



STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS

BPC 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 service on our State's inland waters.



THE BPC PILOTAGE QUARTERLY

Fall 2023



Announcements

Women Offshore

The 2023 Women Offshore 6th Annual Conference will be held October 26 and 27 at Texas A&M in Galveston, TX. The theme this year is "A World of Possibility".

Captain Sheri Hickman, Houston Pilots, will kickoff the conference as opening keynote speaker.

The event is hybrid and registration is still open.

Check out Women Offshore's [conference page](#) for more information.

Representatives from the BPC and Puget Sound Pilots will be attending in person.

If you are planning to attend, come find us!



Image Courtesy of Women Offshore

2024 Marine Pilot Exam

Take the Ride of your Life
Become a Washington State Pilot

WA State Marine Pilot Exam
April 8, 2024
www.pilotage.wa.gov

The Board of Pilotage Commissioners has officially set the date for the upcoming Washington State Marine Pilot Exam. The Written Exam will be held on April 8, 2024, with the Simulator Evaluations scheduled to begin the week of April 22, 2024.

We are pleased to announce that the Written Exam will be held online with live virtual proctoring! We will be hosting a webinar featuring our exam psychometrician to explain the process, security and integrity, and answer questions on Friday, November 3 at 1100 hours PT. To register or find more information about the exam, head to our [website](#).

The BPC published the exam application packet on October 16, 2023, and it is available for download from our website. In addition to the official packet, the Board has also released the [Exam Blueprint](#)! This is a comprehensive document that provides a good deal of information regarding the exam and what it will cover.

The BPC would like to thank the pilots who have contributed to exam development efforts. We couldn't do it with out you!

Welcome Commissioner Firth

The Board is pleased to welcome Captain Richard Firth as the new Foreign Flag Representative. Commissioner Firth has served with Carnival Corporation for 28 years. 16 years of that time was at sea as a deck officer sailing in various capacities from cadet to Deputy Captain with Princess Cruises.

For the last 12 years he has been Director then subsequently Vice President of Maritime Audit Services for Carnival Corporation overseeing the Health, Environmental, Safety, Security operations/compliance for about 37 ships within the Holland America line, Princess Cruises, P&O Australia and Seabourn Brands.

Welcome aboard, Commissioner Firth!

Maritime Blue Equity Summit

Washington Maritime Blue held its first Equity Summit on August 29. The purpose of the summit, per Maritime Blue, was to gather community partners, maritime employers, and industry stakeholders to discuss “building diverse and culturally responsive pipelines” into the maritime industry. Speakers at the summit included Rep. Julia Reed, 36th District, and Commissioner Hasegawa, Port of Seattle. We were pleased to attend along with Puget Sound Pilots. It was a valuable day of conversation.



Maritime Blue's CEO Joshua Berger welcomes the attendees of the 2023 Equity Summit.

Tug Escort Rulemaking – Public Session

On February 22nd, the BPC announced the rulemaking to amend Chapter 363-116 WAC, Pilotage Rules.

Our current rule development calendar includes five workshops for stakeholders and tribes, and one public meeting. We will also be holding workshops specifically for tribes during this time. Each workshop will be virtual and held on the Zoom platform.

Our public information session will be held on Tuesday, October 31, 2023 via webinar. The purpose of this meeting is to share information about the rulemaking, to provide a summary of workshops held to date with the regulated community, tribes, and interested parties, and to answer questions. You can register in advance by clicking the link in the table below.

Meeting	Register to join online	Join by phone	Access code
Public information session October 31, 2023 10:00am – 12:00pm	https://waecy-wa-gov.zoom.us/meeting/register/tZlkd--upjMtH9EekA7K2md8e9qEZEJaeg-1	(253) 215-8782	869 0668 8755

Track our progress and view the rulemaking timeline at:
<https://ecology.wa.gov/About-us/Who-we-are/Our-Programs/Spills-Prevention-Preparedness-Response/Legislative-work/BPC-tug-escort-rulemaking>.

District Snapshots

Puget Sound



Retirements:

There were no retirements in the 2nd quarter of 2023.

License Upgrades to Unlimited:

Captain Sandy Bendixen
Congratulations Captain!

Training Program:

Currently training are Captains Cassee, Scott, Kelly, Mancini, Fleischfresser, Sturgell, Michelson, Wood, and Sabbath.



PS Trainee Captain Fleischfresser backing the HONIARA CHIEF out of the East WW in Seattle. Image courtesy of Puget Sound Pilots

Grays Harbor

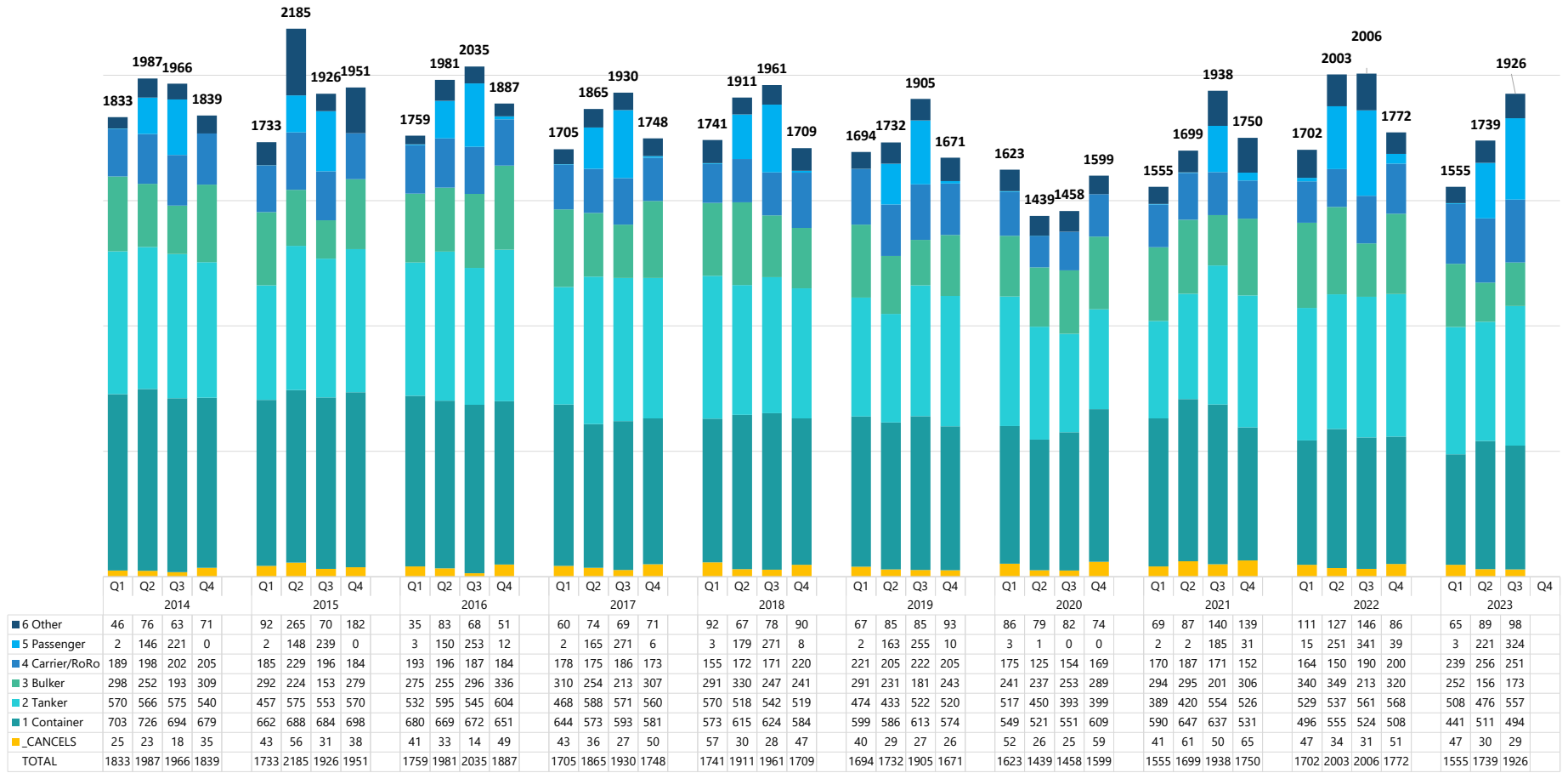


Training Program:

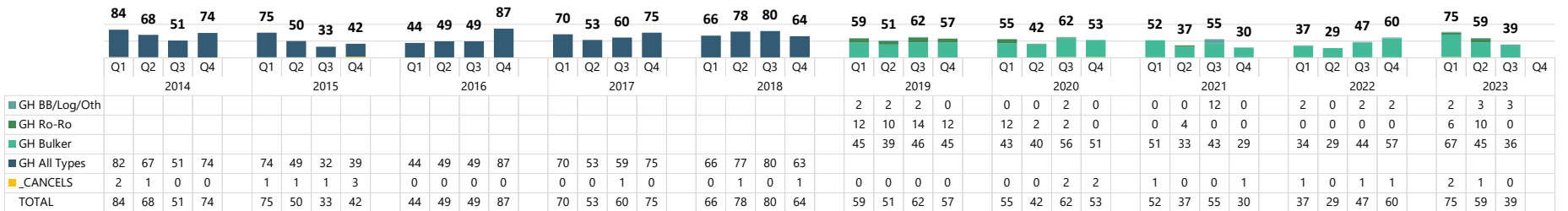
There are no trainees currently.



Puget Sound Pilotage District Assignments 2014-2023
quarterly, by vessel type, including cancellations



Grays Harbor Pilotage District Assignments 2014-2023
quarterly, by vessel type when available, including cancellations



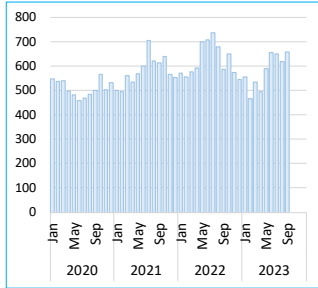
Puget Sound District Activity Report Dashboard

2023 September

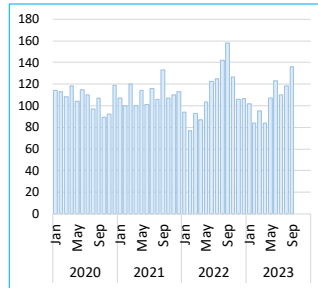
Licensed Pilots
Including President
53
No changes in September.

