered on August 23. Its many problems were corrected in early September.

The issues being emphasized in this notice are not necessarily the only issues with this PTA.
The issues being emphasized in this notice are not necessarily the only issues with this PTA.

Accommodation ladder should be well secured to the ship’s side.

*IMO Resolution A.1045(27) 7.2.2.5*

Pilot ladder should be rigged immediately adjacent to the lower platform of the accommodation ladder. The distance between ladder and platform should be 0.1 - 0.2 meters (4 to 8 inches).

*IMO Resolution A.1045(27) 3.6*

Lower platform of an accommodation ladder should be at least 5 meters (16 feet) above sea level.

*IMO Resolution A.1045(27) 3.3*
Meeting Minutes – Pilot Safety Committee (PSC)
August 30, 2021, 1 pm to 3 pm

Attendees
Committee members/alternates & BPC staff: John Scragg (BPC/PSP), Sheri Tonn (BPC), Jaimie Bever (BPC), Ivan Carlson (PSP), Scott Anacker (PSP), Mike Folkers (PGH), Andrew Drennen (BPC), Eleanor Kirtley (BPC), Jason Hamilton (BPC), Mike Moore (PMSA), Mike Ross (BPC), Bettina Maki (BPC)
Guests: John Coyle (Bluewater), Ann Jarris MD (Discovery Health MD), Mark Homeyer (Crowley Petroleum Services), Charles Costanzo (AWO), Nate Menefee (USCG), Patrick Hilbert (USCG)

1. Review of Minutes of previous meeting on 07/28/2021
The minutes were reviewed and approved by the committee without corrections.

2. COVID 19 Safety Concerns
Captain Mark Homeyer of Crowley Petroleum Services was invited to the meeting to discuss a recent COVID concern that he had brought to the attention of PSP and BPC. Dr. Ann Jarris also was invited as the medical expert working with Puget Sound Pilots on COVID issues and pilot safety. Capt. Homeyer was asking for PSP to initiate additional COVID screening testing to reduce the possibility of a COVID-positive pilot boarding a Crowley vessel. The concern arose because a Puget Sound Pilot tested positive for COVID shortly after being on a Crowley vessel. PSP had notified Crowley of the positive case, following established procedures. When Crowley in turn reported the information to Canadian authorities as part of a routine border screening, they were informed that it would be necessary to change the crew and disinfect the vessel before proceeding into Canada. Capt. Homeyer wondered if this costly situation could have been avoided with more testing on the part of Puget Sound Pilots.

Currently, Puget Sound Pilots and Pilot Trainees are following recommended guidelines for preventing the spread of COVID-19:

- All pilots and trainees are fully vaccinated – Ivan Carlson explained that this had been achieved months prior to the recent positive test.
- The pilots also follow standard COVID precautions on watch, including masking, distancing, using outside stairs on vessels whenever possible, limiting the number of persons on the bridge, etc.
• Vessel crews also practice precautions like masking and distancing, though they are not always 100% vaccinated like the pilots are.

• The pilots are tested frequently, as deemed medically necessary, but they are not tested more frequently purely as a screening tool outside of any other indication for testing.

Capt. Homeyer described that Crowley employees do a rapid PCR COVID test before coming on watch, and he asked if the pilots might do the same. Dr. Jarris explained that a testing-based COVID-management strategy is not best practice and is not used outside of “closed systems”, e.g., where everyone comes on watch at the same time and stays on the vessel together until they are all off watch. Dr. Jarris emphasized that vaccines, using PPE/masks, and distancing are the best ways to prevent COVID spread and that the pilots are doing those things.

Given the COVID-prevention measures being practiced by Puget Sound Pilots and vessel crews, Dr. Jarris wondered if she and a Crowley medical representative should discuss the situation with the Canadian authorities and explore if a crew change is truly necessary in circumstances where vaccinated people are masking, distancing and taking other measures to prevent transmission, but then one of the people later has a positive test result.

Sheri Tonn agreed that it would be best to continue the discussion with just the medical experts from PSP and Crowley and the Canadian authorities. Sheri also expressed concern about unvaccinated crew on Crowley vessels. Capt. Homeyer explained that collective bargaining agreements prevent Crowley from requiring vaccinations for crew; he reported that nonetheless they have had only 5 COVID infections among their 700 employees during the pandemic. Committee Chair John Scragg agreed with Sheri that it would be best to table the discussion and to leave further discussion to the medical representatives.

3. Maximum Assignment Duration

John Coyle of Bluewater (bulker agent) was present at the meeting. He had been invited to participate in a discussion about mitigating excessive assignment times, because PSP dispatch data shows that many of the longest assignments (often 13 hours) are loaded bulkers outbound from Tacoma. Chair John Scragg recapped the issue: Fatigue management expert Dr. Czeisler recommends a maximum assignment duration of 12 hours in the daytime and 8 hours at night. The Pilot Safety Committee is considering options to reduce assignment duration for nighttime outbound Tacoma bulkers. Factors contributing to the very long assignment times are departure delays, the distance from Tacoma to the Pilot Station, and the slower speed of loaded bulkers.

John Coyle stated that his understanding is that the Tacoma to Pilot Station trip takes 6-7 hours, and that there have been very few delays out of Tacoma in the last several years – he had his guys check – though he did acknowledge that rain does frequently delay grain loading.

He thought that the focus should be on the “callout time” (prep and travel) which he thought was excessive. He also thought that if PSP dispatch was staffed 24/7 it would be easier for the grain terminal to arrange more accurate departure times (the agent doesn’t order the pilot). He wondered if Dr. Czeisler’s recommendations were in line with NTSB regulations. He did not think adding a second pilot was a workable option because that would increase costs and PNW ports are already very high in cost compared to other US ports even when additional travel time and distance are factored in. Another less expensive proposed solution of taking the ship to anchor (and then having another pilot take the ship to the pilot station during the daytime) was also deemed too costly.
John Coyle then left the meeting and the committee continued to discuss whether the “callout time” was reasonable and whether 24-hour dispatch would change assignment durations.

Sheri Tonn wondered how many customers would be benefitted by 24-hour dispatch (what would be the benefit obtained in exchange for the substantial additional cost).

Mike Moore and Andrew Drennen were interested in focusing on 24-hour dispatch.

John Scragg asked how the dispatch relates to the assignment duration and pilot fatigue.

Ivan Carlson reminded the committee that it is already possible to call dispatch in the middle of the night and change the order time.

Scott Anacker agreed that the problem is not the dispatch system but the overly optimistic order times and resulting delays.

John Scragg addressed the comments about callout time being excessive. He pointed out that even if the callout time was reduced, the assignments would still exceed the recommendations. Reducing a 13-hour assignment to 12 hours still leaves a very long assignment, especially at night.

John also pointed out that the travel time allowances take into account the large size of the Puget Sound District and cannot be meaningfully compared to travel times in other districts in the country. Travel time allowances also include arriving 30 minutes early, going through security, etc. – those things are not in addition to the travel time.

Regarding prep time, Ivan explained that it is in fact complex work, and it should not be assumed that it can be done during travel time.

Andrew continued to look for areas where both sides could each compromise. He thought possibly Dr. Czeisler’s recommendations around maximum assignment duration were being given too much weight, considering that the recommendations have been implemented inconsistently. He also asked (and had also asked in a previous meeting) if the PSC should be focusing quite so much on fatigue management, given that there does not seem to be much evidence that fatigue issues are causing incidents in BPC districts.

Several people observed that it is not clear who in fact orders the pilot and wondered how the order times might be made more accurate, to reduce delays.

Eleanor Kirtley noted that the idea of changing pilots in Seattle appears to be too unpopular and so the committee will need to focus on other solutions.

Jason Hamilton agreed the two-pilot solution is probably not the best solution. He also felt that changing the dispatch system does not seem warranted.

