

**State of Washington
Pilotage Commission
November 17, 2022**

Grays Harbor District Report

There were 5 arrivals in October for a total of 15 jobs. Year to date through October there have been 48 arrivals for a total of 128 jobs. There are 8 vessels scheduled for November: 2 liquid bulk, 5 dry bulk and 1 log vessel.

Terminal 4 Expansion & Redevelopment

The Port of Grays Harbor was awarded a \$25.5 million grant through the U.S. Department of Transportation's Maritime Administration's (MARAD) Port Infrastructure Development Program (PIDP) to expand and redevelop Terminal 4. This project includes construction an additional 50,000 feet of rail to accommodate unit trains; railcar storage; the repurposing of a 50-acre brownfield site into a breakbulk cargo handling and laydown area; access and roadway improvements; replacement of marine terminal fendering systems; and related site improvements. MARAD awarded \$703 million to 41 projects including \$71 million to only 5 ports in Washington. The Grays Harbor Terminal 4 project was also called out in a press release from the Biden-Harris Administration.

Dredging

At their regular meeting on November 8, 2022, the Port Commission approved bids to complete dredging at Port Terminals 1, 2, & 4 this winter. Under this contract, Port contractor HME Construction will remove a total of 45,000 cubic yards between January 1, 2023 and February 15, 2023.

Pilot Trainees

Pilot Trainee Captain Leo is in the final Evaluation Phase of his training program and has over 125 jobs completed in total. Captain Leo has also completed all 3 federal pilotage examinations and his results are under review at the National Maritime Center. Captain Leo will be completing a two-day course in Personal Pilot Unit (PPU) navigation during the first week of December. If all goes well, Captain Leo could receive his pilot's license at the Washington State Board of Pilotage Commissioners Meeting on December 15, 2022.

Pilot Trainee Captain Colby Grobschmit also continues to progress rapidly through the training program. He has completed most of the trips in the Observation Phase and already has 4 trips in the Training Phase. Captain Grobschmit has completed over 60 jobs in total. Captain Grobschmit has also completed 2 out of the 3 federal pilotage examinations and hopes to complete his full route of examinations soon. Captain Grobschmit will also be attending PPU training in December.



Port of Grays Harbor

On Washington's Pacific Coast

Press Release:

February 2, 2022

Contact: Kayla Dunlap, Director of Government & Public Affairs

kdunlap@portgrays.org or 360-533-9590

For Immediate Release

Port of Grays Harbor customer AGP announces plans for new soybean processing facility

ABERDEEN, WASH. – On Friday, January 28th, Ag Processing Inc (AGP) announced it plans to build a new state-of-the-art soybean processing plant near David City, Nebraska. AGP is the Port of Grays Harbor's largest marine terminal customer with its storage and export facility at Terminal 2.

"The soybean processing industry is experiencing tremendous growth and we believe a facility in East Central Nebraska is strategically located to serve our cooperative members and their farmer-owners. Maintaining a strong cooperative system is vital to agricultural producers and our rural communities," stated AGP's Chairman of the Board Lowell Wilson.

"We have carefully evaluated this opportunity and are confident this investment will generate solid returns for our membership and benefit producers throughout the region," stated Chris Schaffer, AGP's Chief Executive Officer. "Domestic and global demand for soybean meal and soybean oil continues to grow. The David City location will also improve the Company's ability to market soybean meal to the Pacific Rim through AGP's export terminal in Aberdeen, Washington. AGP is currently considering investments that will significantly increase our export capabilities to meet the expected growth in domestic protein supply."

The Port of Grays Harbor continues to move forward with plans to improve and develop infrastructure to meet the demands of its largest customer. "We anticipate needing to improve fender systems and expand rail capabilities within our marine terminal complex to handle

increased volume, while minimizing the impacts to our community,” explained Executive Director Gary Nelson.

Deputy Executive Director Leonard Barnes added, “Our Marine Terminal team is ready to serve our customers’ needs and deliver seamless soybean meal loading for AGP’s customers throughout the Pacific Rim.”

“At AGP’s Annual Meeting last month, we learned about the increased demand for soybean oil for biofuel, as well as the increased demand for soymeal throughout the world,” shared Port of Grays Harbor Commission President Tom Quigg. “The Port of Grays Harbor is committed to working with our community partners to develop the infrastructure that will support AGP’s growth in Grays Harbor well into the future.”

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.



AGP announced plans for a new soybean meal processing plant in Nebraska on Friday. The Port of Grays Harbor stands ready to support AGP's export capabilities and expansion in Grays Harbor.

Bever, Jaimie (WSF-Pilotage)

From: Port of Grays Harbor <kdunlap@portgrays.org>
Sent: Friday, October 28, 2022 1:39 PM
To: Bever, Jaimie (WSF-Pilotage)
Subject: [EXTERNAL] MARAD Awards \$25.5 million PIDP Grant for PGH Project

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Port of Grays Harbor

On Washington's Pacific Coast

MARAD Awards \$25.5 million PIDP Grant for Port of Grays Harbor Terminal 4 Expansion & Redevelopment Project

Press Release:

October 28, 2022

Contact:

Kayla Dunlap, Director of Government & Public Affairs

kdunlap@portgrays.org or 360-533-9590

For Immediate Release

ABERDEEN, WASH. – The United States Department of Transportation Maritime Administration (MARAD) has awarded the Port of Grays Harbor a \$25.5 million Port Infrastructure Development Program (PIDP) grant for the Terminal 4 Expansion & Redevelopment Project. The grant will be matched by \$21.35 million in non-federal funds.

The Port Infrastructure Development Program is a discretionary grant program administered by MARAD. Funds for the PIDP are awarded on a competitive basis to projects that improve the safety, efficiency or reliability of the movement of

goods into, out of, around, or within a port. In FY2022, a total of \$684,310,000 of funding was available to make awards under the FY 2022 PIDP grant program. The Port submitted an application for the Terminal 4 Expansion & Redevelopment Project in May 2022.

Critical to the Port's ability to accommodate Ag Processing Inc a cooperative's (AGP) growth, attract private investment, increase international shipments and create jobs, the Terminal 4 Expansion & Redevelopment Project will add 50,000 feet of rail for offloading, storage, and assembly; repurpose the 50-acre former 520 pontoon construction site into cargo laydown area; construct secured site access and roadway improvements, and replace the marine terminal fendering and stormwater systems.

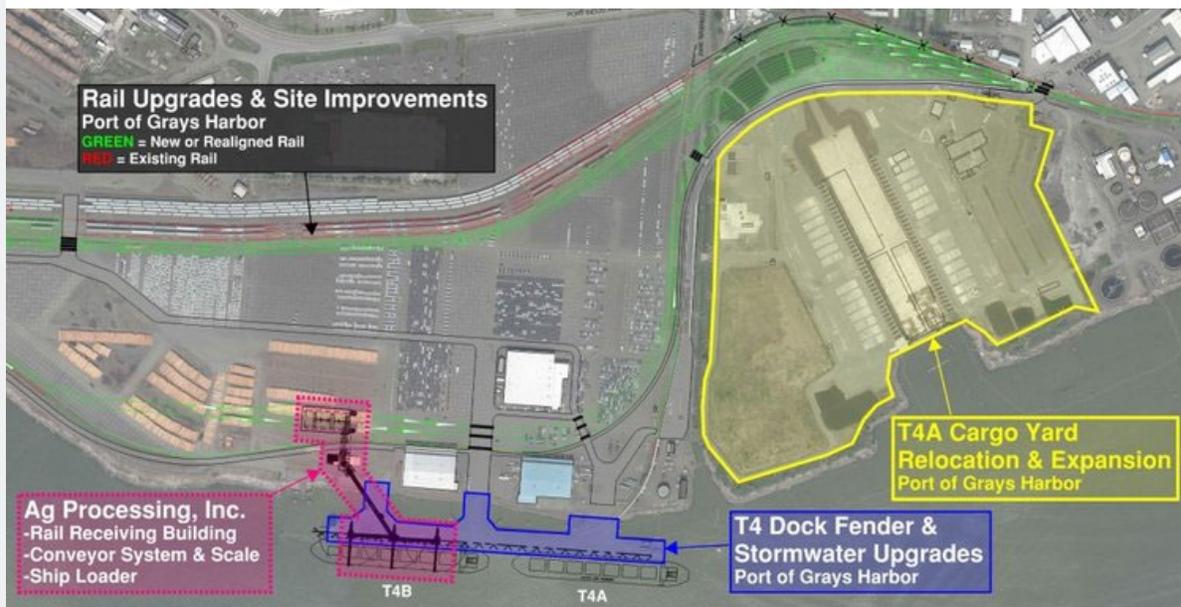
The project is in response to AGP's proposed expansion to double their US soybean meal export capacity by developing a second export facility at Terminal 4b. As a co-product of soybean processing, soybean meal exports are expected to increase in response to the growing demand for renewable fuel feedstocks, including soybean oil. The project has received widespread support from soybean farmers and associations across the Midwest.

"We are incredibly grateful to our federal delegation and their staffs, who truly understand the importance of strategic transportation investment, for all of their support and leadership in securing this critical funding for the Terminal 4 Expansion & Redevelopment Project," stated Port of Grays Harbor Commission President Tom Quigg. "This project will allow us to accommodate AGP's growth and private investment here in Grays Harbor, increase international shipments of US grown and processed soybean meal, and sustain thousands of farming jobs throughout the Midwest, while creating new jobs for our community. As stated in our grant application, this is not just a project of regional significance, this is truly a project of National significance and we thank Senator Murray, Senator Cantwell, Congressman Kilmer, MARAD and all our supporters for recognizing this."

"The widespread, bi-partisan support we received for this project's grant application was extraordinary," shared Port of Grays Harbor Executive Director

Gary Nelson. "From our local and tribal leaders, to Governors and US Senators and Representatives throughout the Midwest, this infrastructure project will play a critical role in the United States economy for decades to come. We look forward to having this project be a poster-child for PIDP by showcasing how investment in public infrastructure can leverage benefits like private investment, job creation and opportunities for communities across our Nation."

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The Port of Grays Harbor Terminal 4 Expansion & Redevelopment Project received a \$25.5 million PIPD grant from USDOT MARAD. The project expands cargo shipping capacity and directly supports AGP's proposed expansion at Washington State's only deep-water port directly on the Pacific.

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September TEU Tallies: The Forecasts vs. the Early Returns

As our innumerable subscribers know, we don't make guesses as to how many containers will arrive or depart the North American seaports we monitor. We wait, sometimes with excruciating patience, for those ports to inform us of their TEU tallies. Unfortunately, not all of them prioritize promptness. The Maryland Port Authority and the Port of Jacksonville (JaxPort), for example, did not get around to reporting their July container traffic figures until the final week of September, well after most other ports had already posted their August TEU counts. That was also well after our deadline for publishing last month's newsletter.

Although we don't forecast, others do. Sometimes these forecasts are fairly accurate, but sometimes...well, you pays your money.

Descartes Datamyne, one box counter often cited in the *Wall Street Journal*, released an estimate a couple of weeks ago stating that some 2,215,731 TEUs would be imported through U.S. ports in September. That would be down 12.4% from August and down 11% from a year earlier. Meanwhile, the latest projection from the National Retail Federation's Global Port Tracker has 2.07 million TEUs arriving in September, which GPT says would be down 3.0% from a year earlier.

Then there's the estimate that PIERS has ventured for this September. As reported in the *Journal of Commerce* on October 14, PIERS believes that container imports from Asia through both the Ports of Los Angeles and Long Beach and the Port of Oakland increased by 2.5% in September but fell 10.4% at the Northwest Seaport Alliance Ports of Tacoma and Seattle. By contrast, PIERS contends, Asia imports increased by 14.3% at the Port of New York/New Jersey, 11.1% at the Port of Savannah, 34.2% at the Port of Houston, and 45.0% at the Port of Charleston.

What seems odd about the PIERS outlook is that, as we shall presently observe, the California ports all have by now reported rather significant September declines in their inbound TEU traffic. Mind you, these same ports currently

rely on Asian countries for about 86% of their containerized import tonnage. So, statistically speaking, it's very hard to have your inbound trade from Asia edge up while your overall inbound traffic has fallen precipitously. Similarly, around 63% of Savannah's containerized import tonnage now comes from Asia. If the Georgia port truly saw an 11.1% bump in its imports from Asia, its 9.8% drop in inbound loads in September would require that its imports from the rest of the world had largely dissipated.

So ask us again why we don't indulge in forecasting.

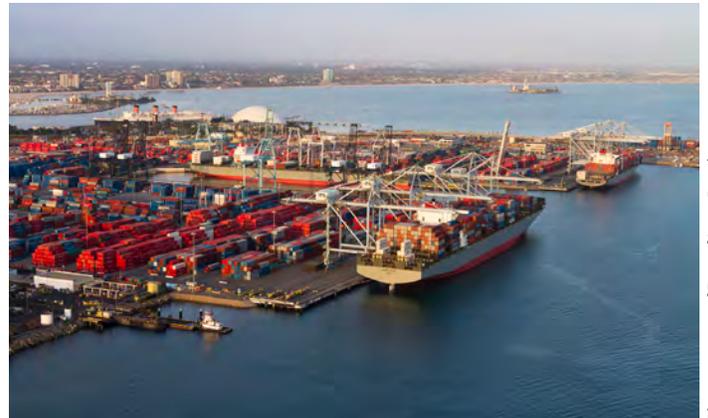


Photo courtesy of Port of Long Beach

Now on to what we are hearing from the ports about their container flows in September.

As anticipated, September was a languorous month at the Ports of Los Angeles and Long Beach. Inbound loads at the **Port of LA** (343,462 TEUs) were down 26.6% year-over-year. Outbound loads (77,680 TEUs) were up by 2.6%. Total container traffic amounted to 709,873 TEUs, off by 21.5% from the previous September. It was also the lowest volume of container traffic the port has seen in any September since 2011, but perhaps most noticeably, it was 31,950 fewer TEUs than Long Beach handled that same month. Still, YTD, LA remains the nation's busiest container port with total traffic amounting to 7,864,514 TEUs, down by 3.8% from last year.





September's TEU Tallies *Continued*

Across the road at the **Port of Long Beach**, inbound loads (342,671 TEUs) sagged by a comparatively modest 7.4% from last September. But they were also at their lowest ebb for any single month since June 2020. Outbound loads (112,940 TEUs) were up 1.9% from a year earlier. Total container traffic through the port in September came to 741,823 loaded and empty TEUs, off just 0.9% from September of last year. YTD, Long Beach has handled 7,342,383 loaded and empty TEUs, up 3.5% from the first three-quarters of 2021.

In tandem, the two San Pedro Bay ports sustained an 18.2% fall-off in inbound loads from last September, while recording a 2.2% gain in outbound loads. A total of 1,451,696 TEUs passed through the two ports in September, 13.1% below last September's volume. Through the first three quarters of 2022, the two ports have handled 15,206,897 loaded and empty TEUs, 64,869 fewer TEUs than they had processed at this point in 2021.

The **Port of Oakland** saw the number of inbound loads fall to 77,803 TEUs, a 4.9% year-over-year decline but also the fewest inbound loads the port had handled in any September since 2016. Outbound loads from the Northern California port amounted to 54,756 TEUs, down 12.0% from a year earlier. It was also the second lowest number of outbound loads the port has handled in any single month since February 2015, when a labor contract dispute slowed the flow of container traffic through the port. Outbound empties rose 38.3% over a year earlier to 37,660 TEUs. The overall number of loads and empties in September totaled 184,729 TEUs, up 1.0% y/y.

Reduced vessel calls continue to affect the numbers at the **Northwest Seaport Alliance Ports of Tacoma and Seattle**

in September. Loaded import TEUs totaled 102,148, down 18.9% from a year earlier. Export loads (46,315 TEUs) were off by 21.0%. International container traffic (loads plus empties) at the two ports amounted to 215,599 TEUs for the month, a drop of 19.4% from September 2021. YTD, the ports have handled 2,633,054 loaded and empty TEUs, 7.3% fewer TEUs than in the first three quarters of last year.

Over the border in British Columbia, the **Port of Vancouver** managed a small 1.3% y/y gain in inbound loads (166,819 TEUs) but an 11.9% drop in outbound loads (59,721 TEUs). YTD, total container traffic through the port (2,766,138 TEUs) was off by 3.2% from a year ago.

Further north at the **Port of Prince Rupert**, inbound loads in September (47,725 TEUs) were up 2.8% over last September, but outbound loads (9,896 TEUs) plunged by 17.6%. Total container traffic through the port for the month (89,292 TEUs) was up 5.3% y/y, while total traffic through the first three quarters of the year (790,553 TEUs) was up 2.1%.

Along the Eastern Seaboard, the **Port of Virginia** sustained a 5.8% y/y decline in its trade in inbound loads, which slipped to 160,673 TEUs. On the other hand, the port saw its trade in outbound loads increase by 4.7% to 84,466 TEUs. Counting all containers, full and barren, the port handled 312,230 TEUs in September, up 2.0% from last September. Through the first nine months of this year, 2,824,871 laden and empty TEUs moved through the port, up 10.1% from the same point last year.

At the **Port of Charleston**, inbound loads jumped by 15.7% from a year earlier to 113,654 TEUs. Outbound loads, however, tumbled by 18.8% to 50,093 TEUs. Outbound

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The Port
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September's TEU Tallies *Continued*

empties (60,490 TEUs) leapt by 43.5%. The port handled 226,807 loaded and empty TEUs in September, 10.6% above September of last year. YTD, the South Carolina port has handled 2,103,012 lade and barren TEUs, up 4.1% from last year.

Things were much different at the **Port of Savannah**, which saw its inbound loads (210,367 TEUs) fall by 9.8% from a year earlier and by 1.0% from September 2020. Outbound loads (100,236 TEUs) were off by 8.0% year-over-year. Total traffic of loads and empties through the port in September totaled 436,279 TEUs, down sharply by 24.2% from August and off by 7.6% y/y. For the first three quarters of 2022, the Georgia port has handled 4,433,684 loaded and empty TEUs, a 6.9% increase over a year earlier.