PS District
Trainees
9

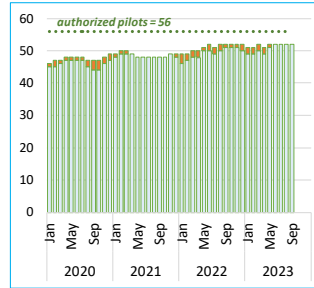
Total Assignments
658



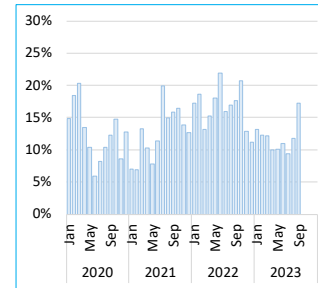
Repositions
136



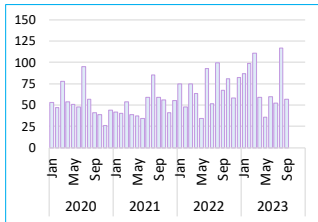
Licensed Pilots w/o Pres **52**
Pilots NFFD entire month **0**
Available Pilots **52**



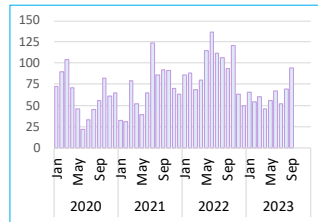
Off-Watch Assignments
(Callbacks)
17%



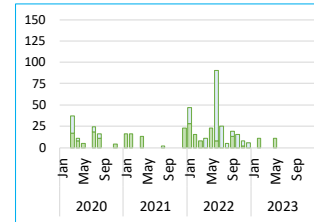
Comp Days Used
(Licensed Pilots)
57



Comp Days Earned
(Callbacks)
94

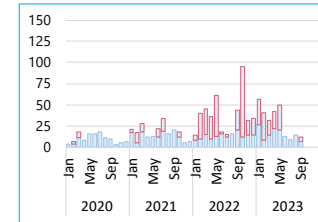


COVID Days* **0**
NFFD Days* **0**



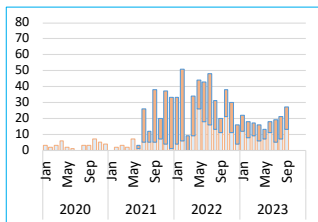
* count days if pilot(s)
not NFFD whole month

Training Days **5**
Upgrade Trips **7**



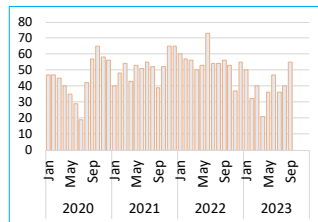
training days (red) stacked
on upgrade trips (blue)

Pilot Delays (Count)
combined total
27

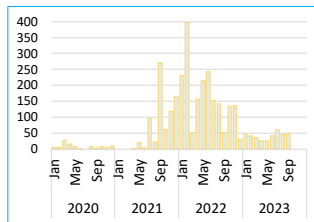


efficiency delay counts stacked on top
of pilot shortage delay counts on bottom

Billable Delays (Count)
by Customers
55

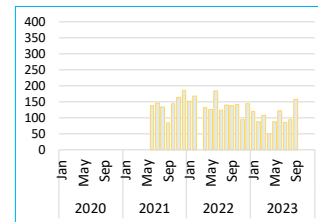


Pilot Delay Hours Total
Pilot Shortage & Efficiency
48 hrs



pilot delay hours not separated into
efficiency & pilot shortage components

Billable Delay Hours
by Customers
157 hrs



PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT

September 2023

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

Activity									
Total pilotage assignments:		658			Cancellations:		7		
Total ship moves:	651	Cont'r:	189	Tanker:	171	Genl/Bulk:	86	Other:	205
Assignments delayed due to unavailable rested pilot:				13	Total delay time:				29.5 hours
Assignments delayed for efficiency reasons:				14	Total delay time:				18.58 hours
Billable delays by customers:				55	Total delay time:				157
Order time changes by customers:				127					
2 pilot jobs:	44	Reason: PSP GUIDELINES FOR RESTRICTED WATERWAYS							
Day of week & date of highest number of assignments:				Saturday 09/02/2023				36	
Day of week & date of lowest number of assignments:				Sunday 09/17/2023				13	
Total number of pilot repositions:		136	Upgrade trips		7	YTD	134		
3 consecutive night assignments:		34	YTD	280					
Callback Days/Comp Days									
Starting Total		Call Backs (+)			Used (-)		Burned (-)		Ending Total
Licensed	2492	94			57				2529
Unlicensed	67						10		57
Total	2559								2586
On watch assignments		545		Call back assignments		113		CBJ ratio	17.17%
Pilots Out of Regular Dispatch Rotation (pilot not available for dispatch during "regular" rotation)									
A. Training & Continuing Education Programs									
Start Dt	End Dt	City	Facility	Program Description		Pilot Attendees			
11-Sep	15-Sep	Warsash, UK	Solent	Manned Model		CAI			
						*On Watch	Off Watch	**paired to assign	
B. Board, Committee & Key Government Meetings (BPC, PSP, USCG, USACE, Port & similar)									
Start Dt	End Dt	City	Group	Meeting Description		Pilot Attendees			
1-Sep	12-Sep	Seattle	PSP	President		GRK*			
1-Sep	1-Sep	Seattle	BPC	Exam Prep		BEN, GRK*, SCR			
6-Sep	6-Sep	Seattle	PSP	Disaster Prep		RID, VON*			
8-Sep	8-Sep	Seattle	PSP	Outreach		BEN			
11-Sep	11-Sep	Seattle	BPC	MSO		ANT			
12-Sep	20-Sep	Seattle	PSP	President		KLA*			
12-Sep	12-Sep	Seattle	BPC	OTSC Prep		BOU*, HUP*			
14-Sep	14-Sep	Seattle	BPC	OTSC		HUP*, KRI*			
19-Sep	19-Sep	Seattle	PSP	Outreach		BOZ, MEL, NIN, VON			
20-Sep	20-Sep	Seattle	BPC	TEC		ANT*, BEN			
20-Sep	22-Sep	Seattle	PSP	Administrative		KLA*			
20-Sep	20-Sep	Seattle	BPC	BPC Prep		ANT*, BEN, KNU*			

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
21-Sep	21-Sep	Seattle	BPC	Exam Prep	BEN*
21-Sep	21-Sep	Seattle	BPC	BPC	ANT*, BEN*, KNU*
22-Sep	22-Sep	Seattle	PSP	Administrative	KLA**
25-Sep	25-Sep	Seattle	BPC	Exam Prep	BEN**
25-Sep	25-Sep	Seattle	PSP	IBU	ANA*, CAW*, SES
26-Sep	26-Sep	Seattle	PSP	General Membership	GRK
26-Sep	26-Sep	Seattle	PSP	BOD	COR*, GRK, HAM, HUP, KLA*, MYE
27-Sep	30-Sep	Perth	PSP	Outreach	BEN*
28-Sep	28-Sep	Aberdeen	BPC	USCG Admiral, Grays Hbr terminal	ANT

*On Watch	Off Watch	**paired to assign
21	19	2

Safety/Regulatory

Outreach

Administrative

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

Start Dt	End Dt	REASON	PILOT

PSP Efficiency Measures

Combined an inter-port assignments with harbor shift 16 times
 Combined meetings or training with revenue assignments 2 times
 Combined cancellations with revenue assignments 0 times
 Utilized immediate repo rule 12 times. This allowed a pilot to be assigned on the Seattle side quicker than on the PA side.
 Reduced call time between 1830-0759 allowed 12 pilots to be assigned, while prior rules would not have allowed for this.
 Reduced call times between 1830-0759 reduced the 3&O type jobs 6 times

Month	Jobs	Pilot Delay Hours	CBJ Ratio	Combined Inter-Port and Harbor	Three and Out	NFFD or Covid			
JAN	555	45	13%	10	22	62			
FEB	466	40.5	12%	5	24	67			
MAR	534	35.35	12%	14	23	61			
APR	494	25.25	10%	6	24	55			
MAY	589	25	10%	10	22	36			
JUN	656	40.58	11%	18	48	0			
JUL	649	59.5	9%	7	43	0			
AUG	619	44.5	12%	9	40	0			
SEP	658	48.08	17%	16	34	0			

Port welcomes MARAD Administrator for tour of Terminal 4 Expansion & Redevelopment Project

Press Release:

September 29, 2023

Contact: Kayla Dunlap, Director of Government & Public Affairs

kdunlap@portgrays.org or 360-533-9590

Aberdeen, WASH. - The Port of Grays Harbor proudly hosted U.S. Department of Transportation Maritime Administration (MARAD) Administrator Rear Admiral Ann C. Phillips, U.S. Navy (Retired), for a briefing and tour on the Terminal 4 Expansion & Redevelopment Project (T4 Project) on Thursday morning.

Ag Processing Inc a cooperative (AGP), the Port's largest marine terminal customer, joined the Port in briefing the Administrator and her staff, along with Federal Maritime Commissioner Max Vekich, on AGP's proposed expansion to double their U.S. soybean meal export capacity by developing a new export facility at Terminal 4B. As a co-product of soybean processing, soybean meal exports are expected to increase in response to the growing demand for renewable fuel feedstocks, including soybean oil. The group was also able to tour AGP's existing operations at Terminal 2 in addition to the proposed expansions at Terminal 4.

“It is important for me to visit transformational port projects like this which are an example of how the port infrastructure development program is vital for a community. This project will create long-term job opportunities and improve the movement of goods, while building supply chain resilience,” commented MARAD Administrator Rear Admiral Ann Phillips.

“AGP whole-heartedly applauds the federal government’s investment in port infrastructure at the Port of Grays Harbor which directly benefits the export of U.S. agricultural products, primarily soybean meal, which is an animal feed source created from processing soybeans,” shared AGP CEO Chris Schaffer. “We are confident this investment will pay dividends for decades to come.”

The Port was awarded a Port Infrastructure Development Program (PIDP) grant last fall for the T4 Project and has been working diligently with MARAD since to obligate the funds. The T4 Project is critical to the Port’s ability to accommodate AGP’s growth, attract private investment, increase international shipments of soybean meal, and create jobs. The T4 Project will build new rail for offloading, storage, and assembly of unit trains; repurpose the 50-acre former SR 520 pontoon construction site into cargo laydown area; construct secured site access and roadway improvements; replace the T4 dock’s marine terminal fendering system; and provide Terminal 4 with new stormwater collection and treatment facilities.