Sheri Tonn summed up the discussion, saying while the committee now has an understanding of the agent’s point of view, there is still more work to do to understand delays. She also thinks it would be valuable to review Dr. Czeisler’s recommendations with newer members who may not be aware of Dr. Czeisler’s experience and reputation. He is an international guru. Sheri also wanted everyone to understand that the pilots have already compromised a lot on the recommendations (for example the definition of night assignment) and this should be factored in when considering further compromises. Sheri thinks the committee should be careful not to stray too far from the fatigue management best practices. Regarding 24-hour dispatch, Sheri expressed concern about the cost of increased dispatch staffing. She believes the pilots are doing a good job of continuing to look for efficiencies.
John Scragg appreciated Sheri’s points about the pilots’ previous concessions and compromises. He pointed out the risk associated with this issue having been raised years ago and not yet acted upon. He reminded the committee that the focus is on night assignments only and that the idea under consideration is to reduce assignment duration for night assignments only and bring it closer to the recommended 8 hours max.

4. Dangerous Ladder Reporting System

Scott Anacker shared that the new ladder reporting form is being tested through September, then corrections will be made, and then the form will be put into electronic format, and BPC will be automatically looped in on all submissions of the form. This might be ready in November. Also, once the form is finalized it will need to be reviewed with ABS (American Bureau of Shipping) so that they know what is going on and can focus more on pilot ladders during inspections. Final electronic form and supporting info will be posted on PSP web site so all parties know what is being reported on.

In 2022 Scott Anacker and Sandy Bendixen will develop something like the Jacobsen Trifold (single sheet on pilot transfer arrangements) to help make it easier for everyone to communicate about pilot ladder issues.

A West coast agreement on combination ladder rigging is being implemented. The APA is sending out a letter about it. Shippers are interested in this. They want a commitment from everyone on the west coast.

5. Dangerous ladder report submitted on the new form!

Scott Anacker reviewed the ladder report submitted by Capt. Matt Hannuksela regarding the NAJADE.. The ladder had multiple issues and needed to be replaced. Scott pointed out that this was an outbound vessel which means another pilot used this ladder on the inbound assignment but the ladder was not reported. It will be helpful when all the pilots are following the same standards for reporting dangerous ladders. In the meantime, it is not a bad idea for pilots on outbound assignments to ask to see the ladder, to avoid surprises when disembarking.


Bettina Maki shared a mock-up of the layout and possible wording for the planned Pilot Ladder Safety Bulletins based on ideas generated at the previous PSC meeting. The Safety Bulletins are intended to be educational and safety-promoting, by sharing some of the unsafe situations pilots frequently encounter. Committee members had additional suggestions for how to create the most impactful message with the bulletin. Bettina offered to create an actual draft bulletin using content from the two dangerous ladder reports received in July and August. The committee agreed and Scott Anacker, Jason Hamilton, and Mike Moore offered to review and assist with wording, so that a close to finalized version will be ready for review at the next PSC meeting.

Sheri Tonn pointed out that while we are leaders in many areas, we are currently doing some catch-up in the area of pilot ladder safety, which is good.

7. Wrap-up/Next Steps/Next Meeting

Next meeting to be scheduled for end of October.

The meeting was adjourned at 3:00 pm.
Vessel Traffic Trend Synopsis
Draft report presentation
Purpose of the presentation

• A review of ESHB 1578 and the draft synopsis as presented to the BPC on November 4, 2021

• Overview of results for the research questions as set forth in the scope of work, and synopsis results and conclusions
Review of ESHB 1578 and Draft Synopsis of Changing Vessel Traffic Trends
ESHB 1578 - Reducing Threats to Southern Resident Killer Whales by Improving Oil Transportation Safety

• Requires tug escorts in Rosario Strait and connected waterways to the east
  ▪ Tankers between 5,000 and 40,000 DWT
  ▪ Laden ATBs and oil barges > 5,000 DWT
  ▪ Does not apply to tank vessels providing bunkering or refueling services

• Directs the BPC to determine if the new tug escort requirements resulted in changes to vessel traffic trends and to complete a synopsis to report results to the legislature
Interagency Agreement

The BPC and Ecology signed an IAA for implementing requirements of ESHB 1578

- Ecology drafted scope of work for the synopsis, the BPC approved by vote
- Ecology and the BPC developed the synopsis
- Board will vote on approving the report
Synopsis Report Contains

• Executive summary
• Introduction including the:
  • Legislative directive and
  • BPC and Ecology roles
• Scope of work, including research questions and deliverables
• Data collection and analysis methods
• Data challenges and mitigation measures
• Results for the scope of work research questions and deliverables
• Conclusions: changes observed in vessel traffic trends and tug escort movements
Study Area
Synopsis Research Questions

• What changing vessel traffic trends do we see for vessels that newly fall under an escort requirement?
• What changing vessel traffic trends do we see for deep draft and tug traffic that have no additional escort requirements?
• What changing vessel traffic trends do we see for tug escorts?
• How does the overall number of transits (by vessel type) change pre- and post-bill implementation?
Method to determine changes in traffic trends

• Ecology collected data for transits in Rosario Strait and Haro Strait for one year before and one year after tug escort implementation
  • Year 1: September 1, 2019 - August 31, 2020
  • Year 2: September 1, 2020 - August 31, 2021
• Includes vessel transit (AIS), oil transfer (ANT), and crossing line data
• Ecology reviewed five years of Vessel Entries and Transits in Washington Waters (VEAT) report data to provide context to the observed changes in vessel traffic
Method to determine if a transit may have been influenced by new tug requirements

For each Haro Strait transit by a vessel newly affected by the tug escort requirements, the following questions were asked:

• Was the selection of Haro Strait a change from previous transits between the same origin and destination by vessels from the same company?

• Would transiting through Rosario Strait be a reasonable option, given the origin and destination?

• Did the vessel transit Rosario and Haro Strait in one trip?

• Was the tank vessel likely laden, as determined by the process Ecology used for the synopsis?
A transit was determined to have not been influenced by the new escort requirements if:

- Ecology could not determine that a transit was ‘likely laden’, or make a reasonable assumption about the status of the transit based on ANT data.
- Transiting through Rosario Strait was not a reasonable option given the destination.
- The transit was through Haro Strait between the Strait of Juan de Fuca and Vancouver, B.C., if the vessel company had used this route in previous years.
- The vessel transited both Haro and Rosario Straits, since laden tank vessels would still require an escort through the Rosario Strait portion of the route.
Answers to Synopsis Research Questions and Overview of Synopsis Results and Conclusions
How did the overall number of transits change?

• Data shows transits by vessels affected by the tug escort requirement increased from Year 1 to Year 2 in both Rosario Strait and Haro Strait

• Synopsis concluded most changes were not related to tug escort requirement
  • Business decisions by companies
  • Year-to-year variation in the market for crude oil and refined product
  • Effects of the global pandemic
What changes in route selection did we see for vessels with new tug escort requirements?

- Transits where tug escort requirements may have affected route selection as determined by criteria:
  - 5 of 79 transits by ATBs through Haro Strait
  - 11 of 16 transits by barges > 5,000 DWT through Haro Strait
- New tug escort requirement did not appear to have affected route selection for tankers between 5,000 and 40,000 DWT
What changes in vessel traffic trends did we see for vessels with no new tug escort requirements?

Tankers greater than 40,000 DWT
  • Transits decreased in Rosario Strait
  • Change was negligible in Haro Strait

Barges < 5,000 DWT
  • Transits decreased in Rosario Strait
  • No transits in Haro Strait in Year 1 or Year 2
What changes in vessel traffic trends did we see for vessels with no new tug escort requirement?

Barges engaged in bunkering in Rosario Strait

- Transits decreased overall
- Slight increase in transits by barges > 5,000 DWT
- Larger decrease in transits by barges < 5,000 DWT
What changes tug movements did we see for tugs performing escort duties?