On the Gulf Coast, the **Port of Houston** saw sharp increases in container volumes. The 177,979 laden inbound TEUs the Texas port handled in September represented a robust 31.5% jump over the same month a year earlier. Outbound loads, meanwhile, rose by 47.3% to 102,744 TEUs, dwarfing the 77,680 outbound loads shipped by the rival Port of Los Angeles that same month. Total traffic in loads and empties in September amounted to 353,524 TEUs, up 25.6% from a year ago. YTD, Houston has handled 2,961,929 TEUs, an 18.1% increase over last year's first three quarters.

For the Record: The Semi-Complete August TEU Numbers

Now for the TEU tallies in the month of August, but again without any numbers from Maryland's Port Authority.

August at the Port of Los Angeles was the port's worst August for container volumes in years. The 403,602 loaded inbound TEUs that arrived were the fewest in any August since 2014. Although the 102,319 laden outbound TEUs that left the port in August were up by 1.0% from the previous August, you have to go back to 2005 to find another August with a more meager trade in outbound laden containers. Total container traffic in August (loads plus empties) equaled 805,315 TEUs, the lowest in any August since 2016.

So it would come as no surprise that the Port of New York/ New Jersey (PNYNJ) pushed the Port of LA off its pedestal in August. Inbound loads at the East Coast gateway totaled 428,721 TEUs, easily exceeding LA's 403,602 TEUs. PNYNJ also shipped 6,739 more outbound loads and 6,333 more outbound empty TEUs than did LA. The total number of containers handled at PNYNJ in August amounted to 843,191 TEUs, 4.7% more than LA's August total of 805,460 TEUs.

One bright spot for the nation's West Coast ports is that the Port of Long Beach topped all U.S. ports in outbound loads in August. The San Pedro Bay port shipped 121,408 outbound loaded TEUs, more than Savannah (119,192 TEUs), Houston (116,841 TEUs), PNYNJ (109,058 TEUs), and the Port of Los Angeles (102,319 TEUs).



NUMBER OF THE MONTH

3.2%

U.S. West Coast ports' share of containerized import tonnage shrank by 3.2% from August 2021 to August 2022.



Exhibit 1

August 2022 - Inbound Loaded TEUs at Selected Ports

	Aug 2022	Aug 2021	% Change	Aug 2020	% Change	Aug 2022 YTD	Aug 2021 YTD	% Change	Aug 2020 YTD	% Change
Los Angeles	403,602	485,672	-16.9%	516,286	-21.8%	3,636,841	3,789,245	-4.0%	2,922,949	24.4%
Long Beach	384,530	407,426	-5.6%	364,792	5.4%	3,332,111	3,105,537	7.3%	2,401,566	38.7%
San Pedro Bay Total	788,132	893,098	-11.8%	881,078	-10.5%	6,968,952	6,894,782	1.1%	5,324,515	30.9%
Oakland	87,844	97,850	-10.2%	96,264	-8.7%	699,346	737,237	-5.1%	647,046	8.1%
NWSA	102,157	114,971	-11.1%	107,890	-5.3%	888,955	992,243	-10.4%	777,088	14.4%
Hueneme	10,825	8,084	33.0%	2,778	289.7%	93,254	61,554	51.5%	31,385	197.0%
San Diego	5,886	7,498	-21.5%	6,888	-14.5%	53,320	54,470	-2.1%	51,093	4.4%
USWC Total	994,844	1,121,501	-11.3%	1,094,898	-9.1%	8,703,827	8,740,286	-0.4%	6,831,127	27.4%
Boston	9,494	8,423	12.7%	10,162	-6.6%	51,143	69,940	-26.9%	89,662	-43.0%
NYNJ	428,721	399,716	7.3%	366,887	16.9%	3,345,305	3,034,841	10.2%	2,401,697	39.3%
Maryland		47,807	0.0%	44,303	0.0%		343,381	0.0%	333,369	0.0%
Virginia	160,673	144,226	11.4%	120,914	32.9%	1,192,549	1,079,913	10.4%	815,659	46.2%
South Carolina	113,864	114,671	-0.7%	96,965	17.4%	944,815	843,132	12.1%	568,438	66.2%
Georgia	290,915	241,713	20.4%	227,537	27.9%	1,962,190	1,833,312	7.0%	1,401,660	40.0%
Jaxport	30,758	24,487	25.6%	27,738	10.9%	211,418	217,003	-2.6%	203,737	3.8%
Port Everglades	33,981	32,470	4.7%	25,150	35.1%	268,388	241,722	11.0%	193,129	39.0%
Miami	44,748	48,976	-8.6%	36,847	21.4%	353,184	372,435	-5.2%	264,754	33.4%
USEC Total										
New Orleans	8,597	12,183	-29.4%	10,239	-16.0%	78,530	86,777	-9.5%	91,113	-13.8%
Houston	180,132	159,791	12.7%	116,714	54.3%	1,256,641	1,046,434	20.1%	788,771	59.3%
USGC	188,729	171,974	9.7%	126,953	48.7%	1,335,171	1,133,211	17.8%	879,884	51.7%
Vancouver	178,072	180,865	-1.5%	167,095	6.6%	1,281,209	1,302,661	-1.6%	1,118,274	14.6%
Prince Rupert	57,831	42,776	35.2%	68,064	-15.0%	362,558	350,605	3.4%	404,955	-10.5%
British Columbia Total	235,903	223,641	5.5%	235,159	0.3%	1,643,767	1,653,266	-0.6%	1,523,229	7.9%
USWC/BC Total	1,230,747	1,345,142	-8.5%	1,330,057	-7.5%	10,347,594	10,393,552	-0.4%	8,354,356	23.9%

Source Individual Ports



Exhibit 2

August 2022 - Outbound Loaded TEUs at Selected Ports

	Aug 2022	Aug 2021	% Change	Aug 2020	% Change	Aug 2022 YTD	Aug 2021 YTD	% Change	Aug 2020 YTD	% Change
Los Angeles	102,319	101,292	1.0%	131,429	-22.1%	833,049	856,568	-2.7%	1,005,893	-17.2%
Long Beach	121,408	119,485	1.6%	126,177	-3.8%	941,412	981,177	-4.1%	999,000	-5.8%
San Pedro Bay Totals	223,727	220,777	1.3%	257,606	-13.2%	1,774,461	1,837,745	-3.4%	2,004,893	-11.5%
Oakland	67,838	71,753	-5.5%	76,144	-10.9%	518,048	598,955	-13.5%	610,187	-15.1%
NWSA	48,563	53,922	-9.9%	54,918	-11.6%	371,179	474,665	-21.8%	522,804	-29.0%
Hueneme	3,606	2,966	21.6%	694	419.6%	26,146	15,934	64.1%	7,843	233.4%
San Diego	868	472	83.9%	306	183.7%	7,902	3,849	105.3%	2,180	262.5%
USWC Totals	344,602	349,890	-1.5%	389,668	-11.6%	2,697,736	2,931,148	-8.0%	3,147,907	-14.3%
Boston	1,373	5,994	-77.1%	3,144	-56.3%	22,671	49,181	-53.9%	36,660	-38.2%
NYNJ	109,058	103,886	5.0%	103,067	5.8%	870,505	914,296	-4.8%	865,419	0.6%
Maryland		21,466	0.0%	18,638	0.0%		169,326	0.0%	142,668	0.0%
Virginia	95,745	85,256	12.3%	75,325	27.1%	718,280	707,512	1.5%	609,751	17.8%
South Carolina	51,884	65,207	-20.4%	66,825	-22.4%	432,798	560,891	-22.8%	445,283	-2.8%
Georgia	119,192	114,070	4.5%	115,665	3.0%	916,016	973,119	-5.9%	973,363	-5.9%
Jaxport	45,639	49,240	-7.3%	44,119	3.4%	366,858	392,353	-6.5%	326,666	12.3%
Port Everglades	34,994	32,242	8.5%	28,298	23.7%	272,869	256,038	6.6%	218,155	25.1%
Miami	24,565	29,525	-16.8%	32,812	-25.1%	211,187	233,318	-9.5%	240,000	-12.0%
USEC Totals										
New Orleans	17,169	20,273	-15.3%	22,192	-22.6%	153,005	176,821	-13.5%	187,366	-18.3%
Houston	116,841	85,660	36.4%	98,552	18.6%	821,152	719,215	14.2%	831,650	-1.3%
USGC Totals	134,010	105,933	26.5%	120,744	11.0%	974,157	896,036	8.7%	1,019,016	-4.4%
Vancouver	59,156	77,438	-23.6%	77,353	-23.5%	460,200	636,660	-27.7%	693,441	-33.6%
Prince Rupert	12,061	12,838	-6.1%	16,626	-27.5%	95,426	106,914	-10.7%	132,922	-28.2%
British Columbia Totals	71,217	90,276	-21.1%	93,979	-24.2%	555,626	743,574	-25.3%	826,363	-32.8%
USWC/BC Total	415,819	440,166	-5.5%	483,647	-14.0%	3,253,362	3,674,722	-11.5%	3,974,270	-18.1%

Source Individual Ports

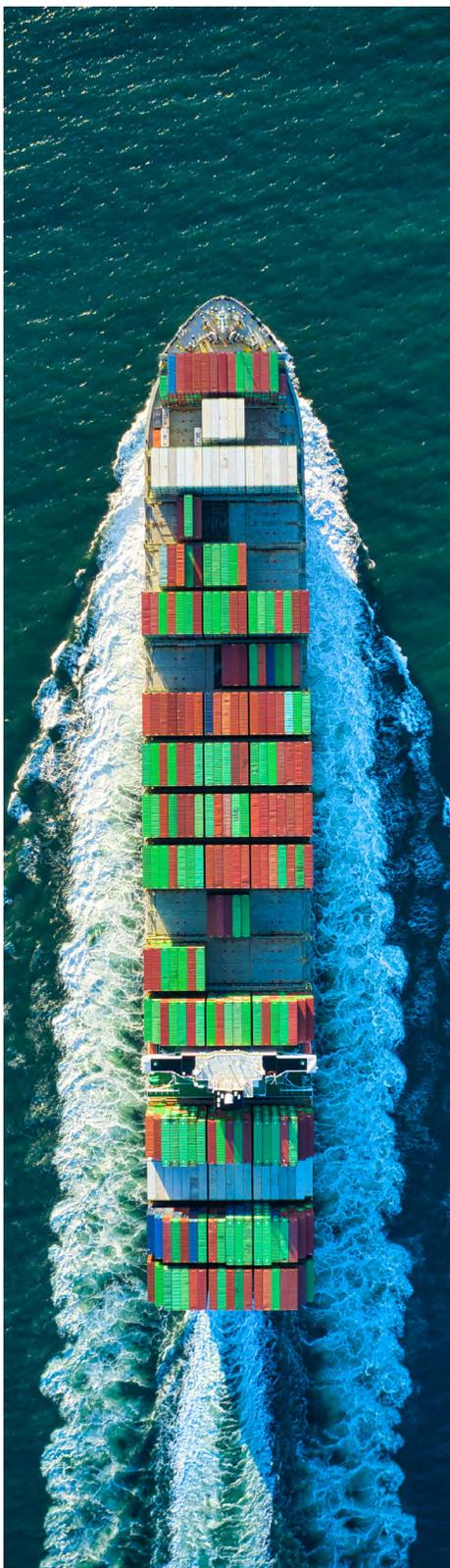


Exhibit 3

August 2022 YTD Total TEUs

	Aug 2022 YTD	Aug 2021 YTD	% Change	Aug 2020 YTD	% Change
Los Angeles	7,154,641	7,273,053	-1.6%	5,580,110	28.2%
Long Beach	6,600,560	6,346,377	4.0%	4,911,726	34.4%
NYNJ	6,522,817	5,934,664	9.9%	4,661,453	39.9%
Georgia	3,997,405	3,676,055	8.7%	2,893,694	38.1%
Houston	2,608,405	2,225,500	17.2%	1,911,176	36.5%
Virginia	2,512,639	2,281,848	10.1%	1,742,492	44.2%
Vancouver	2,440,951	2,546,380	-4.1%	2,168,379	12.6%
NWSA	2,347,740	2,504,186	-6.2%	2,111,061	11.2%
South Carolina	1,876,205	1,814,603	3.4%	1,482,027	26.6%
Oakland	1,602,276	1,733,227	-7.6%	1,612,758	-0.6%
Montreal	1,181,329	1,150,189	2.7%	1,026,762	15.1%
JaxPort	879,612	946,470	-7.1%	823,111	6.9%
Miami	801,886	848,502	-5.5%	673,001	19.2%
Maryland		697,007		672,633	
Port Everglades	746,764	707,795	5.5%	609,316	22.6%
Prince Rupert	701,265	688,658	1.8%	704,469	-0.5%
Philadelphia	507,634	486,597	4.3%	424,141	19.7%
Mobile	364,687	326,284	11.8%	256,786	42.0%
New Orleans	290,497	350,475	-13.1%	384,394	-24.4%
Hueneme	178,352	140,342	27.1%	115,042	55.0%
San Diego	107,639	106,727	0.9%	101,729	5.8%
Portland, Oregon	103,119	56,415	82.8%	32,766	214.7%
Boston	99,994	142,541	-29.8%	175,846	-43.1%

Source Individual Ports



August 2022 TEU Numbers *Continued*

Exhibit 1 displays the inbound loaded TEU traffic statistics for August 2022 as reported by the twenty North American ports that have provided us with comparable container trade statistics. As noted, the Port of Maryland is again slow in announcing its latest numbers.

Exhibit 2 displays the outbound loaded TEU numbers for August. Once again, the figures are not indicative of a nation with a thriving maritime export trade, at least in the types of commodities transported overseas in containers.

Exhibit 3 shows the total (full + empty) YTD container traffic over the first eight months of 2022. Please note

that we have added Alabama's Port of Mobile to the ranks of ports whose total container traffic numbers we report.

Weights and Values

Here we offer an alternative to the customary TEU metric for gauging containerized trade. The percentages in **Exhibits 4 and 5** are derived from data compiled by the U.S. Commerce Department from documentation submitted by the importers/exporters of record. Both exhibits underscore the relatively sharp decline in the USWC share of container trade both worldwide and with East Asia.

Exhibit 4 Major USWC Ports Shares of U.S. Mainland Ports Worldwide Container Trade, August 2022

	Aug 2022	Jul 2022	Aug 2021
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	33.8%	34.7%	37.0%
LA/LB	24.4%	25.4%	26.6%
Oakland	3.5%	3.3%	4.1%
NWSA	3.8%	3.5%	4.6%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	40.5%	41.5%	43.4%
LA/LB	32.1%	33.0%	33.4%
Oakland	3.0%	2.6%	3.0%
NWSA	4.3%	4.5%	6.0%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	33.7%	33.8%	34.8%
LA/LB	20.2%	19.4%	19.5%
Oakland	5.8%	5.5%	6.8%
NWSA	5.9%	5.9%	6.6%
Shares of U.S. Mainland Containerized Export Value			
USWC	27.3%	27.4%	29.3%
LA/LB	17.1%	17.2%	17.3%
Oakland	5.6%	5.4%	6.9%
NWSA	3.3%	3.9%	4.0%

Source: U.S. Commerce Department.

Exhibit 5 Major USWC Ports Shares of U.S. Mainland Ports Containerized Trade with East Asia, August 2022

	Aug 2022	Jul 2022	Aug 2021
Shares of U.S. Mainland Ports Containerized Import Tonnage			
USWC	51.2%	55.2%	57.2%
LA/LB	40.2%	43.5%	44.9%
Oakland	3.6%	3.7%	4.0%
NWSA	5.9%	6.1%	7.4%
Shares of U.S. Mainland Ports Containerized Import Value			
USWC	58.1%	61.1%	63.0%
LA/LB	47.4%	49.7%	49.7%
Oakland	3.3%	3.1%	3.4%
NWSA	6.2%	6.8%	8.8%
Shares of U.S. Mainland Containerized Export Tonnage			
USWC	56.6%	58.5%	56.0%
LA/LB	36.0%	35.8%	33.8%
Oakland	8.5%	8.6%	10.2%
NWSA	10.8%	11.0%	11.1%
Shares of U.S. Mainland Containerized Export Value			
USWC	54.8%	56.1%	57.8%
LA/LB	36.3%	37.4%	35.4%
Oakland	8.9%	9.1%	12.8%
NWSA	7.6%	8.7%	8.6%

Source: U.S. Commerce Department.



August 2022 TEU Numbers Continued

Who's Your Daddy?

As noted above, August saw the Port of Los Angeles overtaken by the Port of New York/New Jersey (PNYNJ) as the nation's busiest container port. In some quarters, this has been reported as a Big Deal akin to celebrating a Yankees victory over the Dodgers. Whether one month a trend makes remains to be seen. PNYNJ has not yet released its September statistics, but the McCown Report is estimating that the East Coast gateway handled nearly 22% more inbound loads than the 343,462 TEUs that the Port of LA has reported.

But PNYNJ's momentary victory can't simply be viewed solely in the context of two iconic ports duking it out. If this is really to be regarded as a contest between America's two largest metropolitan areas, you can't very well not include a very formidable third party, the Port of LA's next-door neighbor. Indeed, as **Exhibit 6** reveals, the Port of Long Beach has regularly handled higher monthly container volumes than PNYNJ. Furthermore, as **Exhibit 9** shows, Long Beach regularly tops its rivals in outbound loads.

So here is a set of hopefully illuminating graphs displaying TEU traffic at the three ports since January 2020, just as word of a potentially deadly virus first started to gain public attention.

Recasting the bicoastal competition between the two San Pedro Bay ports and PNYNJ, the two largest port complexes on their respective coasts, yields **Exhibit 7**.