“It was such an honor to have the Administrator here at the Port to show her how important this infrastructure project is not only to our port and community, but to our customer, AGP, and the thousands of farmers they represent back in the Midwest, as well as the entire nation,” said Port of Grays Harbor Commission President Tom Quigg. “The Port of Grays Harbor aspires to be a poster child for the PIDP and looks forward to continuing to work with MARAD on this transformational project.”

Founded in 1911, the Port of Grays Harbor is one of Washington State's oldest port districts and Washington's only deep-water port located directly on the Pacific Ocean. The Port of Grays Harbor operates 4 deep-water marine terminals, the Westport Marina, Bowerman Airport, Grays Harbor ship assist services, numerous public waterfront access facilities, in addition to industrial and business parks throughout the County. The addition of Satsop Business Park increased the Port's properties to more than 1,000 acres of industrial properties and an additional 1,200 acres of sustainably managed forestland. Strategically located midway between Seattle and Portland and less than 1 ½ hours from open sea, the Port of Grays Harbor provides businesses a diverse portfolio of facilities. More information on the Port of Grays Harbor's facilities and operations is available at portofgraysharbor.com or satsop.com.

**State of Washington
Pilotage Commission
October 19, 2023**

Grays Harbor District Report

There were 6 arrivals in September for a total of 19 jobs. Year to date there have been 66 arrivals for a total of 184 jobs. The fourth Quarter is expected to be very busy. There are 8 vessels scheduled for October: 6 dry bulkers and 2 liquid bulkers.

MARAD Visit

Rear Admiral Phillips and her team visited the Port as planned on Thursday, September 28. We started the visit in the Commission Chambers with an overview presentation and review of the T4 project by Gary, followed by a presentation from Chris Schaffer on AGP and what is driving their expansion. We then headed out for a tour of the marine terminals, focused on AGP's facility and the expansion. We were able to get out and get a group photo (and video!) at T2 before heading over to t4 for the luncheon. All of the speakers did an excellent job showcasing the project and what it means to the Port and our community. The Admiral spent a good amount of time talking with Sully, our local reporter, who in-turn, did an excellent article about the visit.

As an aside Captain Mike Anthony was able to attend the luncheon and spend time Capt. Leo and Capt. Groschmit. He was also able to meet Kevin Campbell, Brusco Tug and Barge Port Captain, as well as other waterfront stakeholders.

Terminal 4 Expansion & Redevelopment

The design teams are on track for November 3 delivery of 90% design milestone drawings and specifications. Staff has also begun compiling specifications from the design teams and will begin laying out the framework for the Project's bid packages.



August 2023 – Partial Container Tallies

As a reminder to our readers, we have a stringent policy of citing only the container statistics released by the U.S. and Canadian ports we survey. Unfortunately, not all ports make their numbers available to us prior to our publication deadlines. So here's what we have for August. Please note that, unless otherwise indicated, the container numbers appearing below represent TEUs.

The **Port of Long Beach** reported a “modest start” (their own words) to the traditional peak shipping season. The Southern California gateway counted 325,436 inbound loads in August, a 15.4% fall-off from a year earlier but a modest 0.8% (+2,656) increase over the pre-pandemic August of 2019. Outbound loads were another thing, however. The 93,402 outbound loads in August were the fewest the port had shipped in any previous August since 2004. Year-to-date, total container traffic of all loads and empties amounted to 4,993,237. That represented a 24.4% decline from the same period last year, but a 2.6% (+126,295) boost over the total volume the port handled in the first eight months of 2019.

Across the street, the **Port of Los Angeles** was rather busier. Inbound loads in August (433,224) were up by 7.3% from a year earlier but were still down by 1.0% from August 2019. Outbound loads (124,988) were up 22.2% year-over-year but nonetheless down 14.6% from August 2019. Total

container traffic through the port so far this year amounted to 5,649,686. That was down 21.0% from the same period a year before and 10.5% lower than the total number of TEUs the port handled in the first eight months of 2019.

Together, two San Pedro Bay ports have handled 535,893 fewer TEUs so far this year than they had in the same period in 2019. Inbound loads in August were down 0.2% from August 2019, while outbound loads were off by 19.5%. These numbers contrast unfavorably with those from rival East and Gulf Coast ports.

The **Port of Oakland** handled 72,481 inbound loads in August, down 17.5% from a year earlier and 17.9% below the volume handled in August 2019. For a port that once routinely exported more containers than it imported, the ratios have definitely changed at the Northern California port. Outbound loads in August (62,773) were the fewest shipped from the port in any previous August since 1998. Total container traffic YTD (1,372,870) was down 14.3% from the same period last year and down 19.1% from the first eight months of 2019.

Further up the Pacific Coast, the **Northwest Seaport Alliance** Ports of Tacoma and Seattle continued to struggle to regain pre-pandemic volumes of container business. Import loads (82,767) in August were down 19.0% year-over-year but also down 26.3% from August 2019. Export



Moving Day and Night

24/7 operation is critical to the future of the supply chain.



Port of **LONG BEACH**
THE PORT OF CHOICE





August Tallies *Continued*

loads (43,399) were off by 10.6% from a year earlier but 42.0% lower than in August 2019. Total container traffic YTD (1,874,148) was down 20.2% from last year and down 25.2% from the same point in 2019.

Across the border in British Columbia, the **Port of Vancouver** also posted negative numbers. Inbound loads (135,492) were off by 23.9% year-over-year and down 7.1% from August 2019. Outbound loads (56,085) were lower by 5.2% from the preceding year but off by 30.1% from August 2019. Total container traffic this year through August (2,006,393) was down 17.8% from last year and by 12.5% from the same period in 2019.

Further north, the **Port of Prince Rupert** continued to produce numbers that must disappoint the port's backers. Inbound loads (26,329) in August were down 54.5% from a year earlier and by 63.2% from the same month in 2019. Outbound loads (7,928) were off by 34.3% from the previous August and by 63.2% from August 2019. Total container traffic YTD (478,175) was down 31.8% from last year and by 38.9% from the first eight months of 2019.

Back along the Atlantic Seaboard, the **Port of Virginia** handled 136,788 inbound loads in August, down 14.9% from the previous August but up 12.5% from August

2019. Outbound loads (89,959) were off by 6.0% from a year earlier but represented an 11.5% gain over the same month in 2019. Total container traffic through the port YTD amounted to 2,165,882, a 13.8% fall-off from last year at this point but a 9.5% increase over the first eight months of 2019.

At the **Port of Charleston**, inbound loads in August (102,207) were down by 10.2% from a year earlier but also down by 1.0% from the 103,221 inbound loads the port handled in August 2019. Meanwhile, outbound loads (56,459) were up by 8.8% from the preceding August but were 23.6% below the 73,927 outbound loads recorded in August 2019. YTD, total traffic through the South Carolina port (1,637,059) was down 12.7% from a year earlier and also off by 0.8% from the first eight months of 2019.

Along the Gulf Coast, **Port Houston** experienced a relatively slow month, with inbound loads in August (149,660) down 16.9% year-over-year but still up 35.7% over August 2019. Outbound loads (110,008) were off by 5.8% from a year earlier but up 0.8% from August 2019. Total traffic YTD through the Gulf Coast gateway (2,510,162) was down 3.8% year-over-year but 26.7% ahead of the same month in 2019.

We Make Cargo Move



The Port
OF HUENEME



For the Record: Complete July 2023 TEU Numbers

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

July saw inbound loads at the mainland U.S. ports we monitor amount to 1,952,348, down 2.3% from the 1,997,811 inbound loads those same ports handled in July 2019. Of particular interest is that USWC ports saw their volume of inbound loads shrink by 19.3% from July 2019, while U.S. East Coast ports saw their volume increase by 11.1%.

Outbound loads from U.S. ports, meanwhile, totaled 886,274 in July, down 16.3% (-172,956) from July 2019. Of the major ports, only Virginia and Houston recorded gains in export loads over July 2019.

Traffic in both loaded and empty containers so far this year through U.S. ports totaled 27,719,261, a 2.2% fall-off (-626,907) from the same period in 2019.

In the Top Port competition, **Exhibit 3** attests to the Port of Los Angeles' status as the nation's busiest container port through July of this year, with 4,821,670 loads and empties, easily topping the Port of New York/New Jersey (4,465,823) with the Port of Long Beach (4,310,925) placing third.

Exhibit 1	July 2023 - Inbound Loaded TEUs at Selected Ports					
	Jul 2023	Jul 2022	Jul 2021	Jul 2020	Jul 2019	2023/2019 % Change
Los Angeles	364,208	485,452	469,361	456,029	476,438	-23.6%
Long Beach	271,086	376,175	382,940	376,807	313,350	-13.5%
San Pedro Bay Totals	635,294	861,627	852,301	832,836	789,788	-19.6%
Oakland	78,122	69,463	94,746	96,420	90,598	-13.8%
NWSA	88,684	88,502	127,166	103,389	122,946	-27.9%
Hueneme	8,636	11,629	8,828	5,482	4,378	97.3%
San Diego	7,126	7,898	6,386	5,656	5,195	37.2%
USWC Totals	817,862	1,039,119	1,089,427	1,043,783	1,012,905	-19.3%
Boston	11,277	9,042	6,758	12,242	12,714	-11.3%
NYNJ	372,139	402,969	393,945	326,079	336,972	10.4%
Virginia	141,575	149,829	142,963	105,692	125,260	13.0%
S. Carolina	107,777	104,846	119,445	81,530	92,707	16.3%
Georgia	230,225	251,761	227,876	185,548	197,341	16.7%
Jaxport	24,221	26,552	21,813	28,867	32,505	-25.5%
P. Everglades	25,713	29,664	30,831	22,108	25,801	-0.3%
Miami	44,206	39,838	44,345	33,029	38,229	15.6%
USEC Totals	957,133	1,014,501	987,976	795,095	861,529	11.1%
New Orleans	11,202	13,166	9,702	11,210	12,315	-9.0%
Houston	166,151	159,881	137,197	102,339	111,062	49.6%
USGC Totals	177,353	173,047	146,899	113,549	123,377	43.7%
Vancouver	115,701	155,914	138,538	160,875	162,908	-29.0%
Prince Rupert	27,628	32,825	57,743	64,640	66,277	-58.3%
British Columbia Totals	143,329	188,739	196,281	225,515	229,185	-37.5%