• Tug escort transits increased by over 3,000 transits
• Largest increase (1,674 transits) by three multi-purpose tugs*

* A multi-purpose tug is a term used in the synopsis to describe a tug observed both towing oil barges and performing tug escort duties.
## Vessels affected by new escort requirements

<table>
<thead>
<tr>
<th>Vessel Type / Route Selection</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Transits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vessel Type</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ATB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Rosario Strait</strong></td>
<td>787</td>
<td>841</td>
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<tr>
<td><strong>Haro Strait</strong></td>
<td>48</td>
<td>79</td>
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<td><strong>Vessel type</strong></td>
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<tr>
<td>Barges &gt; 5,000 DWT</td>
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<tr>
<td><strong>Rosario Strait</strong></td>
<td>315</td>
<td>333</td>
<td>+18</td>
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<tr>
<td><strong>Haro Strait</strong></td>
<td>11</td>
<td>16</td>
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</tr>
<tr>
<td><strong>Vessel Type</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Tankers &lt; 40,000 DWT</td>
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<tr>
<td><strong>Rosario Strait</strong></td>
<td>15</td>
<td>26</td>
<td>+11</td>
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<tr>
<td><strong>Haro Strait</strong></td>
<td>7</td>
<td>14</td>
<td>+7</td>
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</table>
Vessels not affected by new escort requirements

<table>
<thead>
<tr>
<th>Crossing Line</th>
<th>Bellingham Channel</th>
<th>Boundary Pass</th>
<th>Guemes Channel</th>
<th>Haro Strait</th>
<th>Rosario Strait N</th>
<th>Rosario Strait S</th>
<th>Saddlebag Guemes</th>
<th>Sinclair Lummi</th>
<th>Total Transits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Year 1 Transits</strong></td>
<td>51</td>
<td>212</td>
<td>287</td>
<td>212</td>
<td>399</td>
<td>613</td>
<td>31</td>
<td>137</td>
<td>1,942</td>
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<tr>
<td><strong>Year 2 Transits</strong></td>
<td>38</td>
<td>208</td>
<td>274</td>
<td>208</td>
<td>284</td>
<td>488</td>
<td>18</td>
<td>98</td>
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<tr>
<td><strong>Change in Transits</strong></td>
<td>-13</td>
<td>-4</td>
<td>-13</td>
<td>-4</td>
<td>-115</td>
<td>-125</td>
<td>-13</td>
<td>-39</td>
<td>-326</td>
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</table>
Vessels not affected by new escort requirements

<table>
<thead>
<tr>
<th>Vessel Type / Route Selection</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Change in number of Transits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessel Type</td>
<td>Barge &lt; 5,000 DWT</td>
<td>Barge &lt; 5,000 DWT</td>
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</tr>
<tr>
<td>Rosario Strait</td>
<td>368</td>
<td>218</td>
<td>-150</td>
</tr>
<tr>
<td>Haro Strait</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
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</table>
## Vessels not affected by new escort requirements

<table>
<thead>
<tr>
<th>Vessel Type / Route Selection</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessel Type</td>
<td>Bunker &gt; 5,000 DWT</td>
<td>Bunker &gt; 5,000 DWT</td>
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</tr>
<tr>
<td>Rosario Strait</td>
<td>64</td>
<td>70</td>
<td>+6</td>
</tr>
<tr>
<td>Vessel Type</td>
<td>Bunker &lt; 5,000 DWT</td>
<td>Bunker &lt; 5,000 DWT</td>
<td></td>
</tr>
<tr>
<td>Rosario Strait</td>
<td>153</td>
<td>127</td>
<td>-26</td>
</tr>
<tr>
<td>Total all bunkering transits</td>
<td>217</td>
<td>197</td>
<td>-20</td>
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</table>
# Tug Escorts Crossing Line Data

<table>
<thead>
<tr>
<th>Crossing Line Data: Purpose-Built Escort Tug Transits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crossing Lines</td>
</tr>
<tr>
<td>Year 1 Transits</td>
</tr>
<tr>
<td>Bellingham Channel</td>
</tr>
<tr>
<td>Guemes Channel</td>
</tr>
<tr>
<td>Rosario Strait N</td>
</tr>
<tr>
<td>Rosario Strait S</td>
</tr>
<tr>
<td>Saddlebag Guemes</td>
</tr>
<tr>
<td>Sinclair Lummi</td>
</tr>
<tr>
<td>Total Transits</td>
</tr>
<tr>
<td>Year 2 Transits</td>
</tr>
<tr>
<td>Bellingham Channel</td>
</tr>
<tr>
<td>Guemes Channel</td>
</tr>
<tr>
<td>Rosario Strait N</td>
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<tr>
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</tr>
<tr>
<td>Sinclair Lummi</td>
</tr>
<tr>
<td>Total Transits</td>
</tr>
<tr>
<td>Change in # of transits</td>
</tr>
<tr>
<td>Bellingham Channel</td>
</tr>
<tr>
<td>Guemes Channel</td>
</tr>
<tr>
<td>Rosario Strait N</td>
</tr>
<tr>
<td>Rosario Strait S</td>
</tr>
<tr>
<td>Saddlebag Guemes</td>
</tr>
<tr>
<td>Sinclair Lummi</td>
</tr>
<tr>
<td>Total Transits</td>
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</tbody>
</table>
# Tug Escorts Crossing Line Data

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<thead>
<tr>
<th>Crossing Lines</th>
<th>Bellingham Channel</th>
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<th>Rosario Strait N</th>
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<th>Saddlebag Guemes</th>
<th>Sinclair Lummi</th>
<th>Total Transits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1 Transits</td>
<td>11</td>
<td>9</td>
<td>18</td>
<td>27</td>
<td>4</td>
<td>2</td>
<td>71</td>
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<tr>
<td>Year 2 Transits</td>
<td>164</td>
<td>164</td>
<td>521</td>
<td>519</td>
<td>143</td>
<td>234</td>
<td>1,745</td>
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<tr>
<td>Change in # of transits</td>
<td>+153</td>
<td>+155</td>
<td>+503</td>
<td>+484</td>
<td>+139</td>
<td>+232</td>
<td>+1,674</td>
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</table>
## Oil Transfers at Facilities in Study Area

<table>
<thead>
<tr>
<th>Facility</th>
<th>Year 1 Number of Transfers</th>
<th>Year 2 Number of Transfers</th>
<th>Change in Number of Transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shell Anacortes</td>
<td>242</td>
<td>199</td>
<td>-43</td>
</tr>
<tr>
<td>Tesoro Marketing &amp; Refining Company</td>
<td>184</td>
<td>248</td>
<td>+64</td>
</tr>
<tr>
<td>Phillips 66 Ferndale</td>
<td>330</td>
<td>217</td>
<td>-113</td>
</tr>
<tr>
<td>BP Cherry Point</td>
<td>328</td>
<td>279</td>
<td>-49</td>
</tr>
<tr>
<td><strong>Total Transfers</strong></td>
<td><strong>1,084</strong></td>
<td><strong>943</strong></td>
<td><strong>-141</strong></td>
</tr>
</tbody>
</table>
# Oil Transfers at Anchorages in the Study Area

<table>
<thead>
<tr>
<th>Anchorage</th>
<th>Year 1 Number of Transfers</th>
<th>Year 2 Number of Transfers</th>
<th>Change in Number of Transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anacortes</td>
<td>30</td>
<td>52</td>
<td>+22</td>
</tr>
<tr>
<td>Bellingham Bay</td>
<td>1</td>
<td>3</td>
<td>+2</td>
</tr>
<tr>
<td>March Point</td>
<td>17</td>
<td>19</td>
<td>+2</td>
</tr>
<tr>
<td>Vendovi Island</td>
<td>63</td>
<td>46</td>
<td>-17</td>
</tr>
<tr>
<td><strong>Total oil transfers</strong></td>
<td><strong>111</strong></td>
<td><strong>121</strong></td>
<td><strong>+10</strong></td>
</tr>
</tbody>
</table>
VEAT context for changes in traffic patterns

ATB

• The addition of 54 transits in Rosario Strait does not appear to be unusual.
• The increase in transits by 31 in Year 2 is higher than any year-over-year change for the last five years.