Exhibit 6

Total TEU Traffic at Ports of LA, Long Beach and PNYNJ Since January 2020

Source: Ports of Los Angeles, Long Beach and New York/New Jersey

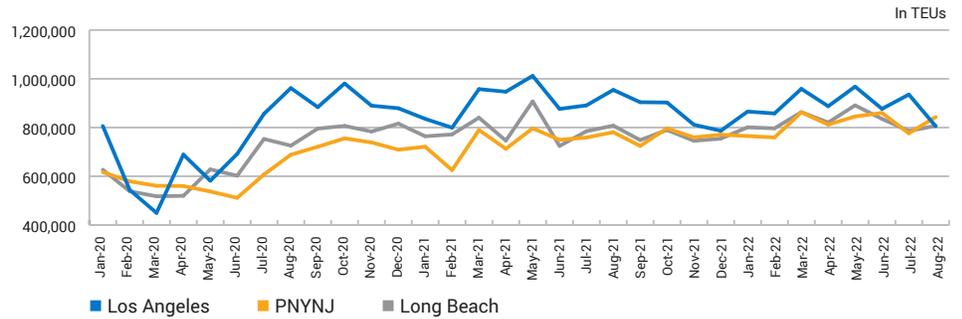


Exhibit 7

Total TEU Traffic: San Pedro Bay vs. PNYNJ Since January 2020

Source: Ports of Los Angeles, Long Beach and New York/New Jersey

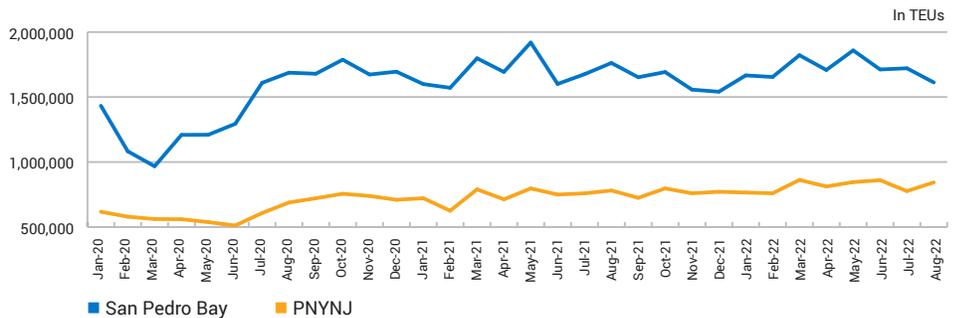
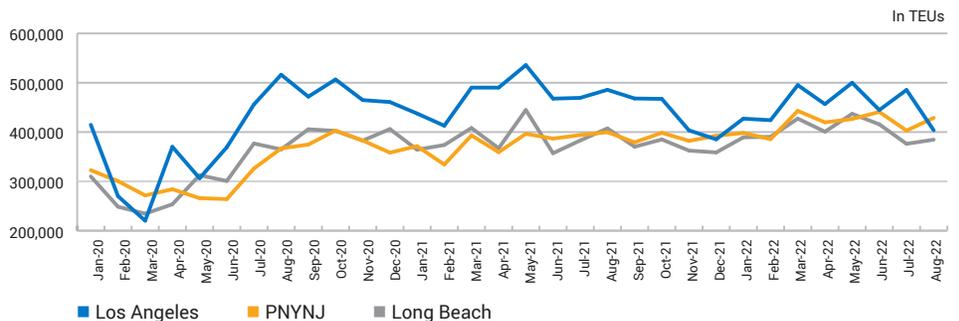


Exhibit 8

Inbound Loads at Ports of LA, Long Beach and PNYNJ Since January 2020

Source: Ports of Los Angeles, Long Beach and New York/New Jersey





August 2022 TEU Numbers Continued

Focusing now on recent trends in inbound loaded traffic at three ports, **Exhibit 8** documents the steady gain made by PNYNJ that resulted in its overtaking the Port of LA in August.

With respect to outbound loads from the three big ports, a somewhat different narrative emerges, as **Exhibit 9** demonstrates. The Port of LA, which began the pandemic era as the leading shipper of loaded outbound containers, has seen its prominence as an export terminal diminish.

Where the Port of LA clearly excels, as **Exhibit 10** shows, is in shipping empty TEUs across the sea.

Looking ahead, the seemingly endless drama of longshore labor contract negotiations on the USWC can be expected to continue to drive container traffic to East and Gulf Coast ports. Still, a matter of even longer-term concern to West Coast ports should be how elastic shippers' port preferences will prove to be. In other words, how much of the inbound trade from Asia that has lately been diverted to East and Gulf Coast ports will eventually return to the West Coast ports? Or, having become accustomed to importing through ports closer to where most American consumers live and where much of America's manufacturing base is concentrated, will shippers return to the West Coast?

Exhibit 9

Outbound Loads at Ports of LA, Long Beach and PNYNJ Since January 2020

Source: Ports of Los Angeles, Long Beach and New York/New Jersey

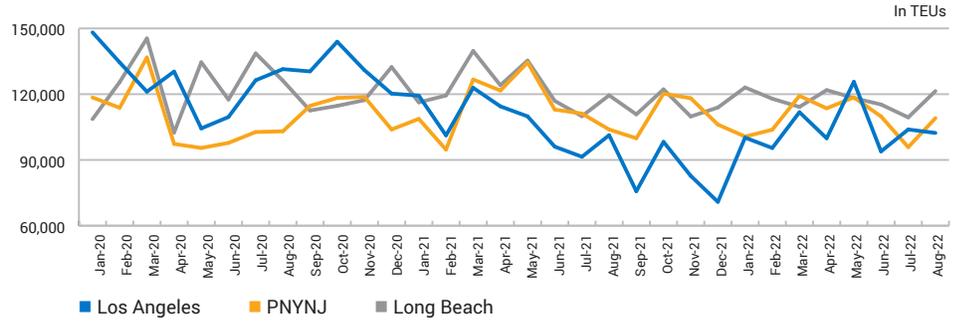


Exhibit 10

Outbound Empties at Ports of LA, Long Beach and PNYNJ Since January 2020

Source: Ports of Los Angeles, Long Beach and New York/New Jersey

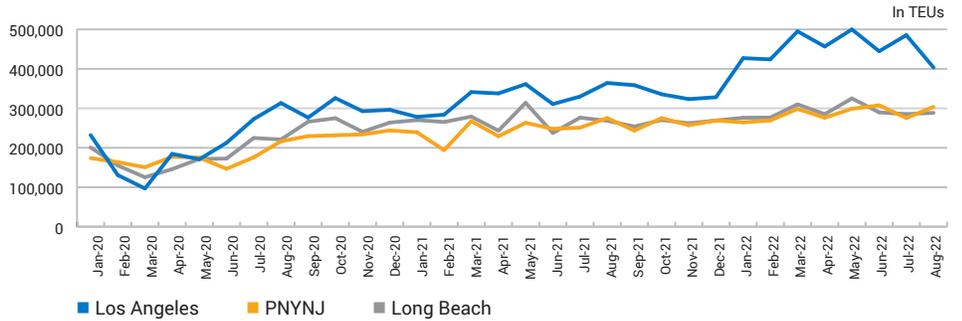


Photo courtesy of Port of Los Angeles



August 2022 TEU Numbers *Continued*

The Latest Data on Tree Nut Diversions

Last month, we mentioned that tree nut shippers in California's Central Valley, allegedly weary of declining service from the Port of Oakland, were planning to send more of their products overseas via the Ports of Los Angeles and Long Beach and even the Port of Houston, even though the Texas port lies 1,965 miles by road away from Esparto, the home of California's Annual Almond Festival. (Almonds, to remind readers, are California's leading agricultural export by value).

To be sure, Oakland has commanded more of the trade than it has lately. YTD through August, its 80.9% share of almond export tonnage was down from 84.9% a year earlier. The two San Pedro Bay ports meanwhile saw their combined share rise to 16.9% from 14.1%. Houston's share rose slightly to 0.8% from 0.7% last year. But, focusing on the month of August, Oakland's share rose to 80.1% from 73.2% in July, when a trucker protest shut the port down for nearly a week. By contrast, the San Pedro ports saw their combined share slide from 22.8% in July to 15.8% in August. Houston's 0.8% share in August was down from its 1.2% share a month earlier. But surpassing the Texas port's share was the Port of West Sacramento with a 0.9% share of all almond export tonnage in August, up from 0.4% the month before.

Pistachios, which are grown primarily in Southern California and Arizona, have long been exported principally through the Ports of LA and Long Beach. But this August saw their share of pistachio export tonnage drop to 74.1% from 86.9% a year earlier. Surprisingly, Oakland's share of the pistachio trade in August was 25.5%, up from 12.9% in August 2021. Houston's share in August was a mere 0.2%, the same as it was a year earlier.

Lastly, walnuts. Oakland's 95.7% share of California's walnut export tonnage was actually up slightly from 95.5% a year earlier. The combined share of the trade that

moved through the two big Southern California ports in August was 2.7%, down from 3.9% in August 2021.

Are Forecasters Whistling Past the Graveyard?

We are simultaneously puzzled and concerned to see that most nearly every forecast of consumer spending through the end of this year are couched almost exclusively in economic terms. Thus, it is reported that consumers are buying fewer goods but more services. Consequently, demand for imported merchandise is expected to subside. Consumers are also said to be troubled by inflation and the prospects of a recession next year that might cost many of them their jobs. Pundits like Larry Summers and nearly all the big corporate CEOs have been conspicuously predicting (and therefore helping to guarantee) a recession in the second, if not the first quarter of 2023. Such warnings should keep the wallets in consumers' pockets. Yet, despite all this grim economic news, retailers are reported to be optimistic that inventory-clearing discounts will boost sales this holiday season.

Under the circumstances, we are prompted to ask what seems to us to be an obvious question: Is no one paying attention to the political news?

Or is there a tacit agreement among forecasters to ignore the very real likelihood that the ghost of Christmas Present this year will arrive in the form of widespread violence over disputed election returns and/or the handing down of one or more indictments of Donald Trump.

We're not worry-warts here, but neither are we entirely sanguine about what lies immediately ahead.



Jock O'Connell's Commentary:

Anticipating California's Electrical Minsky Moment

Among the journalists reporting on America's maritime trade are those who profess with almost reflexive regularity that a certain trade union poses the single gravest threat to the competitiveness of the Ports of Los Angeles and Long Beach. Since it's still a free country, they are entitled to their obsessive prejudices.

For my money, though, there is a far greater antagonist confronting these maritime gateways: the State of California. At least, the International Longshore and Warehouse Union has a vital stake in keeping the ports in business. That, however, is not necessarily a sentiment broadly shared by officials at the state capital in Sacramento.



There is no question that the state's ambitious environmental agenda is being advanced at great cost to its seaports and indeed to the entire logistics sector of California's economy. Meeting the singularly stringent clean air mandates imposed in California results in costs far higher than those borne by competing ports most anywhere else in the country.

That's been true for some time. What's emerging as an even knottier existential challenge is the disjointed manner in which the state is gearing up for a zero-emission future.

In Econ 101, you're introduced to the tension between two forces: supply and demand. It's generally preferable that the two stay roughly in equilibrium. Occasionally, though,

things go awry. One such occasion occurred in California this summer when extremely high temperatures pushed up the demand for electricity to a level that strained the supply of available megawatts. In response, Governor Gavin Newsom took a number of actions to reduce the stress on the state's electric power grid, including an executive order issued on August 31 that temporarily suspended the requirement that ocean-going vessels berthed at California ports use shore power.

This was not the first time that had happened. It almost certainly won't be the last.

The late summer power emergency should serve as a warning about how much things could get out of hand unless the state substantially increases its ability to generate and distribute electrical power. Talk of a horizon filled with more energy-efficient technologies notwithstanding, moderating demand for electricity is not a realistic option. Indeed, less than a week before the governor was obliged to declare an emergency, the California Air Resources Board (CARB) approved an Advanced Clean Cars II rule that establishes a year-by-year roadmap to ensure that – by 2035 – 100% of all new cars and light trucks sold in California will be zero-emission vehicles.

More or less simultaneously, the state is moving to replace gas with electricity to heat homes and businesses, even doing away with gas stoves and ovens. (My mother had an electric range, while I cook with gas. Who knew mom was the environmentalist in the family?) CARB had already been pressing the state's logistics industries, including its seaports, to embrace zero-emission modes of moving goods. In particular, CARB has long targeted the state's ports, so often labeled by editorialists as the state's biggest stationary sources of toxic emissions that one might wrongly conclude that the ports have done nothing to improve matters. The remarkable progress the ports have actually made in slashing emissions and the response from the air quality regulators is a testament to the old adage that no good deed goes unpunished.

Adding to the challenge of ensuring that supplies of electricity will be sufficient to meet predictably higher



Commentary Continued

levels of demand, state policy has been to focus on renewable energy sources such as wind and solar while diminishing its reliance on power plants that burn fossil fuels or use nuclear reactors. It will be a tricky, changing horses in midstream transition.

Ultimately, the danger is that one curve (supply) rises more slowly than the curve defining demand. And that creates the potential in California for an electrical Minsky Moment.

Myron Minsky was an American economist famed for his studies of financial crises. Even though he did not coin the term for which he is best known, I would like to think that Professor Minsky formulated the underlying thesis one Saturday morning after watching a Looney Tunes cartoon. Specifically, I have in mind the one in which Wile E. Coyote madly chases the Road Runner off a cliff and, for an instant, is allowed to realize that his exuberance is no longer sustainable. And so, like a market driven by impetuous investors or policymakers, the coyote experiences a Minsky Moment before plunging into an abyss.

So the question becomes whether the State of California can avoid a Minsky Moment when its zealous pursuit of a zero-emission economy proves untenable?

This is no longer Pat Brown's California. Brown's terms in office preceded the California Environmental Quality Act, which was signed into law in 1970 by Brown's successor, a progressive environmentalist named Ronald Reagan. Among CEQA's presumably unintended consequences was the creation of legions of attorneys dedicated to serving clients who were opposed to building most anything, most anywhere. Since then, the state's record in building out any element of its infrastructure (apart from sports arenas) has not been especially encouraging.

The lack of affordable housing may be the pre-eminent example, but what particularly prompted this commentary was an October 9 *New York Times* lamentation on California's high-speed rail (HSR) project, quite possibly the most egregious failing in the long history of infrastructure building in this country. Oh, sure, we might one day be able to get from Los Angeles to San Francisco by train in 2.5 hours. My guess, though, is that none of us boomers will be around to enjoy the ride.

Here's the most revealing takeaway from the *Times* piece: "Now, as the nation embarks on a historic, \$1 trillion infrastructure building spree, the tortured effort to build the country's first high-speed rail system is a case study in how ambitious public works projects can become perilously encumbered by political compromise, unrealistic cost estimates, flawed engineering and a determination to persist on projects that have become, like the crippled financial institutions of 2008, too big to fail."

An amusing but telling aside in the *Times* story dealt with the decision of SNCF, the French national railroad, to forego participation in the California HSR project. SNCF, which had inaugurated a high-speed rail service between Paris and Lyon in 1981, likely felt it had something to contribute to California's project. Eventually, though, SNCF backed out of the project in 2011, telling state officials that they preferred to focus on a similar project in Morocco, which the French pointedly described as "less politically dysfunctional" than the Golden State. (Morocco's bullet train, which SNCF then helped construct, has been up and running now for 4 years.)

Not to be scooped by the *Times*, the *Washington Post* chimed in with an October 12 report on the same dismal topic: "Originally touted as a sub-three-hour link between San Francisco and Los Angeles, this mega-project has not carried a single passenger in the 14 years since the state committed to building it. It has made a lot of public money disappear, though: more than \$10 billion, with the ultimate cost estimated at \$113 billion."

As with so many other projects undertaken with the noblest of intentions, plans that looked good on paper – or in theory – have typically run up afoul of competing political agendas, armies of litigious citizens, and sheer bureaucratic incompetence, not to mention the exceedingly high costs of doing most anything in California.

Readers of the *Sacramento Bee* are routinely regaled by tragicomic tales of how efforts to introduce computer technology to state government agencies almost invariably go askew, resulting in endless delays, extraordinary cost overruns, and infuriating failures to upgrade the computer systems by which agencies like DMV or the State Personal Board manage their



Commentary Continued

records. As the Bee's former political columnist Dan Walters noted in a July 5 piece in CalMatters, there is an almost endless litany of missteps that have plagued state government for years. "While California's Silicon Valley and other technology hubs may be global leaders in the development of information technology, its state government has been chronically incapable of implementing IT systems that work as promised."

One of the most spectacular and recent IT failures noted by Walters was the meltdown of the Employment Development Department's systems for handling the unemployment insurance benefit claims filed by the hundreds of thousands of California workers who had lost their jobs due to pandemic-related shutdowns, while simultaneously approving billions of dollars in payments to fraudsters.

Within state government's push for a zero-emission economy, the policy dichotomy is reflected in the clashing cultures of the two agencies at the core of the electricity issue: the California Air Resources Board and the California Independent Systems Operator (CAISO). For better or for worse, they are the horses to watch in this race to that imagined zero-emission future.

CARB is the agency chiefly responsible for cleaning the state's air. It's been active on this front since 1967, when it was established by legislation signed not by either of the Governors Brown but by Ronald Reagan, the

forementioned progressive environmentalist. On the other side is CAISO, which manages the flow of electricity across the high-voltage, long-distance power lines serving 80 percent of California and part of Nevada.

CARB is the state's primary bureaucratic driver of the state's future demand for electrical power. ISO, although not in the electric generation business, is ultimately responsible for ensuring that the grid is up to meeting the anticipated demand.

But, while one is in the business of forging the environmental regulations to implement an exceedingly ambitious but largely ambiguous state policy, the other functions in the much more constrained world of physics and the nearly equally constraining world of finance. CARB's role is made easy by the fact that making sure its regulatory policies are achievable is someone else's job, mostly those private utilities and public agencies that generate power and supervise its distribution statewide. It's a division of labor that gives rise to a good deal of handwaving and magical thinking on the one side and mounting levels of exasperation on the other.

The temptation to despair is strong.

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



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The Lows and Highs of the 2022 California Legislative Session for Maritime Commerce

By Mike Jacob, Vice President & General Counsel, PMSA

While the official start of the 2022 Legislative Session in California was January 3rd when Assemblymembers and Senators returned to Sacramento and gavels are struck, the focus on the unrelenting supply chain crisis and congestion from one year ago meant that the 2022 session really started at the end of the summer of 2021. Legislators and officials in the Newsom Administration were very aggressively looking to the industry and to ports for proposals to help unlock the port backup, unsnarl supply chains, and get products moving freely – and fast.