Source Individual Ports



July 2023 TEU Numbers *Continued*

Exhibit 2	July 2023 - Outbound Loaded TEUs at Selected Ports					
	Jul 2023	Jul 2022	Jul 2021	Jul 2020	Jul 2019	2023/2019 % Change
Los Angeles	110,372	103,899	91,440	126,354	161,340	-31.6%
Long Beach	90,134	109,411	109,951	138,602	111,654	-19.3%
San Pedro Bay Totals	200,506	213,310	201,391	264,956	272,994	-26.6%
Oakland	58,059	47,166	68,149	71,525	76,414	-24.0%
NWSA	37,598	40,697	48,893	56,547	73,828	-49.1%
Hueneme	1,784	2,186	1,784	1,370	1,094	63.1%
San Diego	712	993	370	202	308	131.2%
USWC Totals	298,659	304,352	320,587	394,600	424,638	-29.7%
Boston	4,827	3,462	5,420	8,692	6,418	-24.8%
NYNJ	100,195	95,823	111,159	102,740	118,015	-15.1%
Virginia	88,942	85,170	81,068	68,594	80,955	9.9%
S. Carolina	53,827	49,309	65,655	57,628	72,126	-25.4%
Georgia	105,640	122,928	119,072	112,464	117,790	-10.3%
Jaxport	40,140	47,317	51,598	48,254	41,165	-2.5%
Port Everglades	31,513	33,851	32,390	25,867	34,328	-8.2%
Miami	23,474	25,032	28,003	28,930	34,304	-31.6%
USEC Totals	448,558	462,892	494,365	453,169	505,101	-11.2%
New Orleans	21,405	23,404	18,148	21,458	25,021	-14.5%
Houston	117,652	102,644	75,457	98,509	104,470	12.6%
USGC Totals	139,057	126,048	93,605	119,967	129,491	7.4%
Vancouver	36,407	55,573	60,272	87,432	91,521	-60.2%
Prince Rupert	7,690	9,539	12,142	15,740	15,397	-50.1%
British Columbia Totals	44,097	65,112	72,414	103,172	106,918	-58.8%

Source Individual Ports



July 2023 TEU Numbers Continued

Exhibit 3		July 2023 - YTD Total TEUs					
	Jul 2023	Jul 2022	Jul 2021	Jul 2020	Jul 2019	2023/2019 % Change	
Los Angeles	4,821,670	6,349,325	6,318,674	4,618,277	5,450,793	-11.5%	
NYNJ	4,465,823	5,679,626	5,153,882	3,973,088	4,315,835	3.5%	
Long Beach	4,310,925	5,793,621	5,538,674	4,186,116	4,202,950	2.6%	
Georgia	2,822,996	3,421,893	3,190,460	2,452,098	2,639,252	7.0%	
Houston	2,202,538	2,225,563	1,905,414	1,662,546	1,721,402	28.0%	
Virginia	1,878,649	2,171,715	1,974,825	1,495,143	1,720,012	9.2%	
Vancouver	1,752,415	2,109,079	2,209,685	1,868,038	1,996,551	-12.2%	
NWSA	1,631,448	2,067,304	2,191,059	1,834,653	2,241,765	-27.2%	
South Carolina	1,433,890	1,652,794	1,579,967	1,273,190	1,417,959	1.1%	
Oakland	1,193,709	1,391,635	1,513,176	1,387,895	1,473,176	-19.0%	
Montreal	884,180	1,020,045	1,001,873	949,482	1,010,537	-12.5%	
JaxPort	738,472	762,476	827,735	707,121	785,789	-6.0%	
Miami	639,709	709,008	738,474	580,122	659,380	-3.0%	
Port Everglades	592,852	654,382	617,261	533,415	603,061	-1.7%	
Prince Rupert	430,904	587,225	599,654	585,527	659,398	-34.7%	
Philadelphia	422,176	443,613	417,716	357,300	355,375	18.8%	
New Orleans	282,298	256,641	307,886	341,944	370,890	-23.9%	
Hueneme	144,996	156,950	123,867	104,372	74,226	95.3%	
Boston	131,225	77,713	125,646	155,507	172,523	-23.9%	
San Diego	86,059	95,281	91,669	88,101	82,958	3.7%	
Portland, Oregon	74,017	86,024	42,382	28,882	20	∞	
Everett (WA)	7,757	14,349	7,149	1,706	2,465	214.7%	



July 2023 TEU Numbers *Continued*

Container Contents Weights and Values

The figures in **Exhibits 4 and 5** represent the U.S. West Coast (USWC) shares of the nation's box trade passing through mainland U.S. ports. We have revised the exhibits to provide a broader historical context by showing how USWC port shares this July compared with the same month last year as well as in pre-pandemic July 2019 and a decade earlier in July 2013.

The most evident revelation in these exhibits is that USWC port shares of the nation's containerized maritime trade had been in decline for years preceding the Great Disruption brought on by COVID.

More disturbing are the data showing that, despite hopes for a return to some semblance of normality, the USWC shares in July were among the lowest ever recorded. For example, the USWC ports' 32.6% share of all U.S. containerized import tonnage in July was not merely down from 34.7% a year earlier; it contrasted poorly with the 34.8% share in the previous month and a 34.6% share in May. As for the critical inbound transpacific trade, July's 48.6% tonnage share represented a sharp fall-off from the 54.0% share USWC ports had held just a month earlier.

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

	Jul 2023	Jul 2022	Jul 2019	Jul 2013
Shares of U.S. Mainland Ports Containerized Import Tonnage				
USWC	32.6%	34.7%	39.2%	44.1%
LA/LB	23.6%	25.4%	28.0%	31.9%
Oakland	3.5%	3.3%	4.1%	4.4%
NWSA	3.9%	3.5%	5.2%	5.9%
Shares of U.S. Mainland Ports Containerized Import Value				
USWC	38.5%	41.5%	47.0%	52.9%
LA/LB	29.4%	33.1%	35.8%	41.0%
Oakland	3.1%	2.5%	3.7%	3.8%
NWSA	4.8%	4.1%	6.9%	7.2%
Shares of U.S. Mainland Containerized Export Tonnage				
USWC	29.8%	34.0%	35.8%	40.7%
LA/LB	18.8%	19.6%	20.7%	23.8%
Oakland	5.1%	5.4%	5.9%	6.7%
NWSA	5.0%	5.9%	7.7%	9.1%
Shares of U.S. Mainland Containerized Export Value				
USWC	26.4%	27.3%	31.7%	35.3%
LA/LB	17.7%	17.1%	20.5%	23.6%
Oakland	5.3%	5.3%	6.2%	5.9%
NWSA	2.9%	3.0%	4.4%	5.0%

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

	Jul 2023	Jul 2022	Jul 2019	Jul 2013
Shares of U.S. Mainland Ports Containerized Import Tonnage				
USWC	48.6%	55.2%	57.8%	66.6%
LA/LB	37.7%	43.6%	44.9%	50.6%
Oakland	3.8%	3.7%	4.5%	4.7%
NWSA	6.0%	6.1%	7.6%	9.4%
Shares of U.S. Mainland Ports Containerized Import Value				
USWC	56.9%	61.2%	67.1%	74.1%
LA/LB	44.9%	49.8%	52.6%	58.6%
Oakland	3.5%	3.0%	4.1%	4.2%
NWSA	7.1%	6.8%	9.9%	10.3%
Shares of U.S. Mainland Containerized Export Tonnage				
USWC	49.3%	58.6%	58.5%	66.9%
LA/LB	31.4%	36.2%	36.1%	41.1%
Oakland	7.6%	8.5%	9.2%	9.9%
NWSA	8.9%	10.9%	13.1%	15.0%
Shares of U.S. Mainland Containerized Export Value				
USWC	54.3%	56.0%	62.4%	70.6%
LA/LB	36.8%	37.4%	41.6%	48.9%
Oakland	9.9%	9.0%	11.1%	9.7%
NWSA	6.8%	8.7%	9.1%	10.4%

Source: U.S. Commerce Department.

Source: U.S. Commerce Department.



July 2023 TEU Numbers Continued

Evaluating U.S. Ports: An Economist's Perspective

We periodically become aware of hyperventilating reports, most commonly in the East Coast media, whenever the Port of New York/New Jersey occasionally out-boxes the Port of Los Angeles for the title of America's busiest container port. Admittedly, that does happen from time to time, but we should note that comparing container volumes at PNYNJ and the Port of LA can often be highly misleading. For one thing, as the *Journal of Commerce* recently noted, "carrier alliances regularly shift their services among terminals in San Pedro Bay so the terminal operators can meet their financial commitments to the port authorities". Since terminals are financially committed to moving a specified number of containers through their facilities each year, emerging shortfalls may prompt shipping to be temporarily redirected to a terminal at the neighboring port. That's one major reason for regarding the Ports of Long Beach and Los Angeles as a single maritime gateway.

It's also worth emphasizing that counting steel boxes is not the only or even the most salient metric for evaluating the nation's seaports. Indeed, from an economist's point of view, the value of what's in the boxes moving through ports is significantly more important than the number of boxes being moved.

So we offer this bit of data in hopes of correcting

the narrative. According to the U.S. Census Bureau's Foreign Trade Division, the federal government's official scorekeeper on the nation's foreign trade, the declared value of containerized shipments through the Port of Los Angeles last year totaled \$281.356 billion. By comparison, the Port of New York/New Jersey handled containerized merchandise valued at \$227.265 billion.

And, if we're really measuring maritime gateways rather than individual ports, we need to include the economic contribution of the Port of Long Beach to the value of trade moving through San Pedro Bay. So, for the record, **Exhibit 6** displays the shares of the total value of the nation's containerized trade passing through the nation's leading maritime gateways by month since January 2019.

A billion here, a billion there...