Barges greater than 5,000 DWT

• The increase of 18 transits in Rosario Strait does not appear to be unusual.
• Zero transits in Haro Strait for years 2016 – 2018, increased to thirteen transits in 2019 and nine in 2020.
VEAT context for changes in traffic patterns

Tankers between 5,000 and 40,000 DWT

• Data show a significant link between Vancouver, B.C., and refineries in the study area. In Year 1, five of seven transits to refineries in the study area included transits between the study area and Vancouver, B.C. In Year 2, this number was seven of the eleven transits.

• The usual route for these tankers uses both Rosario and Haro Straits, although transits through the north end of Rosario were also observed in VEAT data between 2016 and 2019.
Conclusions for Changes in Traffic Patterns

• Ecology identified five of 79 transits by ATB, and 11 of 16 transits by barges greater than 5,000 DWT through Haro Strait in Year 2 where the tug escort requirements may have been a factor in deciding the route

• Border closure between Washington and Canada produced a change in traffic patterns for ATBs using pilots
  • Prior to the pandemic, no transits by ATBs between Vancouver, B.C., and the study area using both Rosario and Haro Straits
  • After border closure, 53 of these transits, 17 in Year 1 and 36 in Year 2
Conclusions for Changes in Escort Tug Movements

• Transits made by escort tugs increased significantly following the implementation of the new requirement.

• Transits by purpose-built escort tugs increased by 1,330 transits. Transits increased over all crossing lines with the exception of the Saddlebag to Guemes Island line which decreased by 53 transits.

• Transits by multi-purpose escort tugs area increased by 1,674 transits. Transits increased over all crossing lines.

  ❖ Tugs can transit over multiple crossing lines in a single trip, so the total number of transits over crossing lines does not represent the number of trips.
Timeline

- November 4: Ecology delivered draft report to the BPC
- November 18: BPC board meeting, Ecology presents on draft synopsis
- November 19: Comments due to Ecology from the BPC
- December 2: Ecology delivers final synopsis to the BPC
- December 9: BPC board meeting, vote on approving synopsis
- December 31: Synopsis due to the legislature
Questions?

Lori Crews
Spills Program Prevention Section, Vessel Inspector
Lori.crews@ecy.wa.gov

Brian Kirk
Spills Program Prevention Section, Section Manager
Brian.Kirk@ecy.wa.gov
Tug Escort Analysis – Work Scope
The Pilotage Act requires an analysis of tug escorts

RCW 88.16.260 Subsection (1)(a) requires the Board of Pilotage Commissioners, in consultation with Ecology, to adopt rules regarding tug escorts for certain tank vessels by December 31, 2025.

RCW 88.16.260 Subsection (5) states: “To inform rule making, the board of pilotage commissioners must conduct an analysis of tug escorts using the model developed by the department of ecology under RCW 88.46.250.

RCW 88.16.260 Subsection (1)(d)(iii) states: “By September 1, 2023, the department of ecology must submit a summary of the results of the analysis required under subsection (5) of this section to the legislature...”
The Board of Pilotage Commissioners may:

• (a) Develop scenarios and subsets of oil tankers, articulated tug barges, and towed waterborne vessels or barges that could preclude requirements from being imposed under the rule making for a given zone or vessel;

• (b) Consider the benefits of vessel safety measures that are newly in effect on or after July 1, 2019, and prior to the adoption of rules under this section; and

• (c) Enter into an interagency agreement with the department of ecology to assist with conducting the analysis and developing the rules, subject to each of the requirements of this section.”
Roles & Responsibilities

BPC and Ecology signed an Interagency Agreement (IAA) for work related to RCW 88.16.260. For the analysis of tug escorts, the IAA includes the following responsibilities:

• BPC Staff will develop scope of work for the tug escort analysis.
• Ecology will provide technical assistance to BPC by producing a draft of the scope of work.
• Board of Pilotage Commissioners will vote to approve the scope of work
• Ecology will perform tug escort analysis and related outreach activities based on the scope with input from BPC.
• Ecology will write and submit a summary of the tug escort analysis to the legislature by September 1, 2023.
Modeling Approach

Vessel Movement Module
- Generates traffic levels, vessel routes, and movements

Encounter Module
- Identifies opportunities for collisions and groundings

Vessel Accident Module
- From a limited list of hazards, uses probabilities and mechanistic models to estimate accidents

Oil Outflow Model
- From a limited list of accidents, uses probabilities and mechanistic models to estimate oil outflows
Timeline – Activity to date

Aug. 30, 2021  –  Present draft scope of work to OTSC
Sept. 2021    –  Public Comment Period
Oct. 18, 2021 –  Present revised scope to OTSC
Nov. 4, 2021  –  Submit draft scope to BPC
Timeline – Future

Nov. 18, 2021  –  Present draft scope of work to BPC
Dec. 2, 2021   –  Submit final scope of work to BPC
Dec. 9, 2021   –  BPC vote on scope of work
2022-2023      –  Conduct outreach and analysis
Sep. 1, 2023   –  Ecology will submit report to Legislature
Scope of Work Contents

• Background
• BPC and Ecology roles & responsibilities
• Analysis Objective
• Research Questions
• Study Area
• Out of scope
• Data Inputs
• Outreach
• Definitions
Analysis Objective

Evaluate the potential change in oil spill risk from covered vessels resulting from the use of tug escorts by specified tank vessels in waters east of New Dungeness Light and Discovery Island Light.
Research Questions 1-3

The following research questions will be assessed within analysis scenarios:

• How is oil spill risk distributed geographically? How does the use of tug escorts change the way that oil spill risk is distributed geographically?

• How is oil spill risk distributed across covered vessel types? How does the use of tug escorts change the way that oil spill risk is distributed across covered vessel types?

• How does the 2020 expansion of tug escorts in Rosario Strait and connected waters to the east change oil spill risk from covered vessels?
Research Questions 4-6

• How does tethering affect oil spill risk?

• How do key design characteristics for escort tugs affect oil spill risk?

• Are there new safety measures adopted since July 1, 2019? If so, what are the benefits of these measures?
Out of scope

This analysis focuses on the effects on oil spill risks resulting from the use of tug escorts for specified tank vessels. The summary of the results of analysis will be one input to the rulemaking process described in RCW 88.16.260. Other requirements of RCW 88.16.260 are out of scope for this analysis, including:

- Consideration of underwater noise
- Vessel traffic impacts to established treaty fishing areas
- Estimates of expected costs and benefits of draft rules
Out of scope

Additional topics that are out of scope for this analysis include:

• Consideration of air emissions from tug escorts

• Analysis of the potential fate and effects of oil spill scenarios generated by the model

• Tug escorts for vessels specifically excluded in RCW 88.16.260.
Data Inputs

Traffic Simulation – AIS data

Vessel Characteristics – IHS Markit

Incident Records – US Coast Guard Marine Information for Safety and Law Enforcement (MISLE), Transportation Safety Board of Canada Marine Safety Information System (MARSIS), IHS Markit, Ecology Spill Program Integrated Information System (SPIIS)

Loss of propulsion resolution times – BPC marine occurrence records

Oil Transfer Records – Ecology Advance Notice of Transfer (ANT) database
Study Area

Connected marine waters bounded by:

Western Boundary
New Dungeness Light to Discovery Island Light

Northern Boundary
49th parallel
Outreach

Ecology will seek the participation of tribes and stakeholders throughout the project.

Outreach events will include a mixture of webinars, meetings, informational briefings, technical discussions, and informal discussions.