By September 2021, the Governor’s Office of Business and Economic Development and California State Transportation Agency co-hosted a Supply Chain summit to try and find consensus solutions across the intermodal spectrum of container shipping. It was a tall task, but some consensus was reached. This included agreement around the need for a clear point of contact for intermodal and maritime issues at the State. People envisioned a state-level Port Envoy in the Governor’s office who would be given the resources necessary to successfully advocate within the Administration and at the Legislature for investment, flexibility, and solutions to problems at ports and in the supply chain as they arise.

This was followed by multiple legislative hearings, highlighted by frustrated parties all around including exasperated agricultural exporters. As 2021 ended and 2022 began, despite the success of the implementation of the new queueing system to reduce near-shore vessel congestion by PMSA, PMA and the Southern California Marine Exchange, legislative demands for action were loud and consistent.

PMSA, along with its partners at the California Association of Port Authorities (CAPA), sponsored or supported a suite of bills to address many of these issues head-on. The package was extensive. It included a bill to create two new tax credits to offset costs for all California exporters, both for the costs of their cargo and for the costs of moving and repositioning intermodal equipment



prior to export. Two bills were introduced to create a state-level envoy – one to create the position for a new Supply Chain Coordinator and another to create an office with staffing for the new position. A bill was introduced to create a manufacturing tax credit for intermodal chassis and chassis component manufacturers. Another bill would extend the local building permit streamlining provisions recently adopted to address the current housing crisis and shortage to industrial and agricultural properties looking to build temporary intermodal parking, storage, and distribution yards. Plus two resolutions – one proclaiming a supply chain crisis for the purposes of managing state policy and another to demand that California get its fair share of federal port infrastructure funding.

Meanwhile, other issues in the intermodal supply chain aside from congestion demanded attention as well. A



Legislative Session *Continued*

pilotage bill was introduced with the intent to address state-licensed pilotage rates in the San Francisco Bay in the wake of the pandemic, but also with looming costs associated with the next round of regulatory tightening on air emissions from the marine sector on the horizon. With overwhelming and brazen freight theft plaguing the railroads and cargo owners in Southern California, multiple bills and budget proposals were rolled out to address the lack of prosecution and law enforcement responsiveness to these challenges. And, unsure of the fate of federal Shipping Act reform measures in Congress, truckers and cargo owners introduced parallel legislation to address detention and demurrage issues at the state level as well.

But for all the anxiety, anticipation, and desire to address these challenges, it seems that just as vessel congestion was peaking in January 2022, so was legislative interest in addressing the supply chain. As terminals, ocean carriers, and longshore labor were working hard to minimize vessel queues offshore in Southern California, these successes in the field seemed to also work to dampen the enthusiasm of legislators for the need for aid to the maritime industry and intermodal supply chain.

The first bills to get chopped were the tax credit proposals. Despite ongoing equipment availability issues, the Legislature didn't want to invest in direct support for new chassis and chassis component manufacturers in California. The Legislature also decided that it wasn't worth offsetting equipment repositioning costs for agricultural exporters, and then across the board costs for all exporters was also not in the cards. For the most part, the freight theft bills didn't even get hearings.

While congestion issues persisted and began to pop-up at seaports in the Far East as well as on the US Gulf and Atlantic coasts, the urgency by policymakers continued to cool. When both Supply Chain Coordinator bills failed to make it through the Appropriations Committee, it was a real shock. Legislative staff pointed at the lack of consensus and enthusiasm around the idea, including from the Administration, even though it was the number one consensus item to come out of the Administration's own summit to address supply chain congestion issues. Even the legislative resolution proclaiming a supply chain

crisis in the state — which had no opposition — failed to move past the Senate.

At the end of session, not many of the bills which were so urgently necessary last fall ended up commanding much legislative attention. While the permit streamlining bill provisions were extremely popular with lawmakers when it came to producing new housing units, they were not easily passed when it came to allowing for more chassis and intermodal yards in industrial parks and agricultural areas, although that bill was significantly watered down at least it made it to the Governor's desk and was signed. Of the original PMSA and CAPA package, only that bill and the resolution on fair share of federal funding for California ports made it through the Legislature.

Two other bills of significant maritime interest made it through the session and to the Governor's desk as well. First, the California detention and demurrage bill was sent to the Governor's desk and signed over the objections of PMSA and the World Shipping Council. This bill is significant, because even though it was rendered nearly irrelevant and mostly unnecessary by the Congressional passage of the Ocean Shipping Reform Act, it nonetheless inserts the state of California directly into the interpretation of international and interstate contracts for container transactions and intermodal carriage of goods. This bill will ultimately require the system to consider whether international and interstate bills of lading, contracts of carriage, and interchange agreements should have shifting legal standards and interpretations applied to them as equipment and cargo crosses sub-national jurisdictional lines, or if federal law will allow for uniform application of universal principles of intermodalism. The potential for unintended consequences here abounds. Second, after seven years of work both at the negotiating table and away from the negotiating table, the industry representatives of PMSA, cruise lines, and tanker industry and the San Francisco Bar Pilots were able to come to a suite of compromise agreements on a whole range of issues from how to pay for future new pilot boats which are required to meet new strict air quality rules, to temporary and one-time increases in pilot rates to address pandemic impacts, to implementing an entirely new and reformed rate setting system for pilotage tariffs. Of all the bills passed and signed this year, this one may



Legislative Session Continued

have the smallest geographic reach and impact to the global supply chain, but it represents the biggest win for the proposition that disparate commercial groups can come together and achieve structural change for the betterment of a system.

Finally, aside from the lack of action on bills, one might also point out that the Legislature and the Governor did agree to a \$1.2 billion investment in the state budget for Port and freight infrastructure this past year. Obviously PMSA supports such an investment, but these are long-term capital investments that in the grand scheme of things are likely irrelevant to the short-term needs of the current supply chain and not able to address pandemic congestion issues. While the \$1.2 billion is a large investment by the state, that is also part of the challenge because it is but a small component of the outstanding needs of the system as a whole with respect to the infrastructure that is already largely underwritten by supply chain stakeholders and users. In any event, the benefits of these projects are years away, as the programming for this funding won't even occur until 2023 and were never intended to be a substitute for our short-term proposals.

As we prepare for a future with anticipated downturns in global demand, higher inflation, more market volatility, the lasting lesson of the 2022 legislative session is that the attention and commitment of the state to our supply chain can be tough to maintain across the finish line. While the pandemic and its impacts may be lasting, we need to be mindful that the attention of our policymakers may not be.

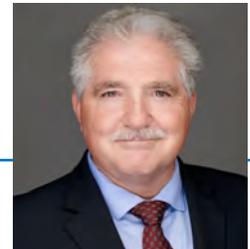
Congratulations

Capt. Mike Moore gets inducted into the Coast Guard Academy Athletic Hall of Fame

The Coast Guard Academy added seven new members to its Athletic Hall of Fame. The Hall of Fame Class of 2022 features five individuals, including PMSA Vice President Capt. Mike Moore.

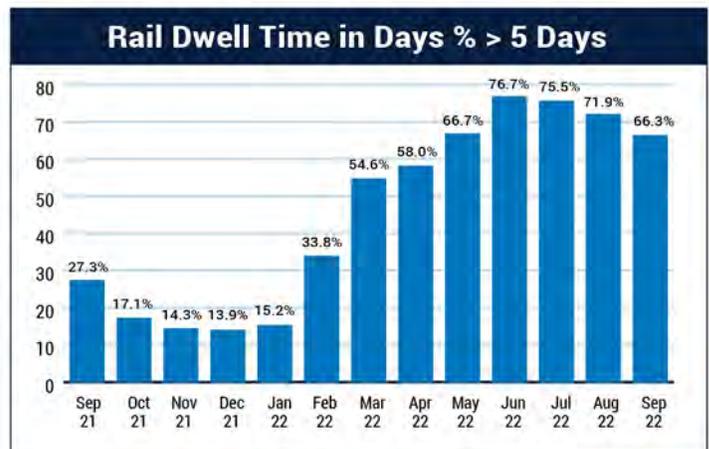
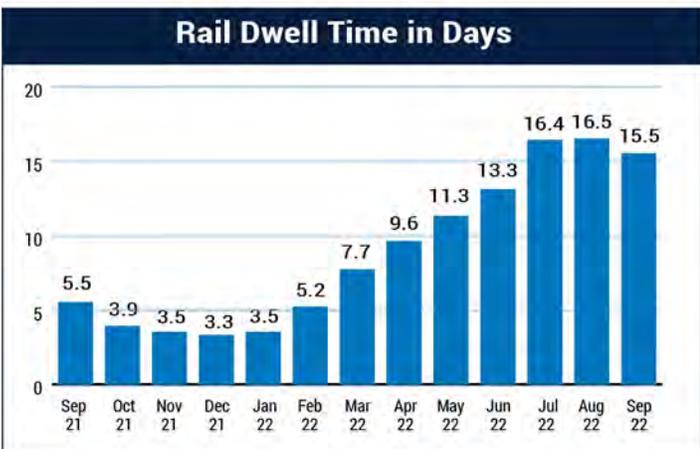
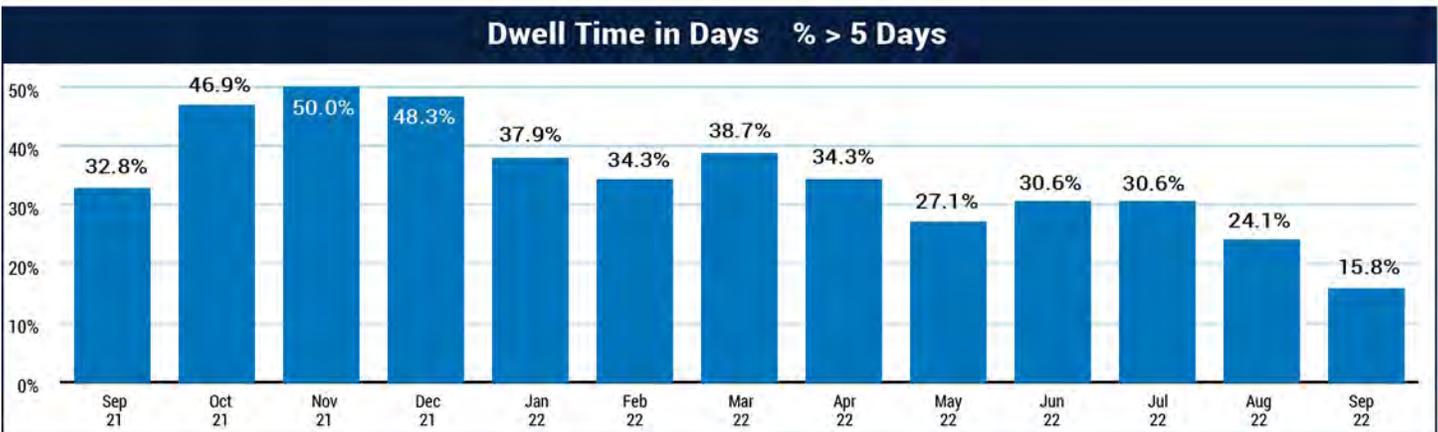
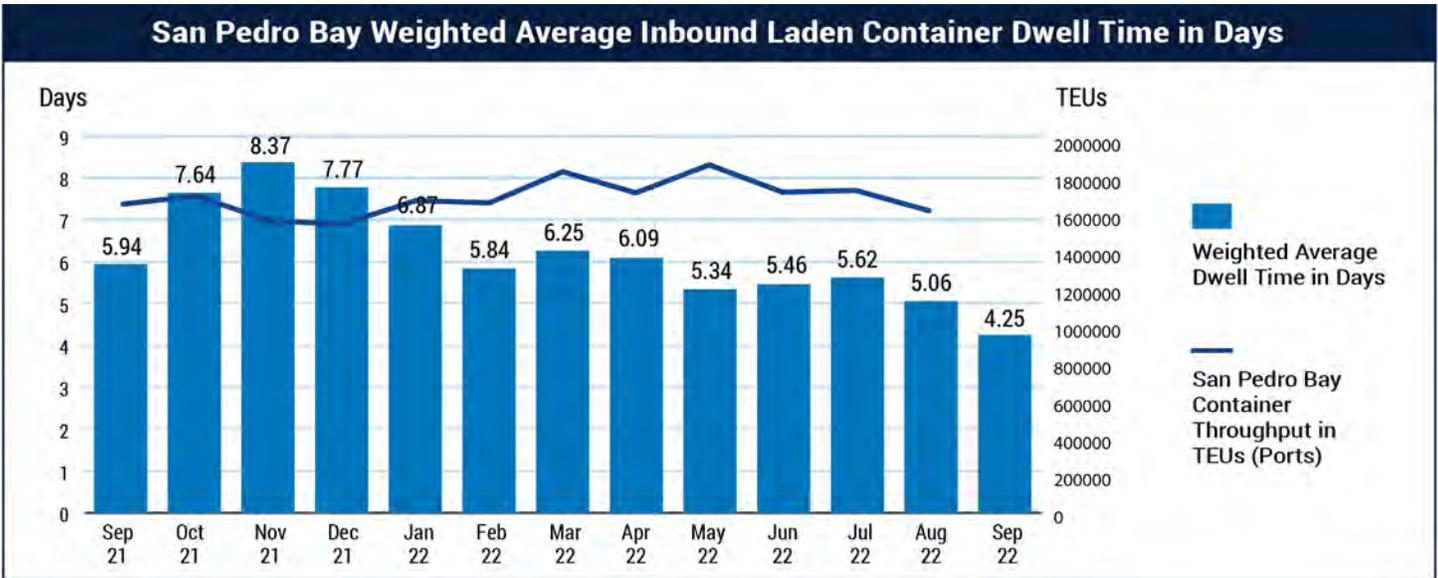
“Moore earned All-America honors with a fifth place finish in the high jump in 1975 and qualified for the Olympic Trials in the decathlon in 1984. He was an All-New England and All-ECAC performer in both the high jump and the triple jump and was captain of the 1977 unbeaten indoor team. Moore held indoor triple jump school record which stood for 37 years and he had the best Division III high jump of six feet, 8.25 inches in 1975 and six feet, 10.5 inches in 1977. Moore also was the ECAC high jump champion and won a silver medal in the decathlon as the 1979 military word competition before returning to CGA as an assistant coach where he coached two All-American's.”

Congratulations, Captain Moore!





Container Dwell Time Down in September



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WA State Board of Pilotage Commissioners

Industry Update: November 17, 2022 BPC Meeting

Vessel Arrivals Through October

Year to Date Down 21 After Separating Out Cruise

🚢 Containers **down 80**

🚢 Car Carriers **down 8**

🚢 Bulkers **down 2**

🚢 Tankers up 59

🚢 General up 6

🚢 ATB's **down 10**

🚢 RoRo up 2

🚢 Cruise up 213

Note: Container Sector has seen blank sailings, canceled sailings and market share loss on the west coast.

Pilot Service Supply, Demand, Delays

- ✓ See prior industry updates and verbal briefings to the BPC regarding pilot service efficiencies/inefficiencies.
- ✓ PMSA stands by the need for key performance metrics with respect to efficient pilot service and that daily supply/demand data is an essential part of key performance metrics. This is particularly relevant since efficiency is specifically called out by the Pilotage Act: ***“...optimize the operation of a safe, fully regulated, efficient, and competent pilotage service...”***.
- ✓ Inefficiency concerns are not just PMSA concerns but have also been formally documented at the state level.
- ✓ At the recent Safety Committee meeting, Chair Tonn agreed with PMSA's intent to submit a formal letter summarizing industry concerns and rationale regarding pilot service concerns. That letter will not be part of this industry update but will be submitted separately.

Labor Negotiations

- ✓ Still pending
- ✓ Final outcomes are unclear
- ✓ Impact on ship call volumes (and pilotage assignments) not clear yet

Gulf Coast import share gains to outlast ILWU negotiations: ports

Michael Angell, Associate Editor | JOC Nov 01, 2022 9:15AM EDT

https://www.joc.com/port-news/gulf-coast-import-share-gains-outlast-ilwu-negotiations-ports_20221101.html

There's no doubt US Gulf Coast ports have benefited from importers diverting shipments away from ports on the West Coast during ongoing longshore labor talks that began in May. But even if those negotiations end soon — and with minimal disruption to West Coast port flow — Gulf Coast port officials say shippers are making some of those diversions permanent.

Importers for the past several years have been bringing a larger portion of their goods through the US Gulf, and that shift has accelerated in 2022, particularly since the start of [coastwide contract negotiations](#) between the International Longshore and Warehouse Union (ILWU) and its employers. Through September, Gulf Coast ports handled 7.1 percent of US imports from Asia, up from 5.7 percent in the first nine months of last year and 4.8 percent in the same period during pre-pandemic 2019, according to PIERS, a sister product of JOC.com within IHS Markit, part of S&P Global.

2022 Seattle cruise season exceeds pre-pandemic levels

By Angela King, npr

<https://www.kuow.org/stories/2022-seattle-cruise-season-exceeds-pre-pandemic-levels>

The Port of Seattle says the first full cruise season since the pandemic shut things down in 2020 was much better than expected. Seattle's cruise season kicked off in April and the last ship set sail in late October.

[The Puget Sound Business Journal reports](#) a total of 295 ships passed through Seattle between spring and fall of 2022. There were only 85 ships in 2021, and 211 in 2019. [The Port says](#) that 640,000 individual travelers hopped on a ship for trips between Seattle and Alaska alone. That is a 6% increase over 2019 levels.

California's proposed zero-emission trucking rules ignore years of industry concerns

https://syvnews.com/opinion/columnists/california-s-proposed-zero-emission-trucking-rules-ignore-years-of-industry-concerns-guest-commentary/article_263791c1-4706-548e-a074-9d0bbf2bcb1a.html

California's air quality regulator is poised to adopt a zero-emission truck mandate that some believe downplays concerns over electric vehicle infrastructure and could erase working-class jobs. On Thursday, the California Air Resources Board will hold the first of two hearings on the [nation's first zero-emission mandate for trucking fleets](#). The proposal completely ignores the numerous practical concerns the trucking industry has raised for years.