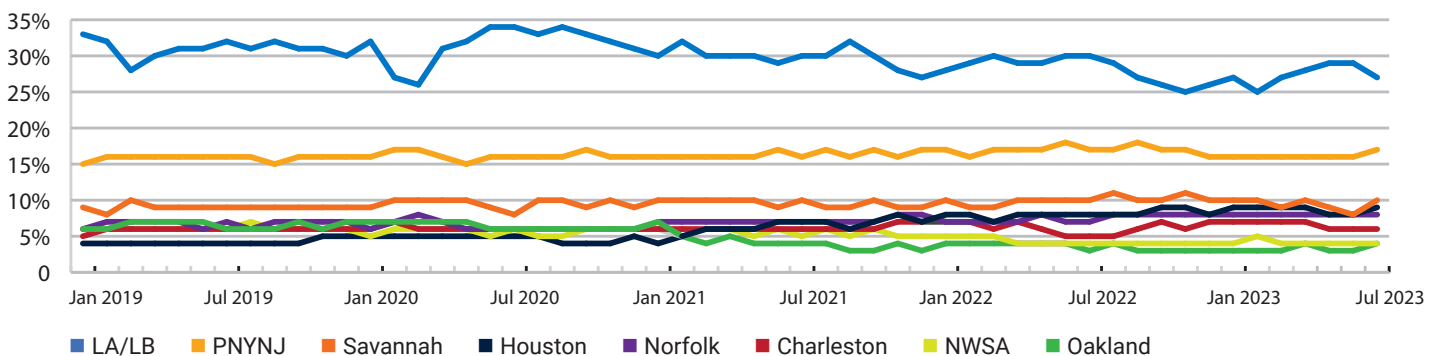
As sales of electric vehicles in California surge, the state's already stressed electricity distribution grids will need to be upgraded to support the additional demand for power from commercial as well as residential EV charging stations. As if that in itself does not present a sufficiently formidable challenge, state regulators are assiduously identifying new ways of over-burdening California's fragile grids. For example, debate has been raging over proposals geared to phase out the use of gas in heating and cooking in favor of electricity.

This newsletter has periodically voiced concerns about whether, given such a highly litigious society as California

Exhibit 6

Inbound Loads at Ports of LA, Long Beach, and PNYNJ

Source: Individual Ports





July 2023 TEU Numbers *Continued*

in which even the sound of neighbors conversing on the front porch can be cited in a CEQA complaint, any substantive enhancement to the grid’s more visible elements can be accomplished within the state’s accelerated timetable for reaching its ambitious emission-reducing goals.

Then there’s that small matter of cost.

The past month has brought news that the Public Advocates Office at the California Public Utilities Commission (CPUC) has released a new study of the costs of upgrading the distribution grids of the state’s three largest investor-owned electric utilities to meet California’s transportation electrification goals. The study’s price tag for upgrading these distribution grids by 2035 is estimated at about \$26 billion.

That’s intriguing for any number of reasons, not the least of which is because it’s about half of the estimated cost cited in the latest study (Electrification Impacts Study Part 1) commissioned by the CPUC itself. Normally, one might be safe in concluding that the true cost would likely be somewhere between the two competing estimates. But that’s not apt to be an especially useful rule-of-thumb in this case. That’s because neither study seems to fully comprehend the First Law of California Infrastructure: that final costs (if anyone is still around at a project’s completion to calculate such an amount) will invariably be some multiple of the original estimate.

Western States Farm Exports

Farm products factor mightily in the volume of exports shipped from West Coast ports. So it’s useful to revisit the latest statistics as reported by agricultural officials in the three coastal states.

In 2022, Washington-grown or processed food and agriculture exports totaled \$8 billion. Products that are especially reliant on global trade include wheat (up to 90% of the crop is exported each year), potatoes (up to 70% are exported in the form of French fries), and tree fruit (approximately 30% of apples and 25% of cherries are exported each year). In addition, a significant volume of food and agriculture products from other states including soybeans, wheat and corn are exported through Washington State ports each year. The value of these exports exceeded \$15 billion in 2022. Once these pass-



Washington exports up to 70% of its potatoes in the form of French fries

through exports are combined with Washington-grown/processed exports, the total value reached over \$23 billion.

In Oregon, agriculture makes up 13% of the state’s gross domestic product and results in \$5.01 billion in agricultural production, and \$2.57 billion in agricultural exports, according to a 2021 report from the Oregon state Board of Agriculture.

According to the latest (if less than timely) numbers from the California Department of Food and Agriculture (CDFA), the state’s agricultural exports totaled \$22.5 billion in value in 2021, representing an increase of 7.0 percent compared to the previous year. The state’s top valued agricultural export commodity continues to be almonds, with more than \$4.6 billion in foreign sales in 2021. Dairy and dairy products ranked second in export value for the year at \$2.5 billion. Pistachios and wine came in third and fourth, respectively, with pistachio exports valued at \$2.1 billion and wine exports valued at \$1.3 billion.

California’s top 10 export destinations for 2021, in order of value, were: Canada, the European Union, China and Hong Kong, Japan, Mexico, South Korea, India, the United Arab Emirates, Taiwan, and the Philippines. Together these destinations accounted for 69.3% of the total 2021 export value.

The preceding numbers are all retrospective. The big question for USWC ports is what will farm exports look like going forward. Weather (i.e., rainfall levels and



July 2023 TEU Numbers *Continued*

temperature levels) will have a huge role in answering that query. According to climate scientist Daniel Swain at UCLA, conditions are shaping up to yield lower than average precipitation this winter in the Pacific Northwest, but another wetter than normal winter in California. That would be great news for growers in the San Joaquin Valley, where years of groundwater depletion and poor water management threaten to pull as much as 20% of the 4.5 million acres of irrigated farmland out of production. A September report from the Public Policy Institute of California (“Managing Water and Farmland Transitions in the San Joaquin Valley”) estimates that between 500,000 and 900,000 acres will have to be fallowed due to inadequate water supplies. More rain this winter should help nudge the toll of lost acreage toward the lower end of that estimate.

Beat the Canal!

Older members of the California trade community may recall a monumentally insipid 2011 video that featured several politicians and maritime industry luminaries staring into the camera and somberly intoning the vacuous phrase “Beat the Canal!”. Among those appearing in the production were former Governor Gray Davis, ex-Assembly Speaker Willie Brown, Jr., and then Los Angeles Mayor Antonio Villaraigosa.

The video was narrated by Brown, who had reveled in his reputation as the “Ayatollah of the Assembly” but who nonetheless insisted in the video that the “interests of the people must come before politics”. Referring to the work

then underway on an expanded Panama Canal, Brown solemnly warned that hundreds of thousands of California jobs were at risk. “If we lose to the canal, we lose job opportunities and business opportunities for a whole generation.”

It was never made clear what beating the canal might entail. Short of sabotaging the new locks or invoking a voodoo curse on the canal’s future water supply, beating the canal presumably might have involved a concerted effort by state and local governments to ensure that the Ports of Los Angeles, Long Beach, and Oakland remained highly efficient conduits for containerized trade.

It took no special gift of prescience to appreciate that the new, more capacious path between Pacific and Atlantic would threaten the dominance of West Coast ports in servicing the nation’s transpacific maritime trade. Regrettably, it also took no special gift of prescience to appreciate that the political leaders assembled for the video would stand down once they had performed their cameos before the camera. The dedicated international freight highways through the state – much touted at the time – never materialized. Instead, public agencies like the California Air Resources Board and the South Coast Air Quality Management District began their assault on the ports.

As for beating the canal, voodoo curses seem to be working.

Protecting Blue Whales and Blue Skies
Vessel Speed Reduction Incentive Program
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 safer whales, and a quieter ocean
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Jock O'Connell's Commentary:

The Port That Helped Build Silicon Valley

My first job on moving to California as a freshly minted college graduate in the summer of 1970 was in a peach orchard in Sunnyvale. But the work had nothing to do with farming. I had been hired by a company called Memorex, then largely known as a manufacturer of high-end audio tapes. Older readers may recall a television commercial from that era that featured jazz singer Ella Fitzgerald hitting a high note that shattered a wine glass. The ad then showed a recording of Ella's voice on a Memorex tape achieving the same result. "Is it live or is it Memorex?" became the company's slogan for the next couple of decades.

Memorex was one of the swelling number of electronics firms springing up at the south end of the San Francisco Peninsula that would ensure that that Sunnyvale peach orchard – along with nearly every other farming operation within miles – would soon be history. Over the next few years, Santa Clara County, which once boasted of being the world's canning and dried-fruit packing capital, shrugged off its rich agricultural heritage. Along with neighboring San Mateo County, it embraced a new moniker: Silicon Valley.

Histories of the rise of Silicon Valley tend overwhelmingly to focus on the personalities of the engineers, entrepreneurs, and investors who built "the most efficient capital-accumulation machine in history", as internet pundit Benjamin Tarnoff wrote recently in *The New York Review of Books*. So we know a lot about William Hewlett, David Packard, William Shockley, Gordon Moore, Robert Noyce, Steve Jobs, Mark Zuckerberg, and Larry Ellison.

By contrast, almost nothing is written about the people and organizations who actually built the buildings that house Silicon Valley. With its gray precast concrete walls, the structure in which I worked in that Sunnyvale peach orchard was typical of the era. But someone built it with construction materials sourced from somewhere.

That's where the Port of Redwood City comes in. It is a vital terminal for imported sand and gravel used to make concrete.

The port lies about midway down the San Francisco Peninsula. It is located south of the San Mateo-Hayward

Bridge, the first iteration of which was constructed across the South Bay in 1929 and thus predates both the Golden Gate and San Francisco-Oakland spans. At the time of its construction, it was the longest bridge in the country at seven miles. (It's still California's longest bridge.) As rebuilt in 1967, the bridge features a hump (technically, an orthotropic span) with a vertical clearance of 135 feet (41 meters) over the waterline. Still, the port's 30-foot channel depth prevents fully-loaded vessels from reaching the port's wharves. That's why ships carrying sand and gravel normally call first at the Port of Richmond to offload cargo before proceeding south to Redwood City.



Unloaded dry bulk, Trillium Class, at the Port of Redwood City

We seldom give any thought to concrete. It is ubiquitous but anonymous. It's been around for over two millennia since the Romans gave a name (*opus caementicium*) to the cement that binds it all together. Combine lime or calcium silicate-based cement with aggregates like sand and gravel, and you have an exceedingly versatile material for constructing buildings, bridges, and roads. But the ingredients are not cheaply or easily transported. Aggregates are heavy and of such low value that trucking them from a quarry to a construction site quickly becomes prohibitively expensive.