Ecology will offer consultation to potentially affected Indian treaty tribes.
Definitions – Geographic Zone

Geographic Zone

BPC defined 13 zones east of Discovery Island/New Dungeness light and south of the 49th parallel to Olympia.
Definitions – Covered Vessel

**Covered Vessel:** *Definitions from WAC 173-182-030*

**Tank vessel** means a ship that is constructed or adapted to carry, or that carries, oil in bulk as cargo or cargo residue…”

**Cargo vessel** means a self-propelled ship in commerce, other than a tank vessel or a passenger vessel, three hundred or more gross tons

**Passenger vessel** means a ship of greater than three hundred gross tons with a fuel capacity of at least six thousand gallons carrying passengers for compensation
Definitions – Risk

Risk

Risk is the combination of the likelihood of an event and the consequence if the event occurs (DNV GL, 2017, p. E3).

For the tug escort analysis, we define events as oil spills from covered vessels and consequence as the volume of oil spilled to water.

Questions?

Contact:
Alex Hess
alex.hess@ecy.wa.gov
(360)867-8064
PROPOSED RULE MAKING

CR-102 (December 2017)
(Implements RCW 34.05.320)
Do NOT use for expedited rule making

Agency: Board of Pilotage Commissioners

☐ Original Notice
☐ Supplemental Notice to WSR _____
☐ Continuance of WSR _____
☒ Preproposal Statement of Inquiry was filed as WSR 21-19-072; or
☐ Expedited Rule Making—Proposed notice was filed as WSR _____; or
☐ Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or
☐ Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 363-116-301 New Revenue Collection

Hearing location(s):

Date: Time: Location: (be specific) Comment:
TBD TBD TBD

Date of intended adoption: TBD (Note: This is NOT the effective date)

Submit written comments to:
Name: Jaimie C Bever, Executive Director
Address: 2901 3rd Avenue, Suite 500, Seattle, WA 98121
Email: BeverJ@wsdot.wa.gov
Fax: Other: By (date) _____

Assistance for persons with disabilities:
Contact Jolene Hamel
Phone: (206) 515-3904
Fax: TTY: Email: HamelJ@wsdot.wa.gov
Other: By (date) _____

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this filing is to comply with legislative intent, through the passage of Senate Bill 5165, which stipulates certain conditions in order for the BPC to receive state appropriation from the pilotage account solely for self-insurance liability premium expenditures. This revised rule defines these two stipulated conditions.

Reasons supporting proposal: Revising the mechanisms already in place to collect the revenue needed to pay the self-insurance liability premium expenditures is necessary for the BPC to show compliance with legislative intent thus prompting the State to transfer the funds from the pilotage account. Without the fund sources allocated by Senate Bill 5165, the agency would be in financial crisis, putting the BPC’s mission to ensure against the loss of lives, loss of or damage to property and vessels, and to protect the marine environment by maintaining efficient and competent pilotage services in jeopardy.
Statutory authority for adoption: Chapter 88.16 RCW

Statute being implemented: Chapter 88.16 RCW

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<th>Is rule necessary because of a:</th>
<th>☑ Yes ☐ No</th>
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<td>Federal Law?</td>
<td>☑ Yes ☐ No</td>
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<tr>
<td>Federal Court Decision?</td>
<td>☐ Yes ☐ No</td>
</tr>
<tr>
<td>State Court Decision?</td>
<td>☐ Yes ☐ No</td>
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If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: The BPC’s self-insurance liability premium is comprised of monetary contributions from the BPC, Puget Sound Pilots, and those vessels taking pilots in the Puget Sound Pilotage District. This revised rule enforces the collection of revenue from all participants.

<p>| Name of proponent: (person or organization) Board of Pilotage Commissioners | ☑ Governmental |
| Name of agency personnel responsible for:                                      |               |</p>
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<tr>
<th>Name</th>
<th>Office Location</th>
<th>Phone</th>
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<tbody>
<tr>
<td>Drafting: Jaimie C Bever</td>
<td>2901 3rd Ave, Suite 500, Seattle, WA 98121</td>
<td>(206) 515-3887</td>
</tr>
<tr>
<td>Implementation: Jaimie C Bever</td>
<td>2901 3rd Ave, Suite 500, Seattle, WA 98121</td>
<td>(206) 515-3887</td>
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<tr>
<td>Enforcement: Jaimie C Bever</td>
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<td>(206) 515-3887</td>
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Is a school district fiscal impact statement required under RCW 28A.305.135? ☑ Yes ☐ No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name: [Name]
Address: [Address]
Phone: [Phone]
Fax: [Fax]
TTY: [TTY]
Email: [Email]
Other: [Other]

Is a cost-benefit analysis required under RCW 34.05.328? ☐ Yes ☑ No

☑ No: Please explain: RCW 34-05-328 does not apply to the adoption of these rules. The Washington State Board of Pilotage Commissioners is not a listed agency in RCW 34-05-328(5)(a)(i).

Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, may be exempt from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):
☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:
☐ This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.
☐ This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.
☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

☐ RCW 34.05.310 (4)(b) (Internal government operations)
☐ RCW 34.05.310 (4)(c) (Incorporation by reference)
☐ RCW 34.05.310 (4)(d) (Correct or clarify language)
☐ RCW 34.05.310 (4)(e) (Dictated by statute)
☐ RCW 34.05.310 (4)(f) (Set or adjust fees)
☐ RCW 34.05.310 (4)(g) ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit)

☒ This rule proposal, or portions of the proposal, is exempt under RCW 88.16.

Explanation of exemptions, if necessary: This was a legislative mandate. The application of the proposed language is clear in the description of the proposal and its anticipated effects as well as the attached proposed revised WAC language.

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

☐ No   Briefly summarize the agency’s analysis showing how costs were calculated. __________

☐ Yes  Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

- Name: __________
- Address: __________
- Phone: __________
- Fax: __________
- TTY: __________
- Email: __________
- Other: __________

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<tr>
<th>Date: TBD</th>
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<tr>
<td>Name: Jaimie C Bever</td>
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<tr>
<td>Title: Executive Director</td>
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WAC 363-116-301 New revenue collection. With respect to the passage of ((Engrossed Substitute House Bill No. 1160, Section 108)) section 107, chapter 333, Laws of 2021 (Substitute Senate Bill No. 5165), the board of pilotage commissioners is appropriated ((three million one hundred twenty-five thousand dollars)) $2,926,000 from the pilotage account state appropriation solely for self-insurance liability premium expenditures. This appropriation is contingent upon two stipulated conditions:

(1) The Puget Sound pilots shall pay to the board, from its tariffs, ((one hundred fifty thousand dollars)) $150,000 annually on July 1, (2019) 2021, and July 1, (2020) 2022. These amounts shall be deposited by the board into the pilotage account and used solely for the expenditure of self-insurance premiums; and

(2) A self-insurance premium surcharge of ((sixteen dollars)) $16 shall be added to each Puget Sound pilotage assignment on all vessels requiring pilotage in the Puget Sound pilotage district. The Puget Sound pilots shall remit the total amount of such surcharges generated to the board by the tenth of each month. The surcharge shall be in effect from July 1, (2019) 2021, through June 30, (2021) 2023. These amounts shall be in addition to those fees to be paid to the board pursuant to subsection (1) of this section and shall be deposited by the board into the pilotage account solely for the expenditure of self-insurance premiums.

These two directives are in effect beginning May (16, 2019) 18, 2021, through June 30, (2021) 2023.
NOTICE OF PUBLIC MEETINGS

2022 MEETING SCHEDULE

The Washington State Board of Pilotage Commissioners meets on the third Thursday of each month, with the exception of June, July & August, unless otherwise rescheduled or canceled. Meeting are held at 2901 Third Avenue, Seattle, Washington. Meeting times vary.

In accordance with RCW 42.30.075, this schedule of regular meeting dates for the Board of Pilotage Commissioners is filed with the Office of the Code Reviser for publication in the Washington State Register.