[CARB's proposed rule](#) would require more than 518,000 zero-emission trucks on the road by 2040, and as many as 1.5 million trucks on the road by 2050. Meeting California's goal of deploying more than half a million zero-emission commercial trucks by 2040 would require an average of about 38% of new truck sales to be zero-emission vehicles.

Ports of Long Beach, LA team up with Singapore to create green shipping corridor

By Brandon Richardson, Long Beach Business Journal

<https://lbbusinessjournal.com/news/ports-of-long-beach-la-team-up-with-singapore-to-create-green-shipping-corridor>

As part of a global challenge initiated by the United States and Norway this week, the ports of Long Beach and Los Angeles have partnered with the Maritime and Port Authority of Singapore (MPA) to create a green and digital shipping corridor. The agencies have begun discussions to establish the corridor, which will push the development of low- and zero-carbon fuels as well as digital tools to increase efficiency and support the deployment of greener vessels, according to a joint announcement released Monday.

The collaboration was announced as part of the Green Shipping Challenge, which launched during the World Leaders' Summit at the 27th United Nations Climate Change Conference in Sharm el-Sheikh, Egypt, this week. The challenge, which encourages stakeholders to decarbonize the shipping industry, was initiated by the U.S. and Norway.

"Decarbonizing the supply chain is the future of our industry, and partnerships like this on the world's most important trade route are important for fulfilling that ultimate goal," Port of Long Beach Executive Director Mario Cordero said in a statement. The San Pedro Bay ports—the combined operations of Long Beach and LA—handled 31% of all containerized goods into and out of the U.S. in 2021, [according to Port of LA data](#). Singapore, for its part, was the 17th largest goods trading partner with the U.S., with \$57.8 billion in total (imports and exports) goods traded during 2020, [the Office of the U.S. Trade Representative reports](#).

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT

Oct-2022

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

Activity										
Total pilotage assignments:	651			Cancellations:			14			
Total ship moves:	637	Cont'r:	175	Tanker:	186	Genl/Bulk:	139	Other:	137	
Assignments delayed due to unavailable rested pilot:	38			Total delay time:			133.37			
Billable delays by customers:				53			Total delay time:			141
Order time changes by customers:				160						
2 pilot jobs:	37	Reason: PSP GUIDELINES FOR RESTRICTED WATERWAYS								
Day of week & date of highest number of assignments:	Wed 10/5, Sat 10/15						29			
Day of week & date of lowest number of assignments:	Sat 10/29, Mon 10/31						13			
Total number of pilot repositions:	127	Upgrade trips	12	YTD	132					
3 consecutive night assignments:	29	YTD	394	Repo Ratio		19.51%				

Callback Days/Comp Days									
Starting Total		Call Backs (+)		Used (-)		Burned (-)		Ending Total	
Licensed	2682	121	81						2722
Unlicensed	220					39			181
Total	2902	121	81			39			2903
On watch assignments		516	Call back assignments		135	CBJ ratio		20.74%	

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		
1-Oct	2-Oct	Port Revel	Port Revel	Ship Handling Course	BOU*(2on), COL*(2on)		
1-Oct	9-Oct	Port Revel	Port Revel	Ship Handling Course	BRU*(4on,5off)		
7-Oct	16-Oct	Timsbury	Warsash	Ship Handling Course	BOS*(4on,6off),GAL*(4on,6off),MAN*(7on,3off),SCR(10c		
14-Oct	23-Oct	Port Revel	Port Revel	Ship Handling Course	HED(mm), ROU*(5on,5off)		
21-Oct	30-Oct	Timsbury	Warsash	Ship Handling Course	EKE*(4on,6off), MIE*(7on,3off)		
					*On watch	Off watch	
					39	44	

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

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
4-Oct	4-Oct	Seattle	PSP	Safe Practices	BOU**, GAL, MIL, HUP**, MOO, SEM**
7-Oct	7-Jan	Seattle	PSP	UTC	GRD
9-Oct	9-Jan	Port Angeles	PSP	Legislative tours	VON*
10-Oct	10-Oct	Seattle	PSP	NWSA	BOU**, LOB
10-Oct	10-Oct	Seattle	PSP	UTC	GRD
11-Oct	11-Oct	Seattle	PSP	BOD	ANA*, BOU**, COR, GRD*, GRK*, KLA, KNU**, MYE*
11-Oct	11-Oct	Seattle	PSP	General Membership	GRK*
12-Oct	12-Oct	Seattle	PSP	UTC	GRD, KLA
12-Oct	12-Oct	Seattle	PSP	Outreach	NIN
13-Oct	14-Oct	Seattle	PSP	President	KLA*(2days)
15-Oct	25-Oct	Seattle	psp	President	GRK (11days)

15-Oct	22-Oct	Charlston	PSP	APA	HAM*(on3,off5), KLA*(on8)			
16-Oct	22-Oct	Charlston	PSP	APA	BEN*(on3,off4), SEA*(on5,off2)			
19-Oct	19-Oct	Seattle	BPC	TEC	ANT*, BEN, NIN**			
20-Oct	20-Oct	Seattle	BPC	BPC	BEN			
26-Oct	27-Oct	Seattle	PSP	President	KLA*(2days)			
26-Oct	26-Oct	Seattle	PSP	Outreach	KNU			
31-Oct	31-Oct	Seattle	PSP	Pilot Safety Committee	SCR			
						** paired		
					* on watch	off watch	to assign.	
					30	37	7	

Safety/Regulatory

Outreach

Administrative

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

Start Dt	End Dt	REASON	PILOT	
1-Oct	31-Oct	NFFD	HED	31
16-Oct	20-Oct	Covid-HAS	MIE	5
17-Oct	20-Oct	Covid-HAS	MCG	4
1-Oct	6-Oct	Covid-HAS	STA	6
				46

PSP Efficiency Measures

- Combined an inter-port assignments with harbor shift 16 times
- Combined meetings with revenue assignments 7 times
- Combined cancellations with revenue assignments 1
- Utilized immediate repo rule 8 times. This allowed pilots to be assigned on the Seattle side quicker than on the PA side.
- Reduced call time between 1830-0759 allowed 13 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 by 19

Month	Jobs	Pilot Delays	CBJ Ratio	Combined Inter-Port and Harbor shift jobs	Three and Out	NFFD or Covid			
May	701	214	18%	9	50	71			
June	709	242	22%	15	47	114			
July	737	151	16%	29	40	84			
August	680	141.6	17%	16	51	67			
September	589	51.25	17%	9	29	48			
October	651	133.37	21%	16	29	46			

Puget Sound District Activity Report Dashboard

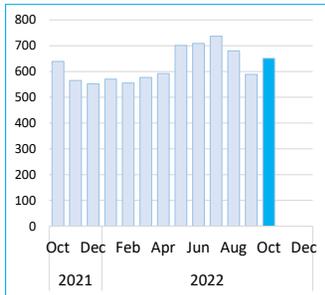
Licensed Pilots
Including President
53

PS District
Trainees
8

October 2022

Total Assignments

651



Repositions

127



Licensed Pilots w/o Pres **52**
Pilots NFFD entire month **1**
Available Pilots **51**

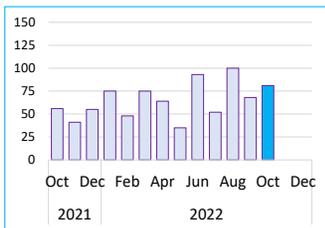


Off-Watch Assignments
(Callbacks)
21%



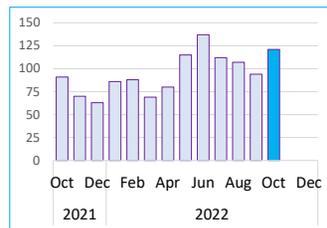
Comp Days Used
(Licensed Pilots)

81

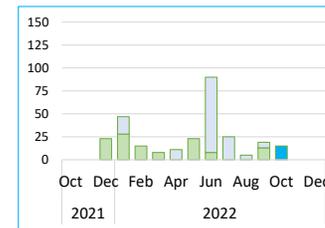


Comp Days Earned
(Callbacks)

121



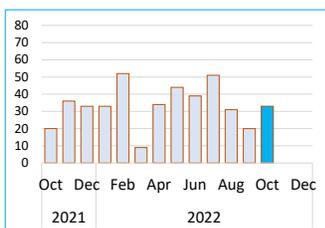
COVID Days* **15**
NFFD Days* **0**



*NFFD Days & COVID Days count unavailable pilot days for pilots who were not NFFD the entire month (they were available part of the month and did some assignments).

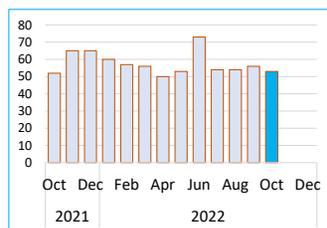
Delays due to
Unavailable Rested Pilot

33



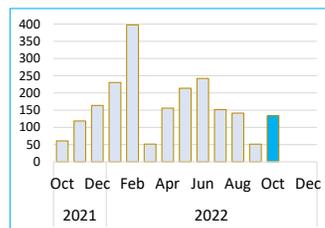
Billable Delays
by Customers

53



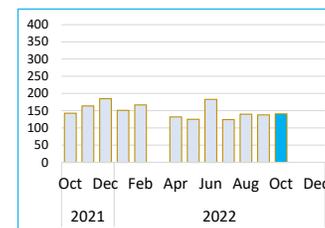
Hours of Delays
Unavailable Rested Pilot

133



Hours of Delays
by Customers

141



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 22-20-043 ; 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 363-116-0751 Qualifications for pilot applicants

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
January 19, 2023	10:00am	MS Teams and/or via Phone Conference: TBD	To request a video link, please call (206) 515-3887 or visit www.pilotage.wa.gov for call-in instructions

Date of intended adoption: January 17, 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:

Other:

By (date) January 10, 2023

Assistance for persons with disabilities:

Contact Jolene Hamel

Phone: (206) 515-3904

Fax:

TTY:

Email: HamelJ@wsdot.wa.gov

Other:

By (date) January 16, 2023

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The purpose of this rulemaking is to update the exam process to better reflect agency practices, goals, and values, as well as to conduct other housekeeping of language to increase clarity to pilot aspirants and applicants, in preparation for the 2024 Marine Pilot Exam.

Reasons supporting proposal: The proposed revisions will provide pilot applicants with a better understanding of requirements and qualifications for the exam process. In addition, the proposed rule language better aligns with Washington state diversity, equity, and inclusion initiatives.

Statutory authority for adoption: Chapter 88.165 RCW, Pilotage Act

Statute being implemented: Chapter 88.16 RCW, Pilotage Act

Is rule necessary because of a:

Federal Law?

Yes No

Federal Court Decision?

Yes No

State Court Decision?

Yes 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 Trainee Evaluation Committee (TEC) favoring implementation of the proposed language based on the benefits listed above.

Type of proponent: Private Public Governmental

Name of proponent: (person or organization) Washington State 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) 515-3904
Enforcement: Commissioners	Board of Pilotage	2901 3 rd Avenue, Suite 500, Seattle, WA 98121	(206) 515-3904

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 Washington state 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: November 18, 2022

Name: Jaimie C. Bever

Title: Executive Director

Signature:

Place signature here

SWINOMISH TRIBAL SENATE

Consisting of eleven members elected by the Swinomish people who serve for five-year terms, the Swinomish Senate is the official governing body of the Swinomish Indian Tribal Community.

*The mission of the Senate is to protect and enhance the quality of life for Swinomish members by providing a combination of economic opportunity and a safety net of social services;
To protect the culture and traditional practices of the Swinomish people;
To respect and protect the spirit of tribal ancestors and generations to come;
To exercise the powers of self government secured by the Treaty of Point Elliott;
To protect and preserve the Swinomish Reservation homeland;
To protect treaty rights both on and off of the Swinomish Reservation;
And to provide a safe and healthy environment for everyone living on Swinomish Reservation and participating in the Swinomish activities.*

SENATORS	TERM
Steve Edwards, yal le ka but - Chair	2017-2022
Jeremy Wilbur, kuts but soot - Vice Chair	2018-2023
Sophie Bailey, sapelia - Secretary	2020-2025
Brian Wilbur, sxladated	2019-2024
Barbara James, taleq tale II	2018-2023
Eric Day, stoolssta	2019-2024
Alana Quintasket, siwəlc??	2020-2025
Brian Porter, ya qua leouse	2021-2026
Greg Edwards, spi sta yup ton	2021-2026
Tandy Wilbur, kani?təd	2021-2026
Aurelia Bailey, qws stanya	2022-2027

SWINOMISH TRIBAL SENATE CONTACT

General Reception
(360) 466.3163



STATE OF WASHINGTON

BOARD OF PILOTAGE COMMISSIONERS

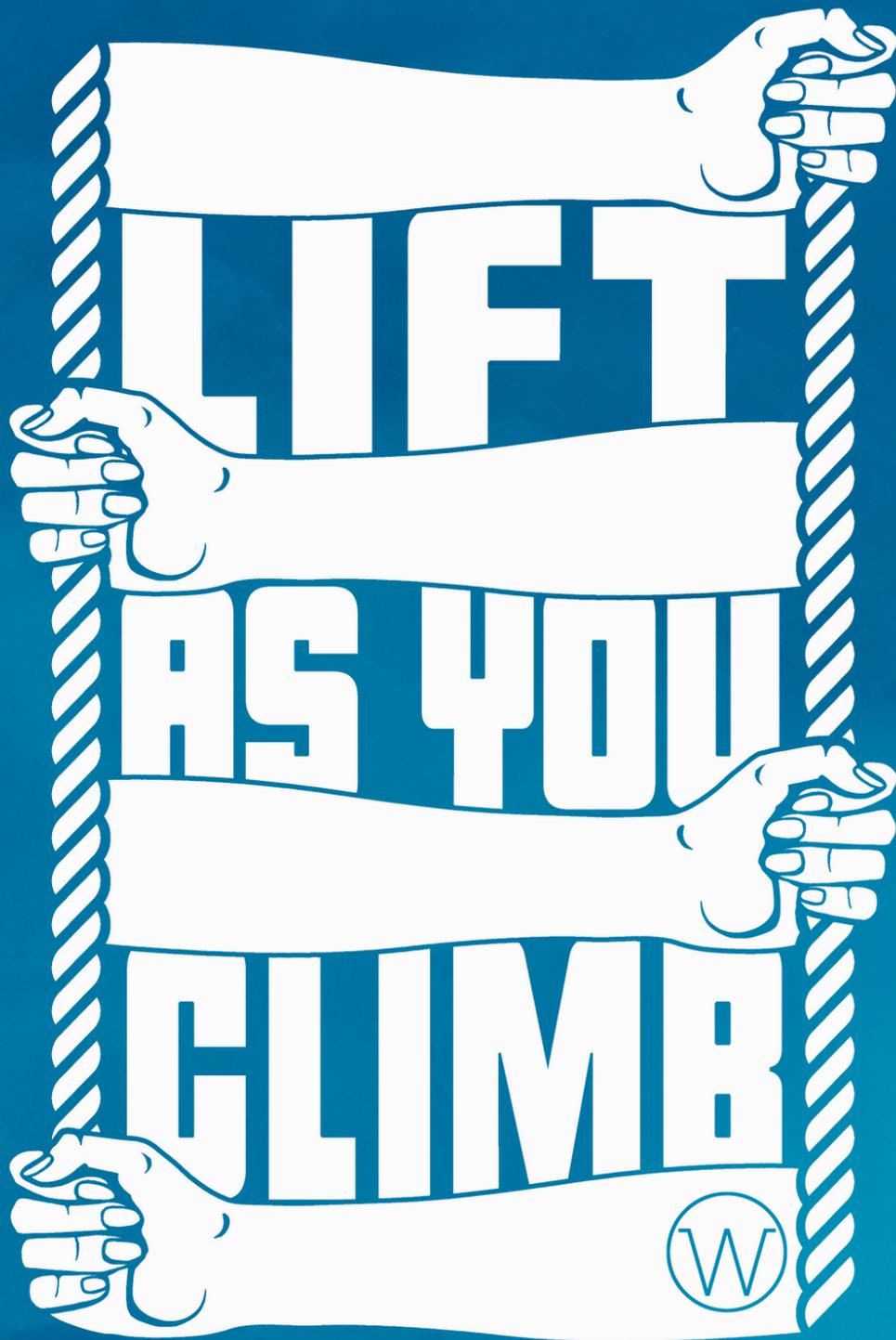
2901 Third Avenue, Suite 500 | Seattle, Washington 98121 | (206) 515-3904 | www.pilotage.wa.gov

PROPOSED BOARD MEETINGS

2023 MEETING SCHEDULE

Thursdays 1000 – 3rd Thursday Except Dec

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



WOMEN OFFSHORE
CONFERENCE 2022

October 7-14, 2022
Conference Impact Report



WOMEN OFFSHORE CONFERENCE 2022

THE 5TH-ANNUAL WOMEN OFFSHORE CONFERENCE

We met virtually and in person, October 7-14th, 2022!

The Women Offshore Foundation is an online organization and resource center supporting a diverse workforce on the water. As a 501(c)(3), non-profit organization, our mission is to propel women+ into meaningful careers through access to a worldwide community and professional development resources, while raising awareness amongst industry leaders and decision makers about issues affecting women on the water.

For the past 5 years, we have united women from around the globe to support one another in navigating careers on the water. This year, we hosted a hybrid conference from October 7-14th. Over a week, we met in small groups and attendees from around the world tuned in virtually to hear from keynote speakers and panel discussions that focused on how to empower others under the theme, Lift As You Climb. Through our interactive, virtual platform they attended sessions and workshops. They also networked with others to share their ideas! Thank you to every one who attended, and special thanks to the companies that hosted us; Shell, San Jacinto Maritime College, Chevron, and Transocean!

THANK YOU SPONSORS

Special thanks to all of the conference sponsors. Without their support, this conference would not have been possible.