According to the California Department of Transportation (Caltrans), shipping costs for aggregates can outweigh



Commentary Continued

Exhibit A

Import Tonnage at Port of Redwood City: 2003-2022

Sources: U.S. Commerce Department

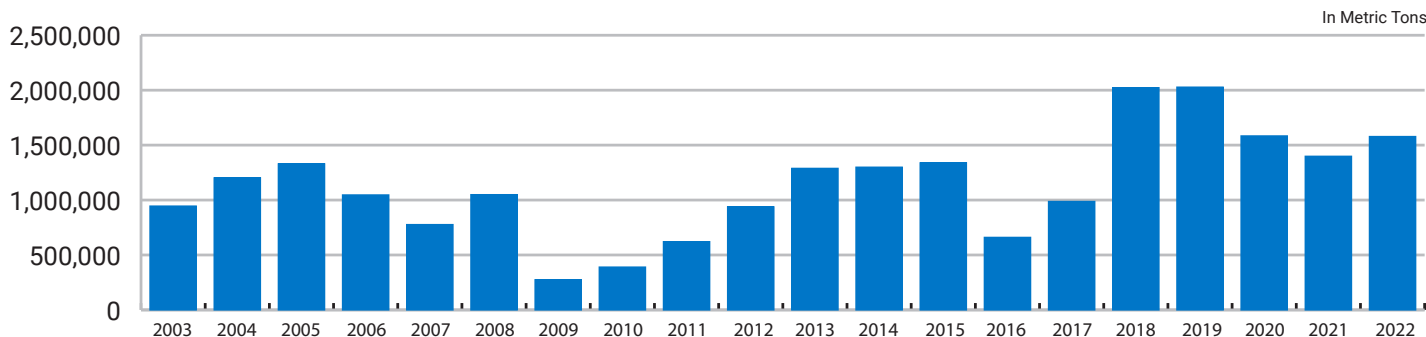
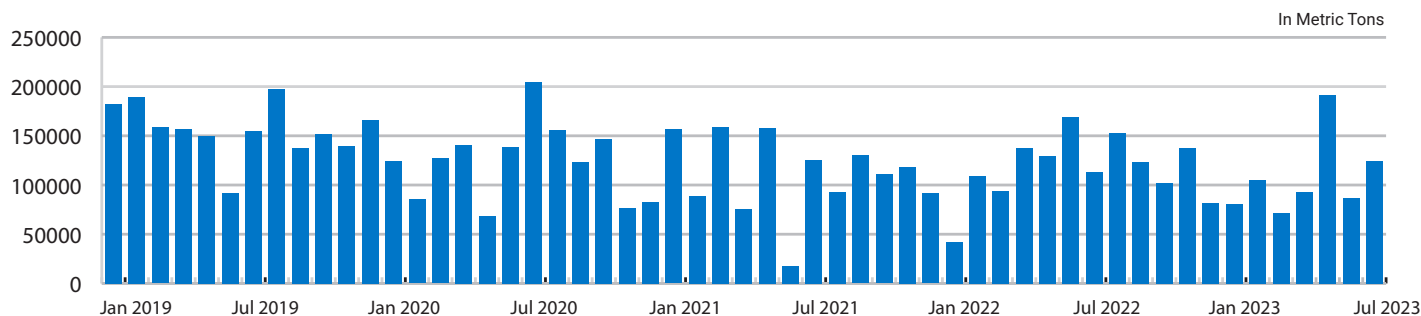


Exhibit B

Imports of Construction Materials at Port of Redwood City

Source: U.S. Commerce Department



production costs if the material is trucked more than 20 miles. Moreover, in a region like the San Francisco Bay Area that likes to flaunt its environmental consciousness, sourcing aggregates from local quarries poses a political quandary. The California Geological Survey found in 2018 that no more than six percent of the identified aggregate sources in the state had been permitted for mining activities by local regulatory agencies. In some areas of the state, Caltrans estimates that available aggregate supply could be depleted within a decade.

One preferred alternative to fighting the battles to open new sources of sand and gravel is to import them by

ship. In the case of Silicon Valley, that involves the Port of Redwood City.

Ironically, it's a port that began life around 1850 shipping timber from the Peninsula to San Francisco to house the burgeoning Gold Rush population. So successful were loggers in depleting Peninsula's forests that a century later those materials had to be imported to accommodate the Peninsula's wartime needs.

1,729,931 short tons of cargo passed through the port in 2021, according to the U.S. Army Corps of Engineers. Of that, only about 2.5% involved domestic shipments.



Commentary Continued

Almost all of the import tonnage arriving at the port are commodities used in the construction industry. Last year, Sand (44.0%), Gravel (26.8%), and Gypsum (17.4%) were the chief imports by weight. The sources are not terribly exotic. All of the sand and gravel imported through the port came from Canada, while virtually all of the gypsum was sourced in Mexico.

In this century, import tonnage at the Port of Redwood City has generally tracked the ups and downs of the region's high-tech economy, as **Exhibit A** indicates. The electronics industry was recovering from the Dot.Com bust in the early years of the century but then ran up against the foreclosure crisis. Variations in interest rates together with higher tariffs imposed on high-tech exports have since shaped demand for the construction materials imported through the port.

The aggregates entering the Port of Redwood City are sourced from the Polaris Mine in British Columbia. Polaris is a wholly-owned subsidiary of Vulcan Materials Company of Birmingham, Alabama. The company holds an 88% interest in the Orca Quarry, a sand and gravel deposit that

covers an area of approximately 350 hectares in British Columbia. Through long-term shipping agreement with CSL Americas (a subsidiary of Canadian Shipping Lines), Polaris ships construction grade sand, gravel, and crushed stone to the West Coast of the U.S. and to Hawaii.

Typical of the trade was the arrival on September 16 of the Honourable Henry Jackman, a 42-year-old, self-discharging bulk carrier that is part of the CSL Americas fleet. The ship is 245 meters long with a beam of 32 meters. It departed Port McNeill in British Columbia on September 12 and steamed under the Golden Gate Bridge three days later. It called at the Port of Richmond for just over twenty hours on September 16 before sailing down to the Port of Redwood City to discharge its remaining cargo to help Silicon Valley continue to expand and flourish.

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



NUMBER OF THE MONTH

-125,979

the fall-off in outbound loads from USWC ports from July 2019 to this July



San Pedro Bay Ports Emission Reductions: A Success Story

By Jacqueline M. Moore, Vice President, Pacific Merchant Shipping Association

This September saw the Ports of Long Beach and Los Angeles release their annual Emissions Inventory reports and they were impressive reductions indeed. The San Pedro Bay Ports (SPBP) smashed the Clean Air Action Plan (CAAP) 2023 emission targets ahead of schedule and secured swift reductions beyond any COVID-19 pandemic induced emission impacts. The combined reductions reveal diesel particulate matter (DPM) is down by 90%, 97% for sulfur oxides (SOx), and 63% for nitrogen oxides (NOx), compared to the 2005 baseline year. The ports aren't just "back to normal;" the SPBP ports are cleaner than ever and the model U.S. seaport.

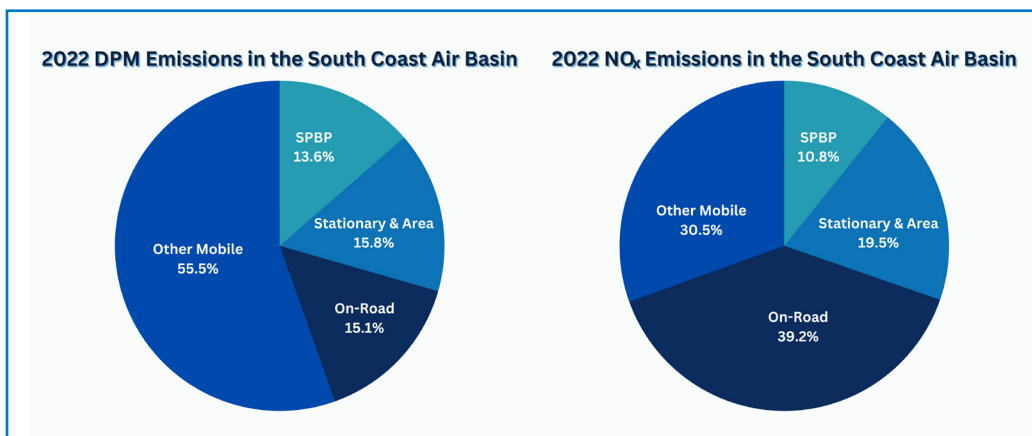
To demonstrate this, one must need just consider the efficiency metric, whereby emissions are estimated in total tons per twenty-foot equivalent unit (TEU). It is no secret that since 2005, cargo throughput has generally climbed (less than previously forecasted, but that is a different story for a different day) as emissions have plummeted at the SPBP. This has produced remarkable emissions efficiency metrics with certain key pollutants in the 90 percent range: SOx at 98%, DPM at 92% and NOx at 73%, all the while, TEU's grew 34%, on average, since 2005.

However, this metric shouldn't be confused with erroneously assigning emissions per TEU, as one regional Air Quality Management District is potentially mulling over. Boxes do not produce emissions. Boxes come in all colors and sizes and hold about anything you can imagine of varying weights, but in the end, a TEU is simply the

standardized container to hold stuff. The history of the box is actually a good read, see The Box That Changed the World.

Even with this CAAP success story, the ports are continuously touted as the largest single source of pollution in the South Coast Air Basin (SCAB). Ports are not single, area or point sources, much less a fixed facility. No other industry or facility is aggregated to include all collective emissions in this manner. As such, related emissions merit to be placed into context as a contribution to the total emissions in the SCAB. The SPBP 'piece of the SCAB pie' (yumm?) is small indeed, comprising just over 10% of the total NOx emissions, and approximately 14% of DPM emissions, with the ports being the smallest so called 'source' of both pollutants. If one analyzes the SPBP categories at a micro-level, many are hardly even visible, with heavy duty trucks comprising 1.4%, and cargo handling equipment at 0.6% of the SCAB totals. Yes, we now are measuring emissions in fractions of a percentage.