January 20
February 17
March 17
April 21
May 19
June 21
July 19
August 16
September 15
October 20
November 17
December 15
Agenda – Oil Transportation Safety Committee (OTSC)
October 18, 2021, 10:00am – 12:00pm
Via MS Teams

Attendees:
Jaimie Bever (Chair/BPC), Alex Hess (Ecology Alternate/BPC), Brian Kirk (Ecology Alternate/BPC),
JD Leahy (Ecology Alternate/BPC), Lori Crews (Ecology Guest), Eleanor Kirtley (Marine
Environment/BPC), Blair Bouma (Pilot/PSP), Jeff Slesinger (Tug Industry/Delphi Maritime),
Senator Joseph Williams (Tribal/Swinomish), Tom Ehrlichman (Tribal/Swinomish), Bettina Maki
(Staff/BPC), Laird Hail (Advisor/USCG), Bob Poole (Oil Industry/WSPA), and Rein Attemann
(Environment Alternate/WEC).

Absent:
Mark Homeyer (Tug Industry Alternate/Crowley), Fred Felleman (Environment/Friends of the
Earth), Keith Kridler (Pilot Alternate/PSP)

1. Welcome and Updates
Jaimie Bever (Chair/BPC) started the meeting by reviewing the agenda and noted that the
Enterprise Risk Management item will likely become a quarterly conversation at the
committee level.

She announced that the OTSC’s Tug Industry Representative, Charlie Costanzo from AWO,
has accepted a position as Puget Sound Pilot’s new Executive Director. Therefore, the OTSC
will need a new representative. She introduced Jeff Slesinger, Delphi Maritime, as the
proposed replacement. His appointment to the committee will be considered by the Board
at the October 26, 2021, meeting.

2. Approve August 30, 2021, Meeting Minutes
Eleanor Kirtley (Marine Environment/BPC) provided two grammatical corrections to prior to
the meeting. With those two revisions, the committee approved the minutes, which will be
provided to the Board as a part of the October 26, 2021 meeting packets.
3. Ecology Presentations:
   a. Synopsis of Changing Vessel Traffic Trends

Lori Crews (Ecology Alternate/BPC) provided an update regarding the synopsis via a slide deck presentation, which broke the data down by research questions and answers.

1) (Slide 5) How does the overall number of transits (by vessel type) change pre- and post-bill implementation?

- Transits by all three types of vessels affected by the new tug escort requirement (ATBs and barges greater than 5,000 DWT and tankers between 5,000 and 40,000 DWT) increased in Year 2 (post-tug escort implementation) of data collection for the synopsis compared to Year 1 (pre-tug escort implementation), for both Rosario Strait and Haro Strait.
- Most of these changes were not related to the tug escort requirement.
- Some were likely the result of business decisions by companies, the year-to-year variation in the market for crude oil and refined product, and the effects of the global pandemic.

Eleanor Kirtley (Marine Environment/BPC) commented that she was surprised by the second bullet regarding changes not being related to the tug escort requirement. She agreed it was important to provide context but wasn’t expecting Ecology to have to come up with why the changes occurred. Lori agreed and offered that they could tell by looking at the data when vessels were laden but choosing a different route, which is part of their overall conclusions. Brian Kirk (Ecology Alternate/BPC) added that there were strong limits to what could be reported by the data but felt there were some areas where Ecology could provide some context and tried to do that where they could.

Tom Ehrlichman (Tribal/Swinomish) wondered, regarding the second bullet as well, what changes were related to the tug escort requirement. Lori responded that Ecology thinks that in 11 of 16 transits of barges through Haro Strait in Year 2 by barges greater than 5,000 DWT the tug escort requirements may have been a factor in deciding the route.

Tom also wondered if there was data collected regarding to Treaty Tribe fishing areas and if there were going to be any comments on that. Lori and Brian Kirk (Ecology Alternate/BPC) answered that they were not planning to address that in the synopsis as those considerations were not part of the scope of work, but instead a part of the tug escort rulemaking process, as directed by the legislation (ESHB 1578). Tom responded with a follow-up request. He stated that while he appreciated that the rulemaking contained that component, his understanding of the word “trend” would include a note regarding the increased number of transits occurring through usual and accustomed fishing areas for Treat Fishing Tribes. Lori suggested that it could be mentioned when discussing the crossing lines in the report. Brian concurred that Ecology could take a look at including some language, but that it would not be based on original work or data gathering. Lori requested comments from the Tribes specific to the crossing lines and how those effect Treaty fishing areas. Rein Attemann (Environment Alternate/WEC) echoed Tom’s comment on more analysis on the impacts to Tribes.
2) (Slide 6) What changing vessel traffic trends do we see for vessels that newly fall under an escort requirement?

- Ecology found that the new tug escort requirement does not appear to have effected route selection for ATBs or tankers less than 40,000 DWT.
- Ecology identified 11 of 16 transits through Haro Strait in Year 2 by barges greater than 5,000 DWT where the tug escort requirements may have been a factor in deciding the route.

3) (Slides 7 & 8) What changing vessel traffic trends do we see for deep draft and tug traffic that have no additional escort requirements?

- Tankers greater than 40,000 DWT had decreases between Year 1 and Year 2 in Rosario Strait, both in the number of transits and the number of tankers making transits.
- The change in tankers and tanker transits in Haro Strait and Boundary pass was negligible from Year 1 to Year 2 for tankers greater than 40,000 DWT.
- There was a decrease of transits by barges less than 5,000 DWT in Rosario Strait between Year 1 and Year 2.
- There were no transits through Haro Strait by barges less than 5,000 DWT in Year 1 or Year 2.
- Transits by barges engaged in bunkering within the study area decreased overall.
  - There was an increase in bunkering transits by barges greater than 5,000 DWT and a decrease in transits by barges less than 5,000 DWT.
  - The overall decrease in bunker transits may reflect vessels receiving fuel at a location outside of the study area, rather than a decrease in bunkering in the Puget Sound.

4) (Slide 9) What changing vessel traffic trends do we see for tug escorts?

- Tug escort transits increased significantly following the implementation of the new requirement, especially for multi-purpose tugs, or tugs that performed escort duties as well as towed barges.
  - Transits by purpose-built escort tugs over crossing lines in the study area increased from 5,991 in Year 1 to 7,321 in Year 2. Transits increased over all crossing lines with the exception of the Saddlebag to Guemes Island line which decreased by 53 transits.
  - Transits by multi-purpose escort tugs over crossing lines in the study area increased from 79 in Year 1 to 1,745 in Year 2. Transits increased over all crossing lines.
  - Vessels can transit over multiple crossing lines in a single trip, so the total number of transits over crossing lines does not represent the number of trips.

Regarding the last bullet, Jason Hamilton (Public/BPC) wondered if there was a better indicator for the number of trips. Lori answered that the way it was set up was that they established the crossing lines then counted the number of times the tug crossed them. There was no way to tell what the tug was doing at the time. Therefore, there was no way to tell how many times a tug went on a tug escort trip.
Blair Bouma (Pilot/PSP) wondered about the significance of the “purpose built” vs “multi-purpose” designations. Lori responded that when they first started comparing year one to year 2 purpose-built tugs doing escort and shift assist services, they found, in year 2, there was another group of tugs that had never done ship assist in the area. They generally tow barges. When comparing the 2 years, they wanted to be clear about the comparisons. They looked at the categories separately, but also combined. Ecology felt they needed to compare apples to apples throughout both years. Lori confirmed that the definition is included in a terminology section of the synopsis. Jeff Slesinger (Tug Industry Candidate/Delphi Maritime) asked for additional clarification on the distinctions in the data. Lori responded that they looked at the ANT system data. She followed that up by looking at the AIS history data. To make their list of multipurpose tugs, they used AIS data to see what tugs were towing vs assisting.

Brian Kirk (Ecology Alternate/BPC) acknowledged the meticulous work by Lori resulting in the conclusions and added that he looked forward to presenting the findings to the Board. Jaimie Bever (Chair/BPC) concurred.

b. Tug Escort Analysis Scope of Work
Alex Hess (Ecology Alternate/BPC) provided an update regarding the tug escort analysis scope of work via a presentation and slide deck, as well as providing the revised scope language and comments that were submitted during the public comment period in September.

The original scope of work contained the following sections: Background, ESHB 1578 Considerations (Removed), BPC and Ecology Roles & Responsibilities, Analysis Objective, Research Questions, Outreach, and Deliverable. After reviewing the public comments, the following sections were added: Out of Scope, Definitions, Data Inputs, Study Area, and References.

Analysis Objective
Evaluate the potential change in oil spill risk from covered vessels resulting from the use of tug escorts by specified tank vessels in waters east of New Dungeness Light and Discovery Island Light.

Research Questions 1-3
The following research questions will be assessed within analysis scenarios:

- How is oil spill risk distributed geographically? How does the use of tug escorts change the way that oil spill risk is distributed geographically?
- How is oil spill risk distributed across covered vessel types? How does the use of tug escorts change the way that oil spill risk is distributed across covered vessel types?
- How does the 2020 expansion of tug escorts in Rosario Strait and connected waters to the east change oil spill risk from covered vessels?

Eleanor Kirtley (Marine Environment/BPC) said that back when she worked at Glosten, they used a program called Tug Master to simulate scenarios, which could be helpful.
Research Questions 4-6

- How does tethering affect oil spill risk?
- How do key design characteristics for escort tugs affect oil spill risk?
- Are there new safety measures adopted since July 1, 2019? If so, what are the benefits of these measures?

Blair Bouma (Pilot/PSP) wondered if the answer for these questions would come solely from the model or if there would be other sources. Alex answered that Ecology will use the model to answer as many of the questions as they can but will rely on outside resources as needed.

Out of Scope

The following items are out of scope for this analysis.

- Consideration of underwater noise
- Consideration of air emissions
- Cost of tug escort requirements
- Analysis of the impacts of spilled oil (e.g., environmental, economic, cultural)
- Tug escorts for vessels specifically excluded in ESHB 1578

Tom Ehrlichman (Tribal/Swinomish) acknowledged the hard work from the Ecology team on both data collection and outreach concerning the oil spill risk analysis. However, he felt that Ecology’s Tug Escort scope of analysis should characterize the Swinomish listed concerns as more than “cultural” issues. Swinomish would like Ecology to revise its scope to identify those issues that the Board of Pilotage Commissioners is required to address during rulemaking, according to ESHB 1578, including the consideration of federally recognized treaty fishing rights (as explained in Swinomish’s scoping comment letter to Ecology dated September 21, 2021). The Ecology Tug Escort scope of work should make clear that the Ecology analysis for the Board will not address impacts to those treaty fishing rights. Secondly, Ecology has provided a good definition of “risk” in the Scope of Work that includes both probability and consequences to determine risk. However, Ecology’s analysis of “consequences” is deficient because it only focuses on the volume of spills if they occur. The severity of the consequence of a certain volume of spilled oil in fact depends on the location of the spill and the seasonal elements, such as wind, tides, etc., in order to assess the impact of an oil spill on surrounding beach areas and the seafloor. If limited to predicting volumes of oil releases, the study should make clear that it is not assessing additional severity of consequences due to wind, tide, and seasonal conditions. The third issue he felt should be clearly articulated beyond the scope was spill releases from other kinds of vessels. He concluded by sending best wishes and hoped the comments were helpful.

Brian Kirk (Ecology Alternate/BPC) responded that what was being attempted with this model was to provide info about whether tug escorts for the three types of tank vessels was or was not a good. Questions: would that intervention reduce risk. If yes, what can they say about the magnitude of the change. To answer that question, they do not need to chase down what happens to the oil after it spills. The other consideration was that
throughout this process, they want to be careful in only saying what they can produce evidence for, as it is important to not mislead anyone. Tom responded that he agreed. However, the Tribe is asking that Ecology add a bullet that states that, and the Treaty rights, rather than using the word “cultural” as a catchall. JD Leahy (Ecology Alternate/BPC) acknowledged the time Swinomish puts into providing their input. He thought Tom brought up important points.

**Data Inputs**

- Traffic Simulation–AIS data
- Vessel Characteristics –IHS Markit
- Loss of propulsion resolution times –BPC marine occurrence records
- Oil Transfer Records –Ecology Advance Notice of Transfer (ANT) database

Eleanor Kirtley (Marine Environment/BPC) wondered if there were areas where Ecology was anticipating a lack of data. Alex answered that there was concern about lack of incidents. While it’s great news, it may make calculating hazard probabilities difficult. He added that they would fill the gap by looking beyond the study area for data. Laird Hail (Advisor/USCG) cautioned that looking outside the area could result in taking away the impact of the active monitoring of the area and some of the new rules and regulations that were in place. He referenced the active VTS in the area (there are only 12 in the US). He questioned how Ecology would take into account the safety measures that are in place while considering another area. Alex didn’t have a specific answer at that time. He did say that they were conscious that risk changes both in space and time and that there were challenges to doing direct comparisons. JD Leahy (Ecology Alternate/BPC) added that the reality was they would be producing an estimate no matter which area they chose. The model will have limitations. The goal is to have estimates that are informative enough to provide data on the utility of tug escorts for oil spill risk.

**Outreach**

Joseph Williams (Tribal/Swinomish) inquired about the outreach process between the rulemaking body, the Board, and federally recognized treaty Tribes, adding that the tugs do the most damage to their fishing gear with no compensation, this last year in particular. Alex responded that a letter would be going out next month to Treaty Tribes outlining the process. The letter was currently being drafted. He added that outreach would include public forums, webinars, in-person meetings, phone calls, basically whatever the individual Tribe preferred. Brian Kirk (Ecology Alternate/BPC) responded that he agreed and looked forward to future conversations. He did clarify that for this particular analysis, they would be looking specifically at oil spill risk. Additional impacts would be considered during the rulemaking process, which will also include opportunities for consultation with Ecology and the BPC.
Eleanor Kirtley (Marine Environment/BPC) suggested that it would be helpful to provide any applicable information regarding future outreach on the scope document. More detail in the scope is better, in her opinion. Regarding the risk model webinars hosted by JD Leahy, she wondered if it would make sense to include information from those presentations in the scope. Alex responded that they would take a look at doing that.

**Definitions**

Eleanor Kirtley (Marine Environment/BPC) wondered if “near miss” events would be considered, pointing out that the term was not listed in the definitions section. Alex answered that they were only looking at occurrences that resulted in oil spill. The model, however, would look at a range of hazards like collisions, power grounding, loss of propulsion. But not all those lead to oil spill. Jaimie Bever (Chair/BPC) added that BPC has provided both Near Miss MSOs and Incidents to Ecology for consideration in the model. Rein Attemann (Environment Alternate/WEC) requested further clarification regarding the term “near miss” as a hazard probability. Alex responded that Ecology was limited to incidents when talking about this category. JD Leahy (Ecology Alternate/BPC) added they were only looking at the probabilities for their list of hazards that could lead to an oil spill, like loss of propulsion. Jaimie wondered about a clear definition of “near miss” acknowledging that the BPC had its own definition for pilots. Blair Bouma (Pilot/PSP) added that the MSO information would be valuable for the rulemaking process as well. Brian Kirk (Ecology Alternate/BPC) wanted to make sure that Ecology was not pushing back on including all varieties of near-miss’, they just don’t have all the data necessary to include it. There was no database like there is for aviation near-miss’. JD clarified that they are including loss of steering and loss of propulsion, even if they are not formally classified as near miss.