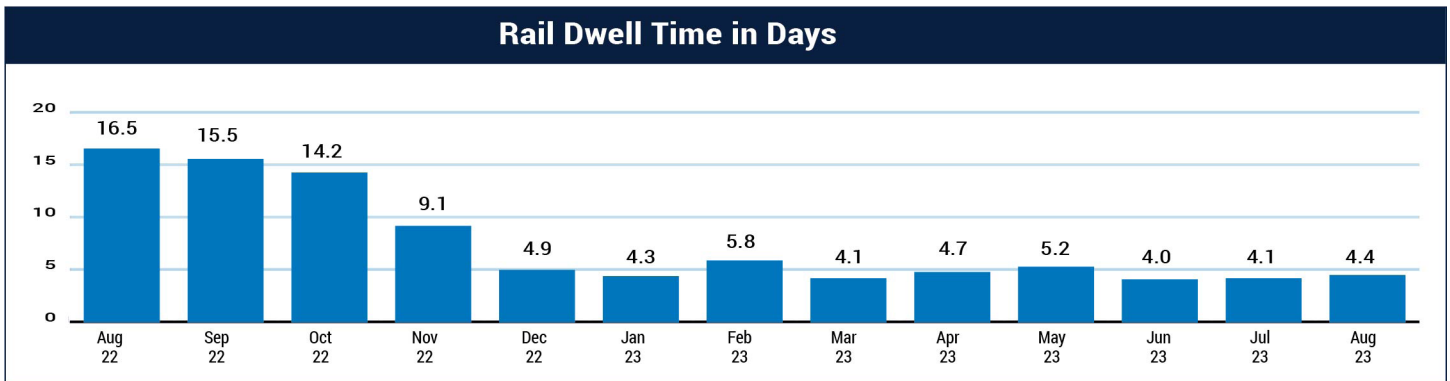
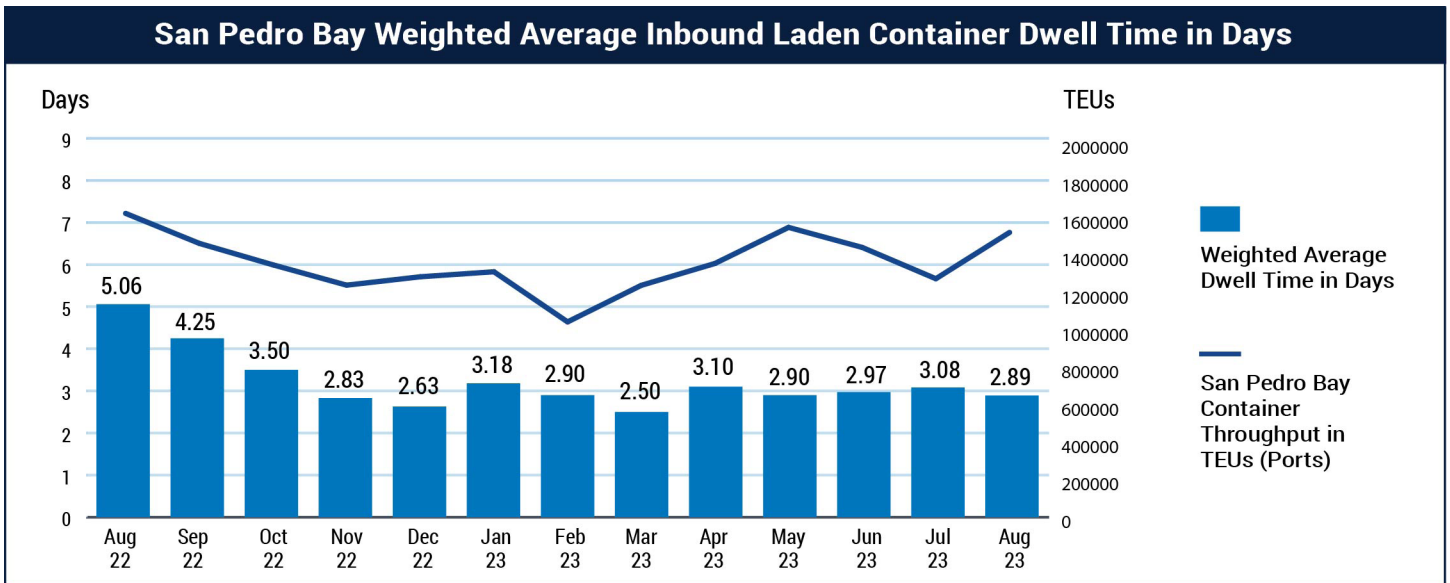
These impressive emission reductions prove that the voluntary CAAP is working. We've already surpassed the 2023 emission targets, but the supply chain isn't going to stop there; we have, and will continue to make, transformational progress to strive towards the 2030 and 2035 zero emission goals. The industry is testing new and alternative fuels, technologies, as well as operational modifications, which will continue to reduce emissions across our region and state.



*Values were calculated utilizing the ports of Long Beach and Los Angeles' individual 2022 Emission Inventory Reports (Starcrest Consulting Group) and the 2022 Air Quality Management Plan (SCAQMD). Discrepancies may occur due to rounding.



Container Dwell Time Remains Steady in August



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WA State Board of Pilotage Commissioners Industry Update October 19, 2023 Meeting

Vessel Arrivals Up in September, Still Down 8.3% YTD

✚ Containers down 51	✚ Car Carriers up 67
✚ Bulkers down 79	✚ Tankers down 19
✚ General down 14	✚ ATB's down 19
✚ RoRo down 6	✚ Passenger down 23

Decreasing Ship Calls and Assignments Continues

September arrivals were up by 25 over September of 2022 resulting in an increase in pilotage assignments for the month. Year-To-Date ship calls are down 163 or 8.3% from 2022. The arrivals trend correlates closely to the percentage change in pilotage assignments which saw the increase in September but still way below 2022 levels. The average number of assignments per pilot per month continues to be significantly decreased from 2022 with more pilots but fewer assignments.

Admiralty Inlet Slowdown – Not Yet (at time of this writing)

The slowdown was scheduled to begin as early as October 1st depending on whether the Southern Resident Killer Whales were in the area or not. Their location is being closely monitored to determine the start date.

Rail dwells rising along West Coast amid shortage of available rail cars

[Bill Mongelluzzo, Senior Editor and Michael Angell, Associate Editor](#) | Oct 5, 2023, 5:14 PM EDT

A shortage of rail cars is causing rail container dwells to rise at the ports of Los Angeles and Long Beach and in the Pacific Northwest, with operators unable to move inbound rail boxes off their marine terminals in a timely manner. While rail dwells have been slowly increasing since June, the problem worsened in September, sources say...And a modest increase in pre-Golden Week import volumes last month contributed to the extended dwells, they said... "There is a rail car shortage," Ed DeNike, president of SSA Containers, told the [Journal of Commerce](#).

Rising trans-Pacific volumes remain well below 2022 levels

"The uptick in inbound cargo could be triggering rail equipment imbalances," he said. "This is not across the board, but equipment balances are affecting some terminals more than others."

Conditions expected to improve soon

BNSF Railway said it is responding to the problem and that conditions should improve quickly... The Pacific Merchant Shipping Association (PMSA) has not yet released figures on September rail dwell times for Los Angeles-Long Beach.

Dwells in August were 4.45 days, up from 4.14 days in July and 4 days in June. Just over 25% of the rail containers in August remained on terminal for five days or longer, up from 23% in June.

NWSA also seeing rail backups

The shortage of rail cars is also an issue in the Pacific Northwest. "Rail car availability is currently a serious concern due to the low volume of cars heading westbound to balance the high volume going eastbound," Hapag-Lloyd said in a Sept. 29 customer advisory about the ports of Seattle and Tacoma. ... "The railroads are actively collaborating with all stakeholders to enhance car availability," the carrier added. "However, if additional westbound cargo or empty cars are not provided, the situation will persist." ... The delays appear to be highest at Tacoma-area terminals, according to the advisory, which said Husky Terminal is seeing import dwells of just over seven days due to the railcar imbalance. The neighboring Washington United Terminal is seeing delays of three to seven days, while Seattle's T18 terminal is experiencing one- to three-day dwells.

While international import and export container volumes are down a combined 25.6% as of August on a year-to-date basis relative to 2022, a logistics manager who asked not to be identified said there had been some rush to bring in goods ahead of the Golden Week holiday.... "Tacoma transloads are full," the source said. "Maybe it's issues at the Panama Canal, maybe people need to bring in time-sensitive goods right now."

The Pacific Northwest is about to see ocean carrier capacity drop further in the coming weeks, so shippers could be trying to get ahead of that. [THE Alliance is suspending its PN3 service to Seattle-Tacoma indefinitely](#) following the last sailing from Asia Oct. 8...THE Alliance said the lack of demand was behind the need for the service cut. Along with THE Alliance, Ocean Alliance's OPNW-Dahlia service is running fortnightly through October.

Boxship capacity growing at fastest pace on record

Sam Chambers September 26, 2023

...According to analysis from Asia-based consultancy Linerlytica, the pace of the growth of the box fleet at the moment is the fastest on record – and is set to continue for the next two years with the sight of newbuilds being forced to idle becoming commonplace... Global containership capacity is growing at an average rate of over 190,000 teu a month since April, after accounting for new ship deliveries and capacity upgrades and deducting scrapped capacity and other deletions. In the past 30 days, 212,099 teu of newbuilds have been delivered.



"Compared to the growth spurt in 2006-2008 and 2014-2015, when the average monthly growth rate was just 120,000 teu per month, the current growth burst will pose a significant challenge to the carriers' ability to manage the excess vessel supply," Linerlytica warned in its latest weekly report. The pace of vessel scrapping remain at less than 10,000 teu a month... Historically, the world container fleet grew by approximately 1m teu per year over the past decade. Full-year deliveries in 2023, however, are set to reach 2.2m teu, which will also be a new annual delivery record, beating the previous high of 1.7m teu delivered in 2015..."Overcapacity keeps worsening, due to an uninterrupted injection of newbuilding capacities of all sizes," Alphaliner warned in a recent weekly report, adding: "Carriers have been trying to address these issues by closing services, downsizing fleets, slow steaming and blank sailings but this is not enough."



STATE OF WASHINGTON

BOARD OF PILOTAGE COMMISSIONERS

2901 Third Avenue, Suite 500 | Seattle, Washington 98121 | (206) 515-3904 | www.pilotage.wa.gov

PROPOSED BOARD MEETINGS

2024 MEETING SCHEDULE

3rd Thursdays at 1000 except December

**APRIL - April 18 plus 2 special meetings for cut scores
-OR-
Friday April 12 plus 1 special meeting for cut score**

January	18
February	15
March	21
April	18
May	16
June	20
July	18
August	15
September	19
October	17
November	21
December	14



PROPOSED RULE MAKING

CR-102 (July 2022) (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 23-01-090 ; 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 363-116-360 Exempt Vessels

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
December 14, 2023	10:00am	2901 3 rd Avenue, Agate Conference Room Seattle, WA 98121 and via MS Teams	Please contact Jolene Hamel at HamelJ@wsdot.wa.gov for a meeting link.

Date of intended adoption: December 14, 2023 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name: Jaimie Bever, Executive Director
 Address: 2901 3rd Avenue, Suite 500, Seattle, WA 98121
 Email: BeverJ@wsdot.wa.gov
 Fax: 206-515-3906
 Other:
 By (date) December 6, 2023

Assistance for persons with disabilities:

Contact Jolene Hamel
 Phone: 206-515-3904
 Fax: 206-515-3906
 TTY:
 Email: HamelJ@wsdot.wa.gov
 Other:
 By (date) December 6, 2023

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this rulemaking is to update the pilotage exemption fee schedule to better align with administrative costs of exemption processing and to conduct minor housekeeping of the language for clarity.

Reasons supporting proposal: The processing of vessel exemptions has changed since the last fee increase. The Board requires more documentation before granting an exemption. The increase will provide additional financial support for that increased effort.

Statutory authority for adoption: Chapter 88.16 RCW, Pilotage Act

Statute being implemented: Chapter 88.16 RCW, Pilotage Act

Is rule necessary because of a:

- | | | |
|-------------------------|------------------------------|--|
| Federal Law? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: The Board received a recommendation from the Vessel Exemption Committee (VEC) favoring implementation of the proposed language.

Type of proponent: Private Public Governmental

Name of proponent: (person or organization) Board of Pilotage Commissioners

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting:	Jaimie C Bever	2901 3 rd Avenue, Suite 500, Seattle, WA 98121	206-515-3887
Implementation: Commissioners	Board of Pilotage	2901 3 rd Avenue, Suite 500, Seattle, WA 98121	206-515-3887
Enforcement: Commissioners	Board of Pilotage	2901 3 rd Avenue, Suite 500, Seattle, WA 98121	206-515-3887

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

Is a cost-benefit analysis required under [RCW 34.05.328](#)?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

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

No: Please explain: RCW 34.05.328 does not apply to the adoption of these rules. The Board of Pilotage Commissioners is not a listed agency in RCW 34.05.328(5)(a)(i)

Regulatory Fairness Act and Small Business Economic Impact Statement

Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

(1) Identification of exemptions:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). 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:

- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input checked="" type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> 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 19.85.025](#)(4) (does not affect small businesses).

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

Explanation of how the above exemption(s) applies to the proposed rule:

(2) Scope of exemptions: *Check one.*

- The rule proposal is fully exempt (*skip section 3*). Exemptions identified above apply to all portions of the rule proposal.
- The rule proposal is partially exempt (*complete section 3*). The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- The rule proposal is not exempt (*complete section 3*). No exemptions were identified above.

(3) Small business economic impact statement: *Complete this section if any portion is not exempt.*

If any portion of 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 minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. _____
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact 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:

Date: TBD

Name: Jaimie C. Bever

Title: Executive Director

Signature:

Place signature here

WAC 363-116-360 Exempt vessels. (1) Under the authority of RCW 88.16.070, application via petition may be made to the board of pilotage commissioners to seek exemption from the pilotage requirements for the operation of a limited class of small passenger vessels, which are not more than one thousand three hundred gross tons (international), do not exceed two hundred feet in length, is manned by United States-licensed deck and engine officers appropriate to the size of the vessel with merchant mariner credentials issued by the United States coast guard or Canadian deck and engine officers with Canadian-issued certificates of competency appropriate to the size of the vessel, and are operated exclusively in the waters of the Puget Sound pilotage district and lower British Columbia, or yachts, which are not more than one thousand three hundred gross tons (international), and do not exceed two hundred feet in length. For purposes of this section, any vessel carrying passengers for a fee, including yachts under charter where both the vessel and crew are provided for a fee, shall be considered a passenger vessel.

The owners or operators of the vessel for which exemption is sought must:

(a) Complete and file with the board a petition requesting an exemption at least forty-eight hours prior to planned vessel operations where possible. Petitions filed with less than forty-eight hours notice may be considered by the chair at the chair's discretion on a board-approved form. The form shall include a description of the vessel, the contemplated use of vessel, the proposed area of operation, the names and addresses of the vessel's owner and operator, the areas and dates of planned operations, and such other information as the board shall require.

(b) Pay the appropriate ~~initial~~-application ~~or renewal~~-fee with the submittal of the petition or upon receipt of invoice from the BPC, which is listed in subsection (5) of this section.

(2) All petitions for exemption filed with the board shall be considered at its next regularly ~~or specially~~-scheduled meeting. Consistent with the public interest, the chair may grant an interim exemption to a petitioner subject to final

approval at the next board meeting, where special time or other conditions exist.

(3) Any grant of an exemption, including interim exemptions, may contain such conditions as the board, or in the case of an interim exemption, the chair, deems necessary to protect the public interest in order to prevent the loss of human life and property and to protect the marine environment of the state of Washington.

Such conditions may include: A requirement that the vessel employ the services of a pilot on its initial voyage into state pilotage waters; the vessel master attends an orientation meeting with a pilot as determined by the Board; the vessel master review all written orientation materials; and/or that the master of the vessel at all times hold as a minimum, a United States government license as a master of ocean or near coastal steam or motor vessels of not more than sixteen hundred gross tons or as a master of inland steam or motor vessels of not more than five hundred gross tons, such license to include a current radar endorsement; and/or that the vessel possess specific

navigation charts, publications and navigational equipment necessary to ensure safe operation.

(4) The board shall annually, or at any other time when in the public interest, review any exemptions granted to the specified class of small vessels to ensure that each exempted vessel remains in compliance with the original exemption and any conditions to the exemption. The board shall have the authority to revoke such exemption when there is not continued compliance with the requirements for exemption.

(5) Fee Schedule for Petitioners for Exemption

	3-Months or-Less	1 Year or Less	Annual Renewal
A. Yachts			
Up to and including 50 feet LOA feet and under	\$50	\$50	\$50
Up to and including 100 feet LOA 66-125 feet	700	1000	600
Up to and including 200 feet LOA and 750-gt feet	1000	1400	800
Up to and including 200 feet LOA and 751 to 1300-gt	1500	1500	1500
B. Passenger Vessels			
Up to and including 100 feet LOA	1125	1500	1000
Up to and including 200 feet LOA	1500	1500	1200

(6) Petitions for annual renewals must be submitted to the board within one year of the expiration of the previous exemption.

[Statutory Authority: Chapter 88.16 RCW. WSR 17-14-005, § 363-116-360, filed 6/22/17, effective 7/23/17; WSR 12-21-077, § 363-116-360, filed 10/19/12, effective 11/19/12; WSR 10-24-085, § 363-116-360, filed 11/30/10, effective 12/31/10. Statutory Authority: RCW 88.16.070 and 1995 c 174. WSR 97-12-018, § 363-116-360, filed 5/28/97, effective 6/28/97. WSR 97-08-042, recodified as § 363-116-360, filed 3/28/97, effective 3/28/97. Statutory Authority: RCW 88.16.070. WSR 93-07-077, § 296-116-360, filed 3/18/93, effective 4/18/93; WSR 90-20-039, § 296-116-360, filed 9/25/90, effective 10/26/90; WSR 88-09-015 (Order 88-6, Resolution No. 88-6), § 296-116-360, filed 4/13/88.]



STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS

2901 Third Avenue, Suite 500 | Seattle, Washington 98121 | (206) 515-3904 | www.pilotage.wa.gov

Meeting Minutes – Pilot Safety Committee (PSC)

July 17, 2023, 9:00 AM

Attendees: John Scragg (PSP), Jaimie Bever (BPC), Sheri Tonn (BPC), Ivan Carlson (PSP), Charlie Costanzo (PSP), Eleanor Kirtley (BPC), Ryan Leo (PGH), Scott Anacker (PSP), Mike Moore (PMSA), Jason Hamilton (BPC), Bettina Maki (BPC)

Regrets: Andrew Drennen (BPC)

1. Review of Minutes of previous meeting on May 2, 2023

The minutes were approved with no corrections.

2. Rest exception KPI target percentage

Bettina shared data on the rate of rest exceptions as percent of assignments and percent of vessel moves which supported the KPI target of 0.3% or less assignments with associated rest exception.

Some higher rates of rest exceptions were seen during implementation of PSP efficiency measures during some trial and error around assignment combinations.

Most exceptions are very small.

There was discussion about whether PSP and PGH assignments and rest exceptions should be reported separately or lumped together.

There was discussion of whether the KPI should display percent of moves with associated rest exceptions or percent of assignments. There were no strong feelings about using one or the other, but using assignments as the denominator was felt to be more consistent with other reporting.

Eleanor Kirtley emphasized that ideally there will be zero rest exceptions, with a rate of 0.3% considered acceptable. She suggested that when developing other KPI targets, attention should be paid to consistency in aspirational targets and acceptable ranges.

3. Rest Rule Exceptions

Both pilotage districts had zero rest exceptions in the most recent quarter. The hard work of the dispatchers was acknowledged and appreciated.

4. Grays Harbor Mariner Overboard Drill

Grays Harbor Pilot Ryan Leo shared a report of findings from a recent Mariner Overboard Drill. The report was included in the meeting materials. It was quite detailed and will not be recapped here. It was a very interesting presentation explaining efforts to identify and correct issues that might cause trouble in an actual emergency. Captain Leo will present the information at the upcoming board meeting as well.

Captain Scragg asked about use of helicopters in the Grays Harbor District. Captain Leo explained that Grays Harbor Pilots have a monthly helicopter training requirement, for safety purposes.

5. Pilot Ladder Reporting

Dangerous ladder reports from 2nd quarter of 2023 were reviewed and discussed, as well as a Jotform data summary of the 2nd quarter reports. The data summary will be shared with the Board.

Scott Anacker answered questions about specific reports. Regarding the frequency of cases where the pilot boat snags an improperly rigged ladder retrieval line, he explained it is very uncommon – the lead pilot boat operator for PSP had not seen it happen in more than 30 years on the job -- but that is because the pilot boat deckhand is actively managing the retrieval line to prevent such problems, which unfortunately takes attention away from other tasks.

There was a report of a new looking ladder with loose widgets. Scott explained that low cost, low quality ladders are available and sometimes vessel operators choose to purchase these noncompliant counterfeit ladders to save money, but these ladders have myriad issues.

Noncompliant transfer arrangements on “gray ships” (military vessels) have been a frequent occurrence. PSP letters have been forwarded to MARAD. There is concern that ABS has permitted some noncompliant modifications. There are plans for a meeting with ABS, USCG, and others to clarify what is required. John Scragg explained that part of the challenge is that “gray ships” are not bound by international regulations, but it is hoped they will comply voluntarily.

Pilots are interested in improving ladder safety compliance, but there is also some fatigue with being in the enforcement role. It is hoped that other entities like USCG and ABS can take on more of the enforcement responsibility.

6. Wrap up/Next Steps

The next meeting is to be scheduled for early or mid October, in advance of the October board meeting, but after the Q3 rest exception data is available.

The committee adjourned at 10:00.