Eleanor Kirtley (Marine Environment/BPC) thanked Alex for his presentation and for capturing many of her comments in the revisions to the scope document. She asked Jaimie about the BPC’s upcoming rulemaking process recognizing the tug escort analysis is part of the consideration. She asked for a flowchart to show what all be considered as a part of rulemaking adding that it would be helpful to understand what was going to be considered when. Jaimie clarified that the model analysis is only a piece of the overall consideration for rulemaking. There were other ways to inform rulemaking outside of the tug escort risk model analysis. Jaimie also offered to put together a flowchart. Jeff Slesinger (Tug Industry Candidate/Delphi Maritime) concurred with making it clear that this analysis is not the focal point for solving all the other issues.

Alex concluded by recognizing the infinite level of complexity. The reason the out-of-scope items were selected as well as the narrow definition of risk, was not to discount important things that need to be thought about in the risk picture. But because they were trying to get
at, as clear as possible, what exactly was the impact of tug intervention on oil spill risk, not overall oil spill risk.

4. **Next Steps**
   The next meeting will occur early next year. Jaimie Bever (Chair/BPC) will provide meeting links to the remaining BPC meetings in 2021. The BPC will take up the draft Tug Escort scope of work for review at its December 2021 meeting.
Meeting Notes – Vessel Exemption Committee (VEC)
October 12, 2021, 1000 - 1200
Via Teams

Present: Captain Mike Anthony (PSP, BPC Commissioner, VEC Chair), Captain Travis McGrath (PSP), Captain Mike Ross (BPC Commissioner), Nhi Irwin (Ecology BPC Commissioner), Timothy Farrell (BPC Commissioner), Monique Webber (Pacific Yacht Management), Jolene Hamel (BPC Staff), and Jaimie Bever (BPC Staff)

Absent: None

This was the first meeting of the newly formed VEC – Vessel Exemption Committee. Chair Mike Anthony greeted everyone and stated that he felt that today the VEC would take the time to get to hear everyone’s concerns and ideas of what we want to see happen. He said that there was a flood of foreign flagged vessels in our area this year, which may have been in part due to a closure of Canadian borders due to COVID-19, and that board actions regarding vessel exemptions may not have been as consistent as they can be. He would like to see increased advertising to spread the word, as many vessels come into our waters unaware of the requirements, a determination on who requires an orientation cruise with a pilot and if setting a boiler plate benchmark that we be sure to look at size (length, tonnage) as well as experience level of the Captain onboard.

Monique Webber – Monique believes that part of the lack of awareness of Washington’s rules is that everywhere else except for here and Alaska has a set standard using tonnage and the rules do not apply to vessels less than 500 gross tons or below. In Alaska you can only get a vessel exemption through an agent, however in Alaska pilots can also live on the vessel. She believes that the current fee structure (PSP orientation cruise costs) are too high and that our application is longer than most with more documents needed for submission.

Mike Ross – Mike admitted that he is new to the BPC and new to the vessel exemption process and that it has a lot of moving parts that he had not thought of previously. He has questions – such as is the current process a burden to the pilots? The number of orientation cruises that are currently prescribed? Both pilots stated that it can be burdensome in the fact that we are shorthanded, and an orientation getting scheduled after the vessel has left Port Angeles can also be burdensome. Captains Anthony and Bendixen put together a very good orientation checklist a few years back for all of the Puget Sound Pilots to use.
however does not account for all of the regional areas that are specialized. Mike Ross then asked if requiring the vessels in Puget Sound to use an agent would resolve any of the issues? It was thought that the issue we have is smaller vessels not understanding the requirements rather than an issue that requiring using an agent would solve, which led into the issue of enforcement or rather not having enforcement considerations, particularly at the smaller vessel size whom are not required to be on VTS radio channels.

Tim Farrell – Tim asked why we use a face-to-face orientation system and what else we may have considered? Answer: To be able to point out local irregularities. He also wondered where we would feel comfortable if we were going to institute a boilerplate size wise “if this, then this” formula. Mike Anthony brought up the levels they use in Alaska – which has a lot of regional similarities in terms of ports and channels, etc) and from 65’ through 125’ they must use an agent to submit a vessel exemption and vessels 125’ to 175’ must have an exemption with a pilot and over 175’ no exemptions must have a pilot. He reminded everyone though that it is not always a footage or tonnage size, that experience level is another factor that must be taken under consideration.

Captain Travis McGrath – Travis inquired if there is an exemption level at any size currently for foreign flagged vessels and how easy it will be to change either the RCW or the WAC, which led to a discussion on rule making processes for both the RCW and the WAC.

Nhi Irwin – Nhi remarked that she is similar to Mike Ross’s comments, new to the commission and wanting to figure this all out. She did see some inconsistency in the granting of exemptions this season and is glad that this committee has been formed. She asked if language is an issue for the foreign flagged ships? In response, both pilots as well as Monique said it was not an issue. Monique went on to elaborate that the professional crews are all required to speak English fluently and have a B1/V2 visa status. More discussion followed on the pros of using (or requiring) an agent, and how they are the gateway for federal/state compliance. It was noted again that in Alaska they do not require an agent for vessels under 65’. Would requiring agents do anything to get the word out about our requirements? How can we best get the word out? We discussed the BPC Vessel Exemption website and Captain McGrath stated that he has been trying to get the requirements out to cruising guides/media and will work with Monique on how to successfully get published.

It was discussed that the 4 main objectives of this committee really fall into the following 4 categories: 1. Rule changes. 2. Education/Outreach (which encompasses an annual review of the orientation packet). 3. Enforcement/Enforcement mechanism. 4. Fee structure.

Monique then asked for clarification on if our current exemption follows the vessel, the captain or both? Although it currently has been following the vessel, it could easily be updated to follow the captain and it could be stated as such on the exemption certificate itself. We again discussed our current exemption procedure/policies and Monique offered that it would be very helpful to have a written document on why the exemption process has changed and why the board has started to totally exclude Deception Pass. She stated that on the BPC website we have an open letter to Operators about other issues, and she would like to see an “open letter to yacht owners” to help in explaining these changes. Executive Director Jaimie Bever stated that she believed that in part the change to exclude certain areas is a reflection of the emphasis on the Oil Transportation Safety House Bill 1578 and the influence from that work. She also stated that while the BPC has revamped/revitalized several other areas of their website, the vessel exemption page has not yet been updated and is very wordy, calls out the specific WAC language only and would be a good place to start with further outreach.
Monique then went on to ask how HB1107 that was signed into law on July 25, 2021 which allows for chartering on yachts to become legal, yet our rules under the current WAC state that if a vessel is chartering must have a pilot on board would be considered? She also feels that this committee needs to take a good look at the pilotage waiver program currently utilized in British Columbia and took some time to explain how the Pacific Pilotage Authority (PPA) runs their pilotage waiver program. Tim Farrell stated that he is supportive to developing something similar to the BC program here in Puget Sound but also acknowledges that the PPA is a very different organization. They operate akin to a combo of the BPC and PSP and that while a program like this can be a long term goal there are several smaller steps that can help ease some burdens by coming up with consistent guidelines. It was stated that consistency is difficult as every area has it’s own requirements. It was questioned that we looked at Alaska, California and British Columbia but not Oregon? Does Oregon have any requirements? The infrastructure for vessels over 100’ is very limited in Oregon so they do not have vessel exemption requests similar to Washington.

Captain Anthony thanked everyone for bringing so many goals, ideas and questions to the table today and Jaimie Bever suggested that prior to our next meeting we put together a spreadsheet with all of the ideas to be able to identify areas that we want to start working on and Captain Anthony agreed that we would work on it and convene again after the next board meeting at the end of October. We then discussed the next steps, and next best meeting times (Jolene to do a doodle poll). Jaimie reminded everyone that this committee is in an advisory capacity only and that all recommendations will need to be brought to the Board for further action. We adjourned at 11:41am.