KONGSBERG



Celebrity X Cruises®



Special Thanks to James Spear



WOMEN OFFSHORE CONFERENCE 2022

COMMUNITY FEEDBACK

WHAT THE ATTENDEES ARE SAYING POST-CONFERENCE...

“

The event was insightful, educative, and very very motivating. Wonderful event! I loved it.

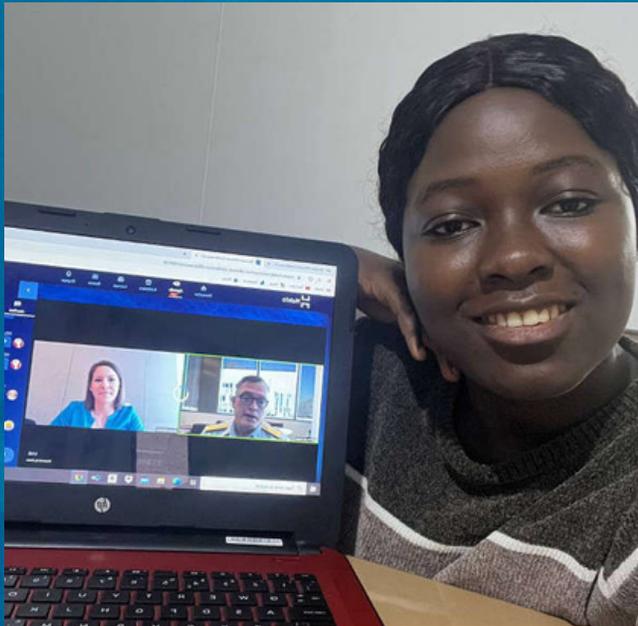
”



“

I have been greatly inspired by the speakers to go after my dream of becoming a Chief Engineer while supporting others as I rise through the ranks.

”



“

I didn't think that connecting with people from the Industry could be made so easy. Women Offshore did it so, so well.

”





WOMEN OFFSHORE CONFERENCE 2022

SPEAKER HIGHLIGHTS



KARRIE TRAUTH, SVP SHIPPING & MARITIME, SHELL

Kicking off the conference was Karrie Trauth, Senior Vice President of Shipping and Maritime at Shell! Since 1st August 2021, Karrie has been responsible for Shell's international shipping and maritime activities, including ships, barges, drilling units, floating production facilities and related operations. Her work spans Shell's entire business across upstream, downstream, projects and construction. She is a leading spokesperson on safety and the environment, improving the efficiency of shipping and maritime operations, and driving technology and innovation, including digitalisation and decarbonisation.

CAPTAIN JEANNE FERRER, MARITIME PILOT, LOUISIANA STATE COMMISSIONED CRESCENT RIVER PORT

Captain Jeanne Ferrer, a lifelong native of New Orleans, graduated from the United States Merchant Marine Academy in 2006, as a Logistics and Intermodal Transportation major. She holds a United States Naval Reserve Officer Commission as well as a USCG Master unlimited license and a First Class Pilot License of unlimited tonnage on the Lower Mississippi River. After a decade of sea time aboard deep-sea cargo vessels and offshore supply vessels, Jeanne departed her Master position to serve as a Louisiana State Commissioned Crescent River Port Pilot. In addition to her pilot commission, she also serves as a Commissioner for the St. Bernard Port, Terminal, and Harbor District overseeing the Port's operations and economic development.



JENNIFER NUGENT-HILL, DIRECTOR, GOVERNMENTAL & COMMUNITY AFFAIRS, TROPICAL SHIPPING

Meet Jennifer Nugent-Hill, a powerful speaker and inspirational leader in the maritime industry. Jennifer began her shipping and logistics career with Tropical Shipping in 1995 as the Island Manager for St. Croix in the United States Virgin Islands. She has held several management positions including being appointed in 1999 as Assistant VP and Trade Market Manager for Puerto Rico, the US and British Virgin Islands. As the Director of Governmental and Community Affairs, she works with the company's Executives and Managers on its public policy agenda, as well as lead the company's Community Affairs initiatives.



WORKSHOP HIGHLIGHTS

MANAGING UNCONSCIOUS BIAS INTERACTIVE SESSION WITH SHANTERA CHATMAN, GLOBAL CULTURE STRATEGIST, POWHER CONSULTING

The simplest definition of bias is a preference for one thing over another. We all have these preferences that cause us to favor one type of person, group, or thing when compared to another. They have been ingrained in use from birth. That is why they are called unconscious biases. A bias is not necessarily bad unless it triggers an unfair assessment or treatment of others. However, if our biases trigger us to unfairly exclude others from advantages and opportunities in the workplace, it becomes terrible. In this interactive session, we addressed ways to identify and manage biases to ensure they do not become stereotypes and hinder the decision-making process in the workplace.



LIFT AS YOU CLIMB WORKSHOP WITH SHARON PREZLER, ATHENA'S VOICE

In the Lift as You Climb Workshop, Sharon Prezler highlights the challenges women face in male-dominated careers – establishing credibility, fighting bias, and establishing effective mentoring relationships. She discusses the value of mentoring relationships and some of the obstacles we need to overcome as mentors and mentees. Sharon's interactive workshop is based on her experiences as the first woman to fly the F-16 in the US Air Force and will provide opportunities for audience participation.





WOMEN OFFSHORE CONFERENCE 2022

VIRTUAL BOOTHS

Sponsoring companies hosted virtual booths to show their opportunities in the industry. Attendees could meet and chat with representatives, upload their contact details to the booths, and view product images and videos. Brochures and information could be downloaded from the booths as well.



Total Booths **13**
Team Members **45**
Total Connections **71**

Total Visits **1333**
Total Bookmarks **90**

Popular Booths

	Views	Chats
Shell	199	30
Transocean	177	42
Royal Caribbean Group	169	33
Women Offshore	154	43
Crowley Maritime	108	17
Kongsberg Maritime	98	8
Mercy Ships	91	34



WOMEN OFFSHORE CONFERENCE 2022

SESSION ANALYTICS

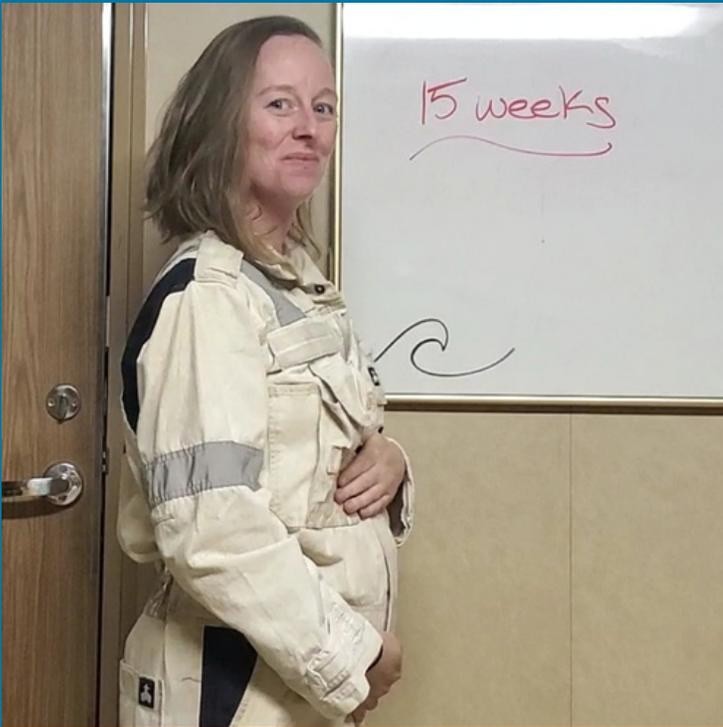
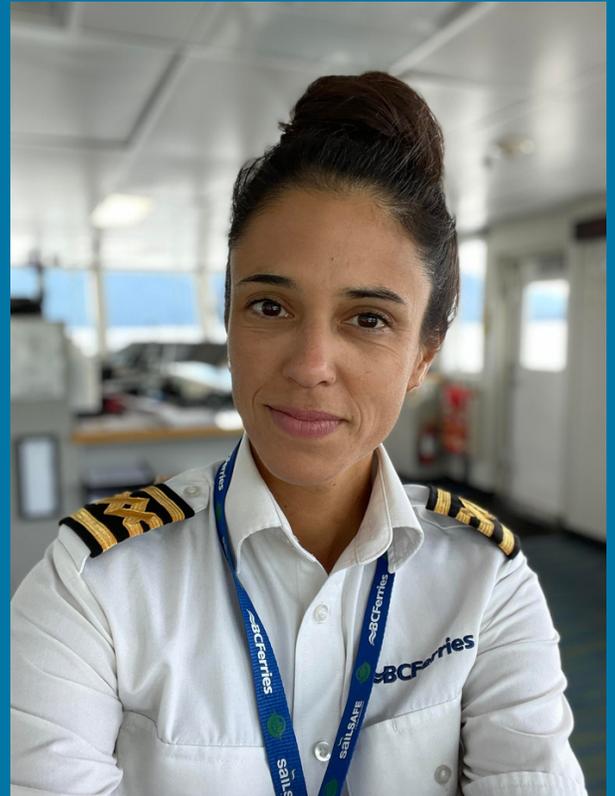
	<u>Total Views</u>	<u>Total Replays</u>	<u>Chats</u>
Opening Keynote: Karrie Trauth, SVP Shipping & Maritime, Shell	351	84	52
Managing Unconscious Bias Interactive Session w/ Shantera Chatman, Global Culture Strategist, PowHer Consulting	128	71	N/A
Yoga with Karen Lee	91	12	12
Mentoring Matters, Part I	61	22	1
Mentoring Matters, Part II	45	23	2
Mentoring Matters, Part III	22	7	1
Keynote Jennifer Nugent-Hill, Director, Governmental & Community Affairs, Tropical Shipping	171	19	42
BIPOC Mariner Panel Discussion : No One Size Fits All Language to Talk About Race & Ethnicity	261	58	48
Meditation with Karen Lee	89	22	10
Enter a Brave Space: Women Offshore's SAVE Program Roundtable Discussion	198	23	41
Victim Support Presentation with RAINN	86	6	41



WOMEN OFFSHORE CONFERENCE 2022

SESSION ANALYTICS

	<u>Total Views</u>	<u>Total Replays</u>	<u>Chats</u>
Fireside Chat with Admiral Wayne Arguin, USCG	124	13	15
Keynote: Admiral Ann Phillips, Maritime Administrator, MARAD	211	111	30
LGBTQIA+ Panel Discussion for an Inclusive Industry	278	27	13
Keynote: Captain Jeanne Ferrer, Maritime Pilot, Crescent River Port	174	74	19
Men As Allies Panel Discussion: Open and Candid Dialogue to Normalize the Conversation on Gender Issues	152	3	12
Moms Offshore Panel Discussion: What it was like to go back to their Vessels	162	60	26
Lift as You Climb Workshop with Sharon Preszler	11	11	N/A
Closing Keynote: Noemie Tilghman, Partner, Deloitte Consulting	67	3	32
Wave Maker Award Presentation & Closing Comments	76	4	36



WOMEN OFFSHORE
CONFERENCE 2022



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Pilot Ladder Safety Summary

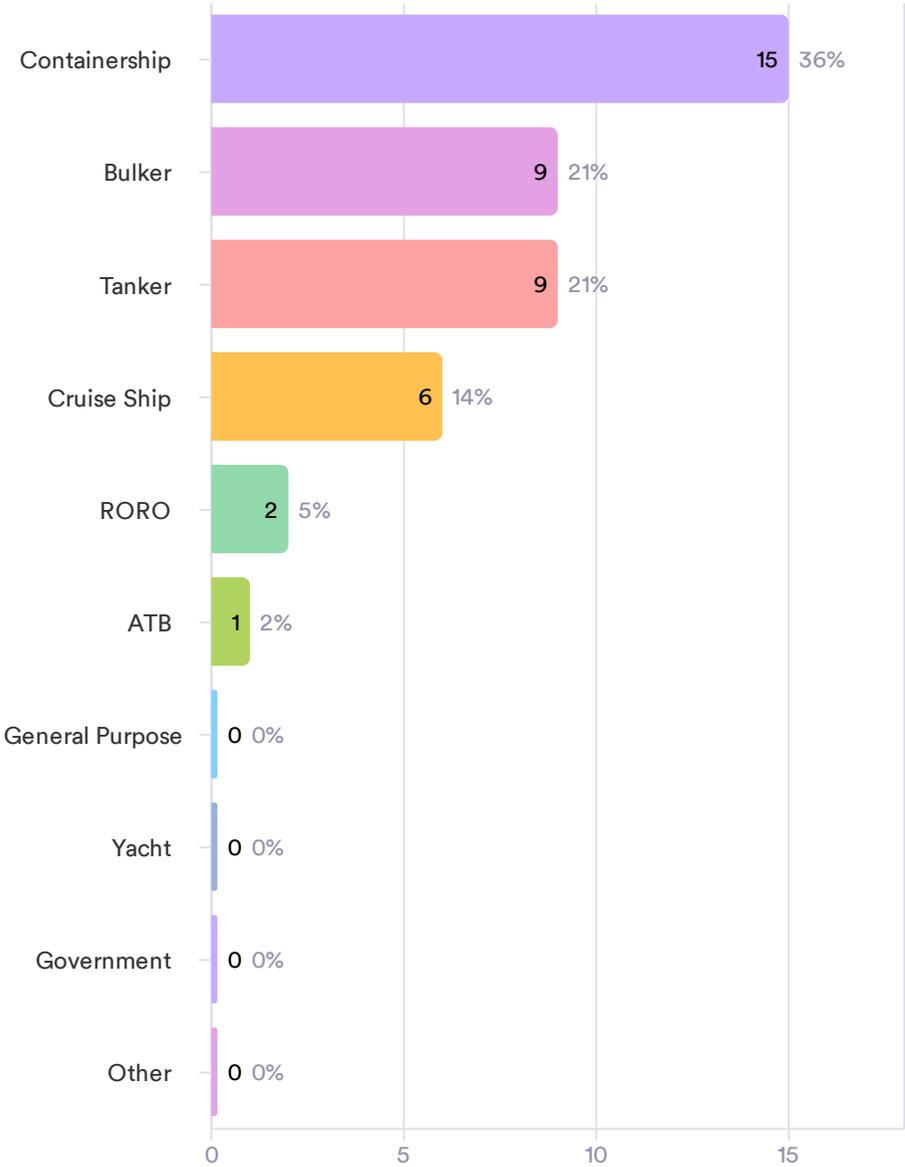
Washington State (PS & GH)

Note: This report is generated by the Ladder Report webform app (Jotform).
It summarizes information captured in ladder reports submitted by pilots.

Pilot Ladder Safety Report

Vessel Type:

42 Responses



Vessel Name:

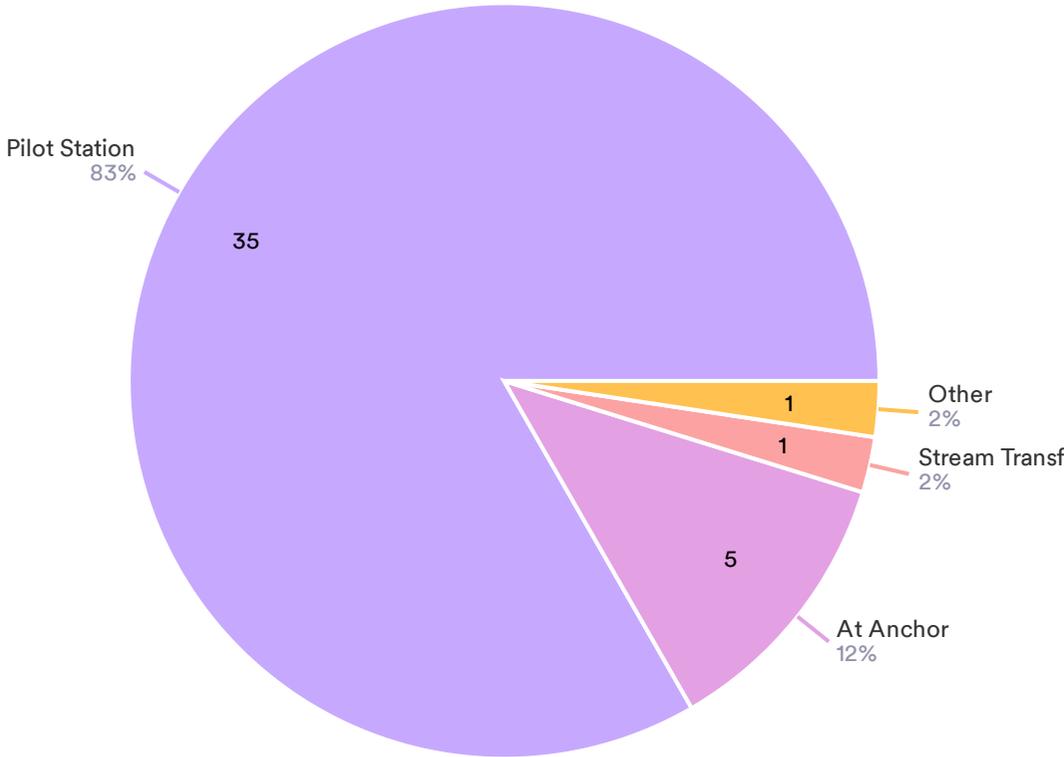
42 Responses

Data	Responses
Carnival Splendor	3
Etoile	2
Eurodam	2
Kalamoti Trader	2
Maersk Casablanca	2
MOL Premium	1
Funing	1
MSC Abidjan	1
Magic Mars	1
Taokas Wisdom	1
Alaskan Legend	1
SM Busan	1
Maunalei	1

Pilot Ladder Safety Report

Geographic Location:

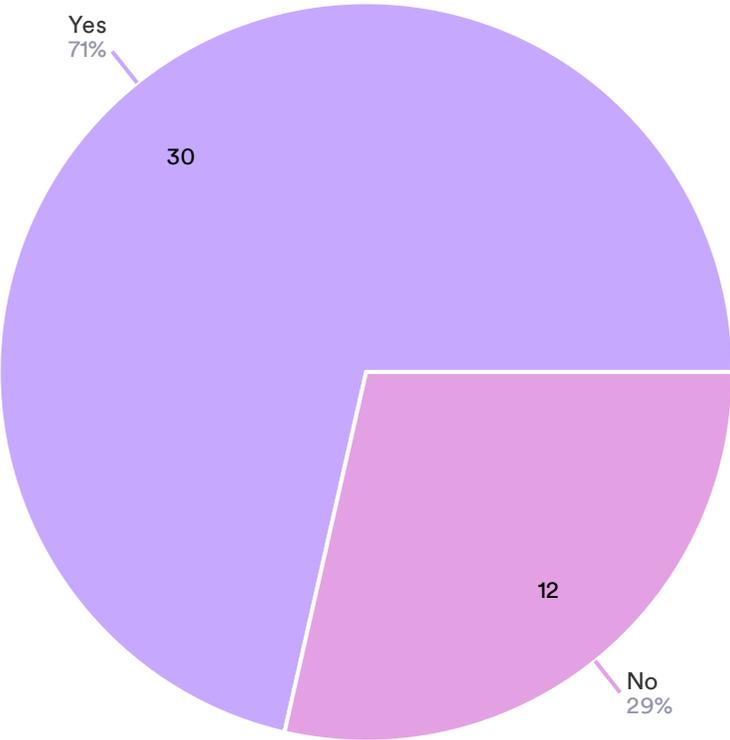
42 Responses



Pilot Station At Anchor Stream Transfer Other

Master Notified:

42 Responses

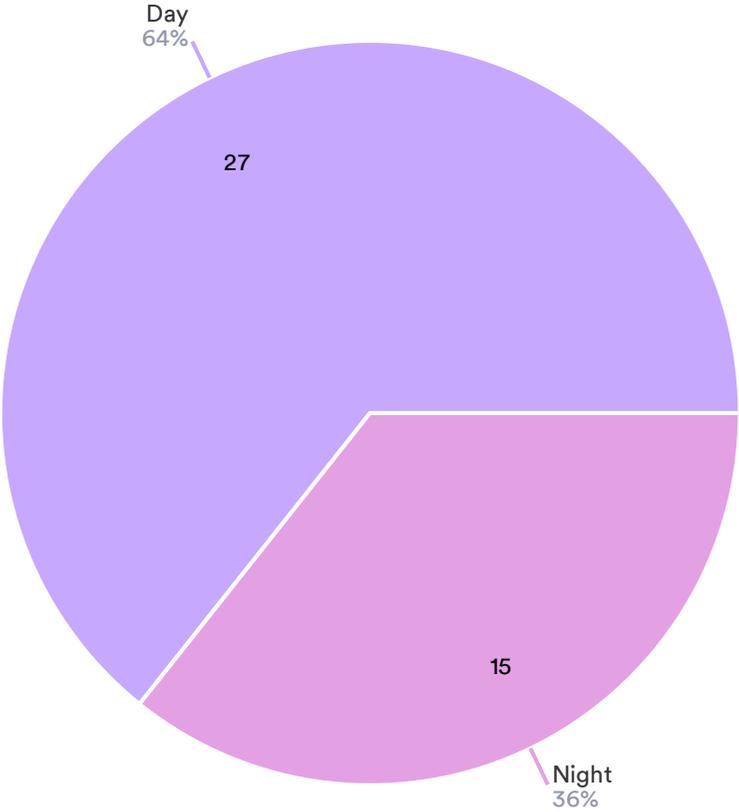


Yes No

Pilot Ladder Safety Report

Day/Night:

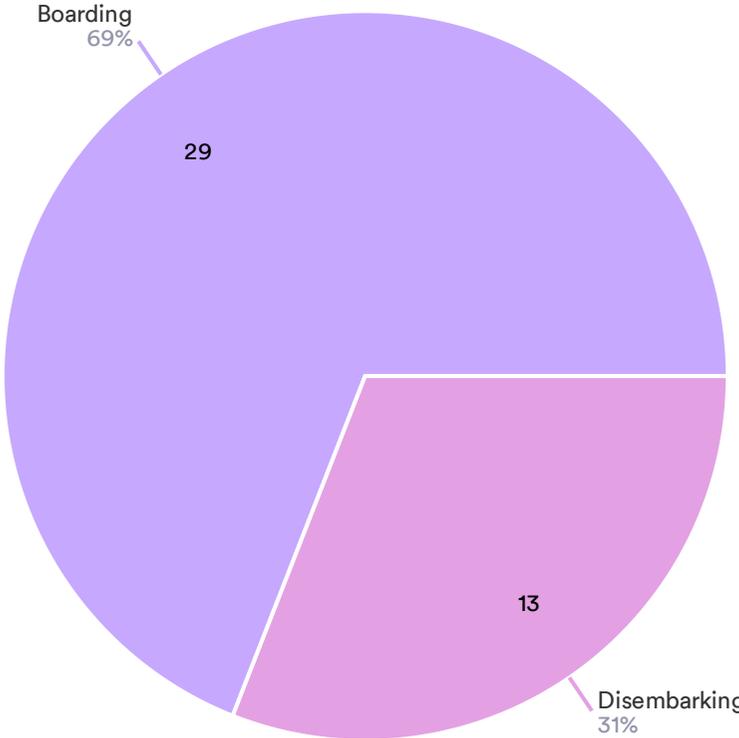
42 Responses



● Day ● Night

Boarding/Disembarking:

42 Responses

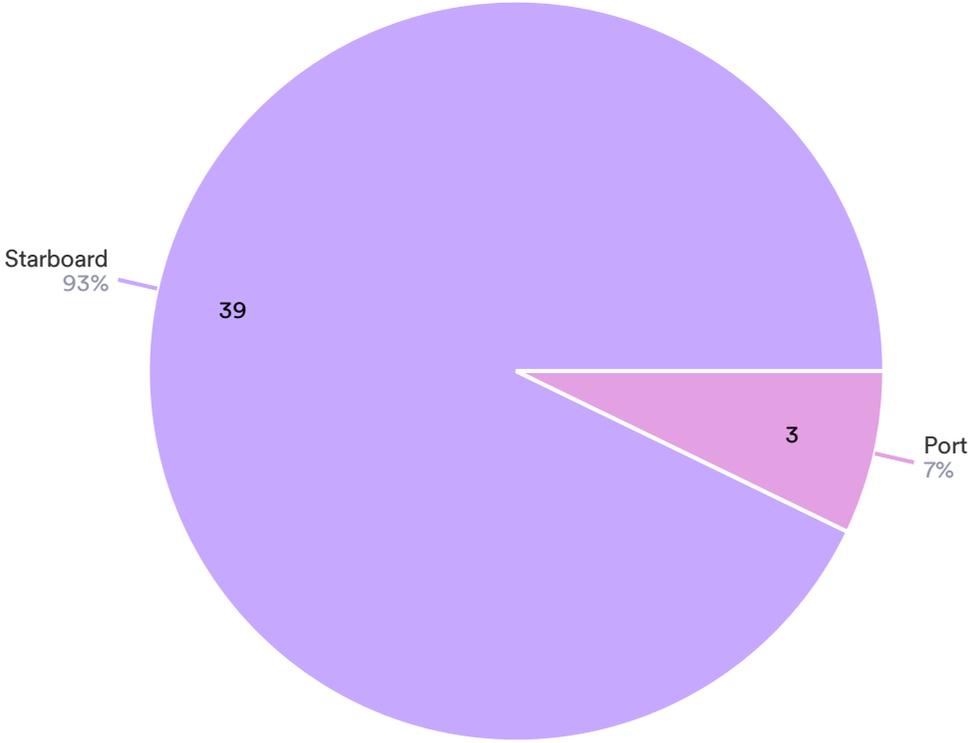


● Boarding ● Disembarking

Pilot Ladder Safety Report

Port/Starboard:

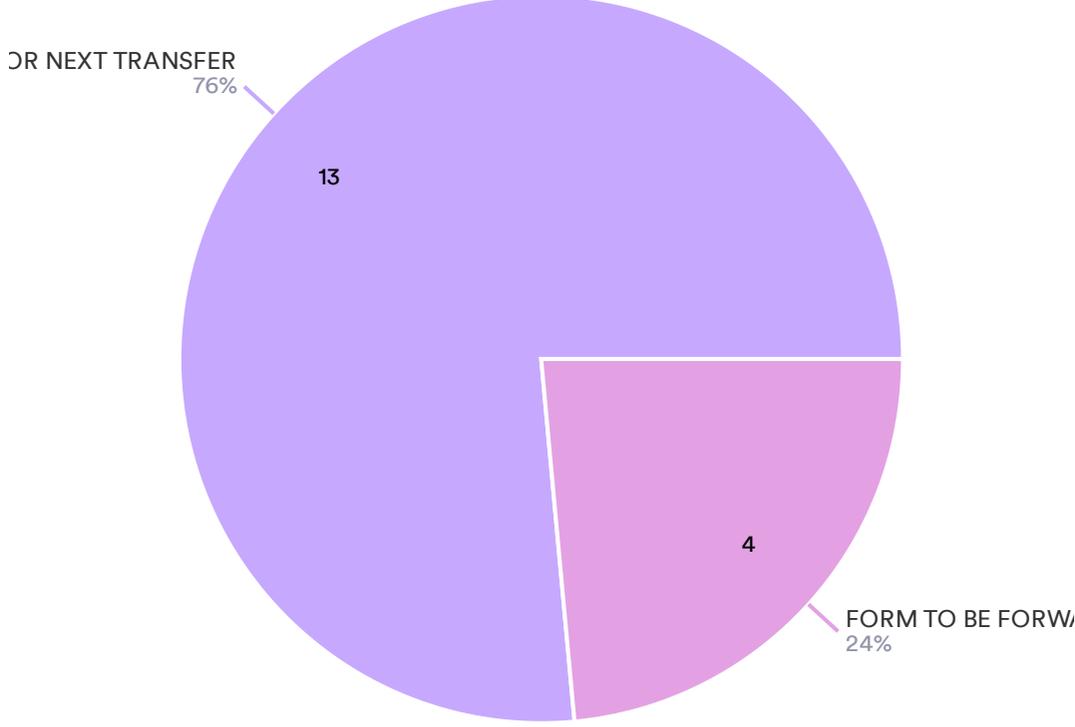
42 Responses



● Starboard ● Port

Notification:

17 Responses

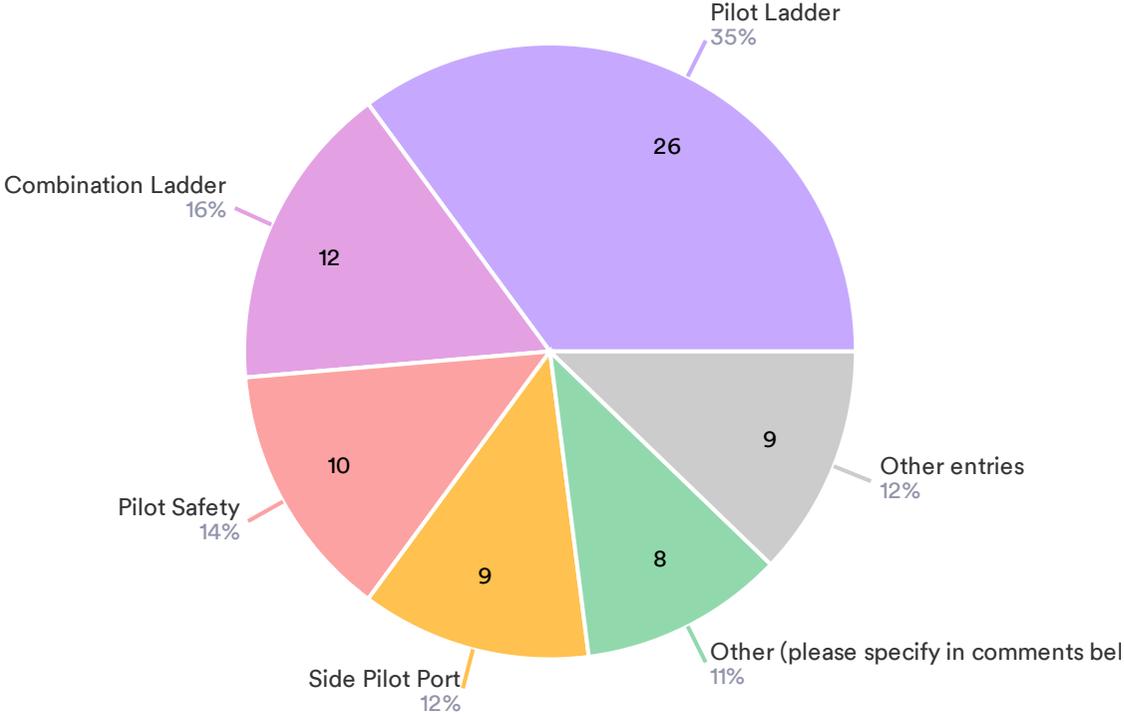


● MUST BE CORRECTED PRIOR TO SAILING OR NEXT TRANSFER
● FORM TO BE FORWARDED TO NEXT PORT

Pilot Ladder Safety Report

Non-Compliance:

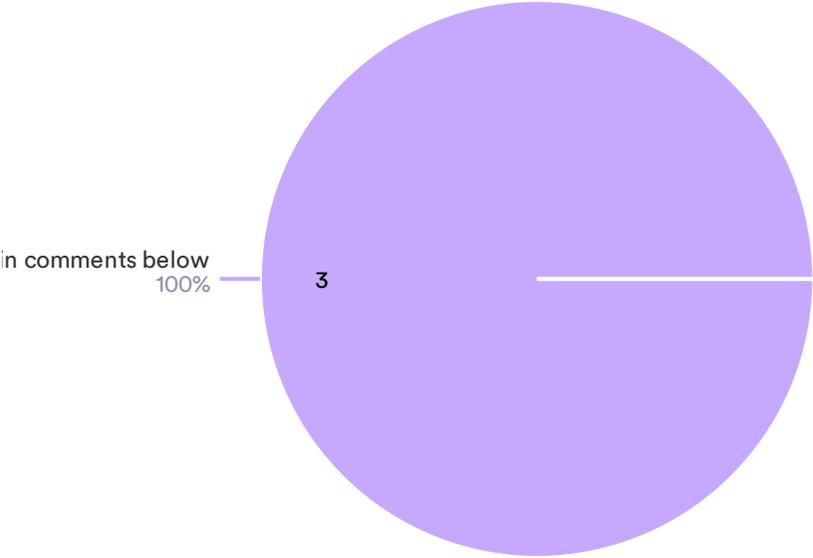
74 Responses



- Pilot Ladder
- Combination Ladder
- Pilot Safety
- Side Pilot Port
- Other (please specify in comments below)
- Other entries

Gangway:

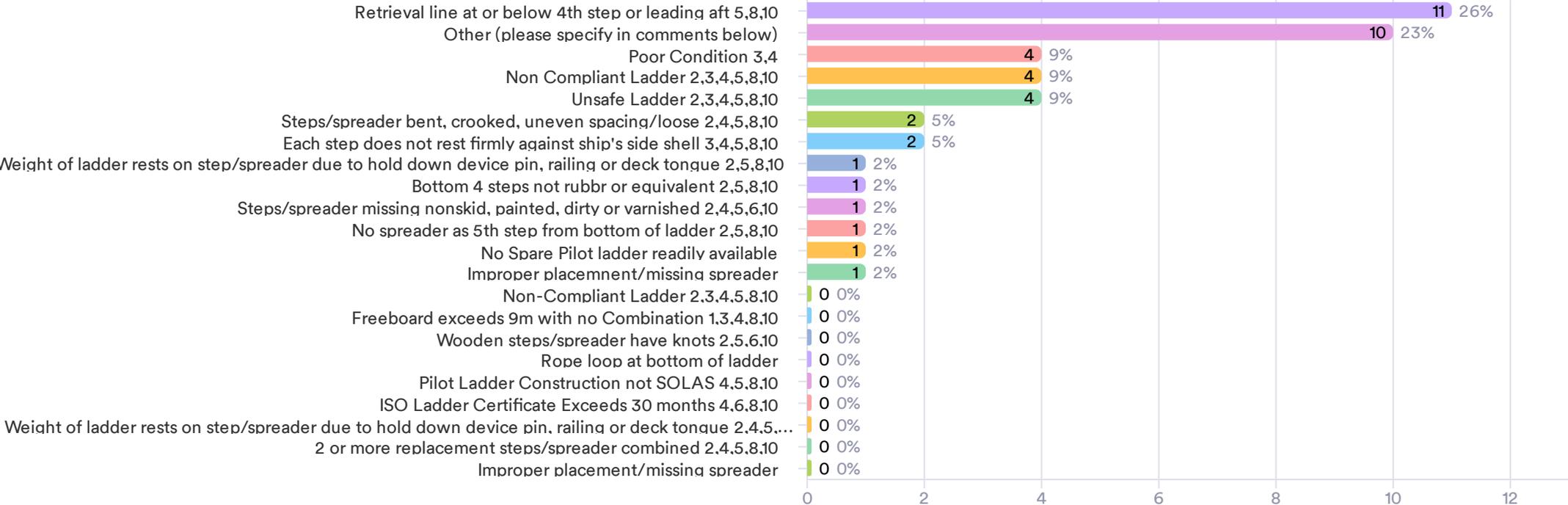
3 Responses



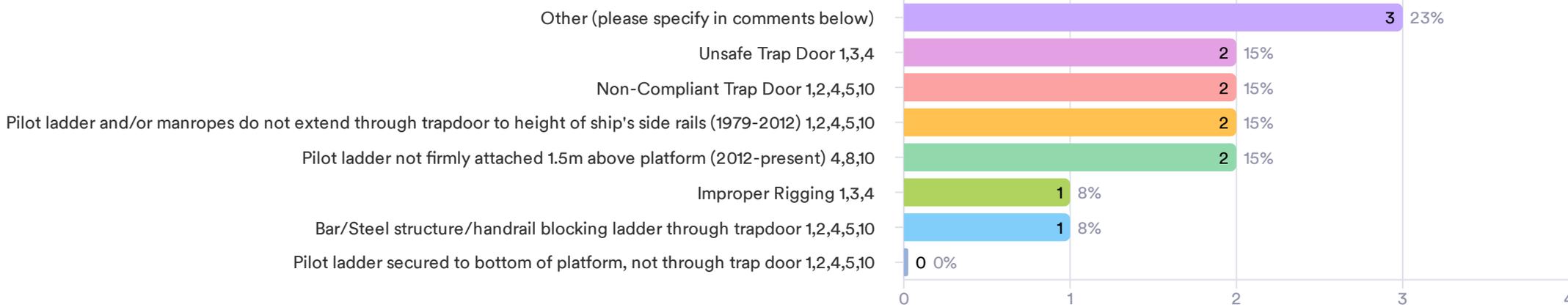
- Please specify in comments below

Pilot Ladder Safety Report

Pilot Ladder:

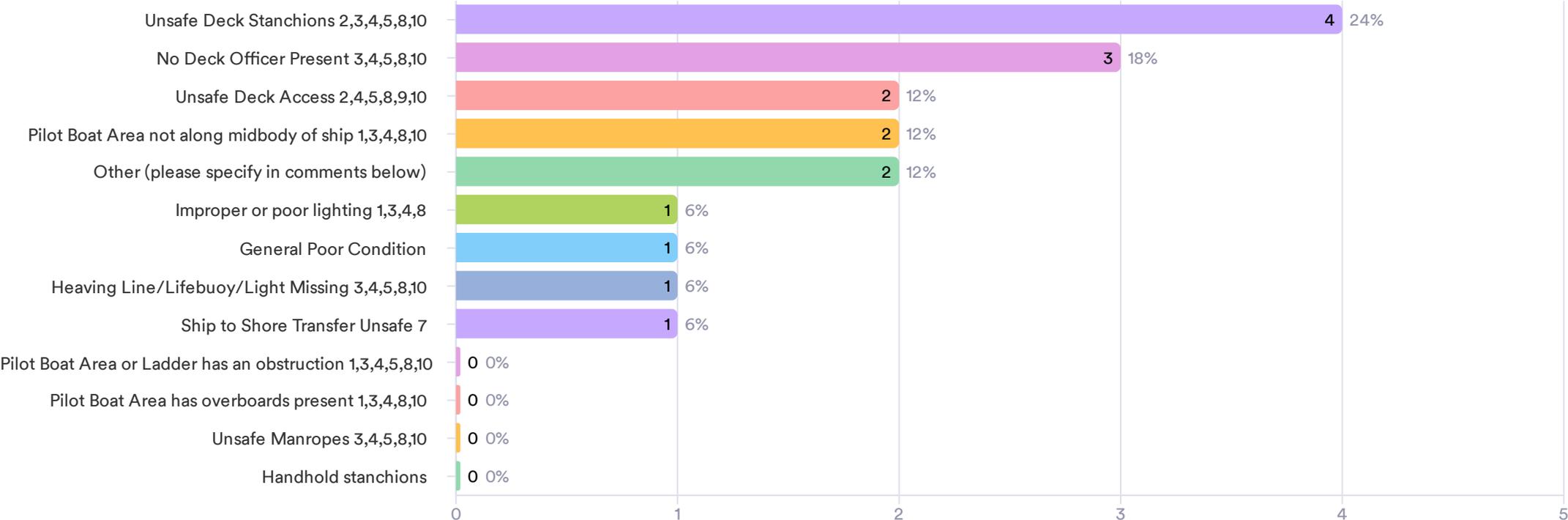


Trap Door Combination Ladder:

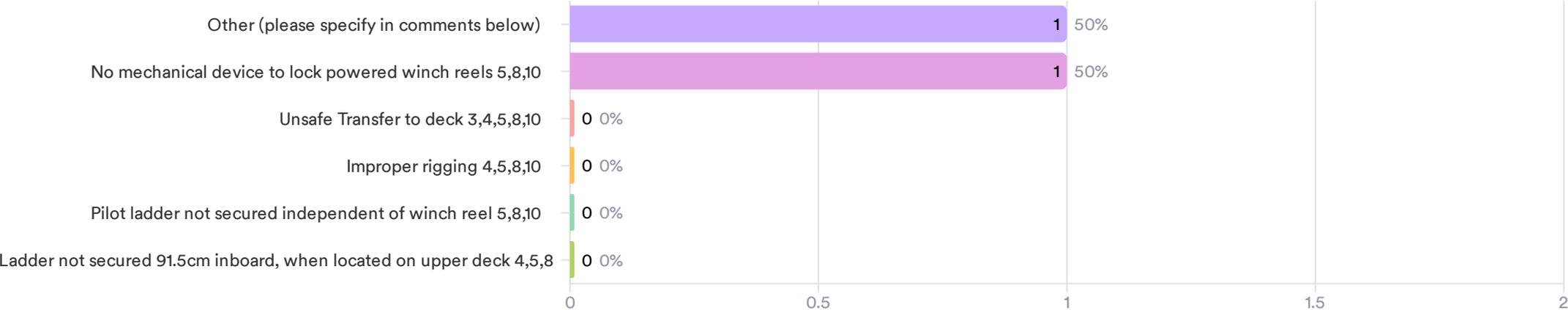


Pilot Ladder Safety Report

Pilot Safety:

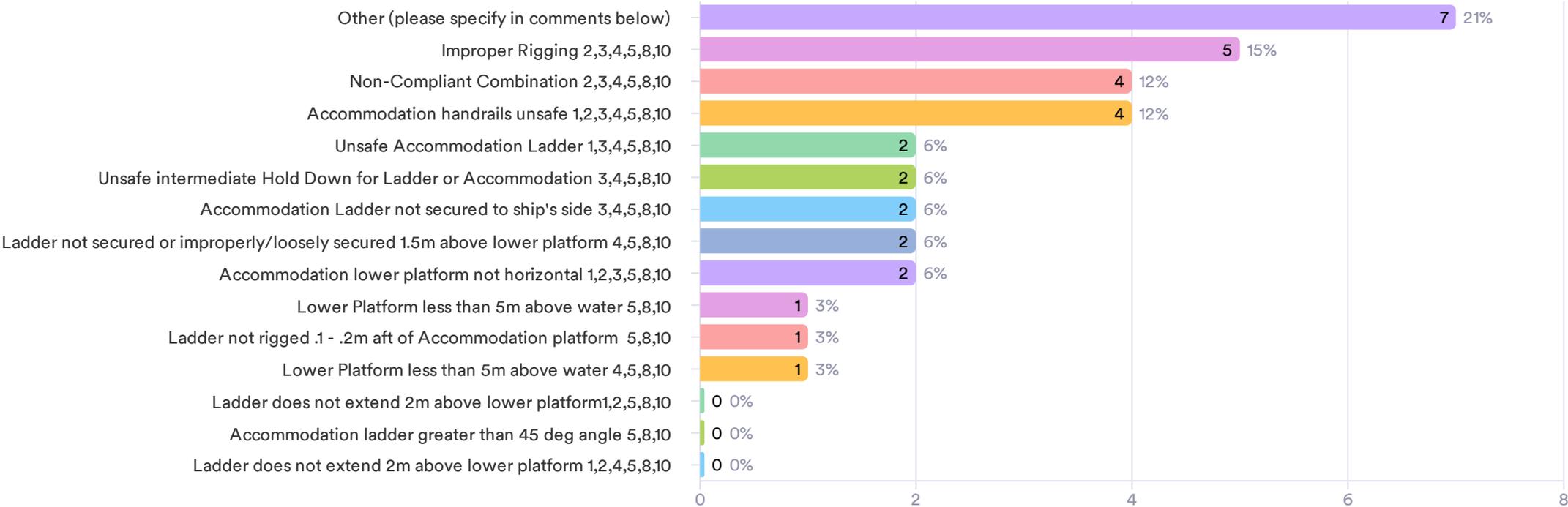


Ladder Winch Reel:

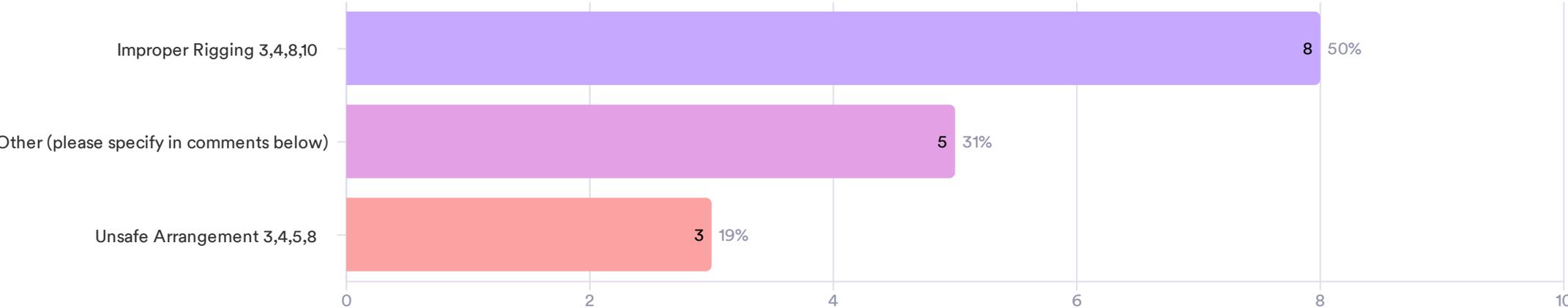


Pilot Ladder Safety Report

Combination Ladder:



Side Pilot Port:





STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS

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

Meeting Minutes – Pilot Safety Committee (PSC)

July 28, 2022, 10 am to noon

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

Regrets: Mike Folkers (PGH)

1. Review of Minutes of previous meeting on 05/03/2022

The minutes were approved.

2. Data about bulker assignments at night

Bettina shared charts exploring data about bulker assignments departing Tacoma before and after the October 2021 change requiring two pilots for loaded bulkers outbound from Tacoma *at night*. This analysis was done using dispatch data, and therefore showed the entire assignment duration.

The charts compared the same time period (October through June) one year apart. The data showed two important changes: 1) outbound bulker call times after the change were distributed more towards daytime assignments to avoid the two-pilot requirement for night assignments, and 2) the percentage of assignments with duration of 13 hours or more decreased dramatically because of night assignments being broken up into two shorter assignments. Of course, this also increases the number of assignments.

Sheri Tonn made some requests for changes to the charts to show more clearly the shorter assignment durations being the result of the changing the night assignments to two-pilot jobs, and Bettina agreed to make the changes and redistribute the charts to the committee members.

Mike Moore wanted to share the charts with shipping agents and Bettina agreed this might be helpful and offered to answer any questions from agents about the charts.

Ivan Carlson explained that PSP dispatchers are encouraging call time of 0500 to 1300 for bulkers departing Tacoma, though some bulkers have tide-dependent schedules that cannot be shifted to those hours.

3. Polar Tankers tug escort safety drills planned for September 19th

Andrew Drennen described upcoming tug escort safety drills planned by Polar Tankers. The exercise is based on a simulated rudder failure of a tanker ship under tug escort (simulated by turning rudder to 30 degrees for 30 seconds). There are multiple planned emergency response scenarios, to test various maneuvers and procedures under real life conditions and experience the extreme forces involved when the tugs pull hard on the ship. The ship's self-recovery systems are also demonstrated during the drills. The exercise will involve pilots, pilot trainees, the Coast Guard, and representatives from the Department of Ecology. Jaimie Bever thanked Andrew and Polar Tankers for including pilot trainees in the safety drills.

4. GreenTech 2022 presentation Laurentian Pilotage Authority voyage planning software

As part of her responsibilities as Green Marine Program Manager, Eleanor Kirtley reviews submitted abstracts for the Green Marine annual GreenTech conference. This submission from Capt. Baumel with the Laurentian Pilotage Authority (LPA), which is one of two Green Marine member pilotage associations, was interesting and Eleanor wanted to share it. The presentation was about a voyage planning and optimizing tool developed for use by the LPA in cooperation with the ports and shippers. It is not intended to substitute for the pilot's judgment. It takes into consideration the cost of the transit, the duration of the transit, and fuel consumption when evaluating routes and timing. Andrew Drennen noted that pilots on the Tees river in the UK coordinate their pre-planned ECDIS voyage plans ahead of time. He wondered how the LPA software might handle multiple vessels with similar tide constraints for example, that all need to move in the same time frame. Mike Moore asked about how this type of software might optimize efficiency to reduce delays. Eleanor said pilot availability and delays were not addressed in the presentation and that pilot shortage did not seem to be one of the concerns of the LPA. Ivan Carlson noted some differences between the LPA and Puget Sound Pilotage District. The LPA is able to schedule jobs and PSP is not. Ivan had spoken with an LPA pilot who happens to be the president of IMPA. Scott Anacker thought a tool like this one might be most useful/applicable in a specific region like Rosario Strait. Andrew agreed and described issues of tide constraints and bridge clearance. He felt the tool might be more helpful in a river system such as San Francisco, than a deep water district like Puget Sound. John Scragg noted that there is little coordination between the various shippers and so it is not uncommon to encounter, for example, in the Blair waterway at the same time, such that an arriving vessel experiences a delay. Mike Moore thought this kind of congestion might be something Zack Thomas at NWSA could help with, as part of Waterways Management.

5. Pilot Ladder Forms

There was a long discussion about pilot ladder safety as the ladder forms were reviewed. John Scragg noted that the forms show the same issues over and over again and that this can be frustrating. He wondered how the BPC might be more effective at communicating the pilot ladder safety message to shippers.

Bettina was interested in analyzing the form data trends to quantify any decrease in reporting of issues addressed in safety bulletins, such retrieval line rigging. She noted that pilots are handing out physical copies of the safety bulletin to educate seafarers and hoped that some improvement might appear in the data even though this issue continues to be reported frequently. She acknowledged the data is limited to cases where the pilot opts to submit a report.

Ivan Carlson thought that it would be beneficial to send another message to the agents directly from the BPC requiring the agents to distribute the pilot safety message to the vessel captains.

Mike Moore noted that for a different issue, Swiftsure Bank voluntary slowdown to reduce underwater noise effects on whales, there seems to be better compliance on inbound transits than outbound, which was surprising (it was expected that compliance would be better on outbound transits). He thought this shows that vessel captains do in fact receive information from the agents.

Andrew Drennen asked about how information is communicated from the pilot association to the vessels, and Ivan explained that the information goes to the agents who in turn communicate it to the vessel captains as needed (since some of the information is for the agents and is not useful to the vessel captains). Ivan felt that a separate communication specifically from the BPC, and specifically about ladder safety, not mixed in with other information would be the most effective. John Scragg agreed that the pilots would then be able to follow up and ascertain if the captains were receiving the information and if they were passing it along to the crew.

Sheri Tonn thought it would be even more effective for BPC to draft a joint message with other West Coast pilotage boards.

Scott Anacker noted that there are some vessels that have been notified repeatedly about their ladder compliance issues, by multiple pilotage associations, and seem unfazed. It is not clear how to get through to people in these cases.

John Scragg noted that some regular visitors to Puget Sound do seem to be showing some improvement, and he gave several examples.

Andrew Drennen noted that tankers are focusing on ladder safety via their OCIMF SIRE program, a very stringent international industry oversight group. He described a new safety questionnaire that includes very specific questions about pilot ladder compliance, including the condition of the ladders and the procedures surrounding their deployment.

Scott Anacker described the current state of reporting and inability of pilot associations to share information easily and consistently. He mentioned that Australia seems to have a good national system in place to pass information about dangerous ladders from port to port.

Scott presented information about noncompliant ladders to the USCG, to an audience of about 15 people. He emphasized to them that the USCG inspectors have a lot of power – when they tag a vessel that information will ripple through the whole company and every vessel will be aware of it and work to avoid being tagged again for the same issue. He emphasized that although the inspectors likely will not see a rigged ladder during an inspection, they should be looking at the ladders and ladder certificates.

Scott also mentioned that ISO 799 part 3 has been released (a third section to ISO 799 – Pilot ladders). Unfortunately, this information is proprietary ISO content that is difficult to share (each user must purchase their own copy of ISO 799 and it costs approximately \$80).

John Scragg concluded the ladder safety discussion by noting that PSP continues to share the ladder reports with their entire pilot association in an effort to encourage more pilots to participate in reporting the issues they encounter.

6. Rest Rule Exceptions

Grays Harbor had no rest rule exceptions.

Puget Sound District rest exceptions were reviewed. Ivan Carlson explained there were some minor exceptions to the 10-hour rest rule when a pilot gets on the pilot boat a few minutes early. These small exceptions were discussed and the committee agreed that while it is better not to have these exceptions, they are essentially rounding errors and the focus should be on the more significant exceptions. Ivan and the other pilots present stated that PSP is nonetheless committed to having as few of these as possible. The committee will continue monitoring the exception reports for any creeping trends.

There were some exceptions to the 13-hour rule for maximum duration for multiple assignments. These included cases where customer delays led to the assignments going over 13 hours. Ivan described the kinds of unexpected timing issues that disrupt dispatch plans. Andrew felt that 6 cases in 3 months was a fairly low incidence, especially considering efficiency gains.

Eleanor Kirtley asked Ivan for an update on PSP hiring a 4th dispatcher. Ivan shared that the new dispatcher will start in September and be trained and able to work on their own in October.

Mike Moore made a statement about being concerned with delays. He thought it did not make sense that delays were not decreasing very much in spite of the efficiency efforts. Mike shared his belief that day by day analysis of pilot availability is needed to understand delays. He also wondered if there was an issue of not matching up level 5 assignments with level 5 pilots efficiently. Andrew Drennen also had questions about the pilot levels and assignment levels.

Ivan explained that night assignments (and the associated 3-and-out rest rule) take pilots out of rotation more than anything else (by taking an on-watch pilot out of rotation for a day). He thought that to evaluate the effect of the efficiency measures it might be more helpful to look at the on-watch assignment percentage and see if more assignments are being completed on-watch. Ivan also explained that every effort is made to distribute the level 5 pilots evenly among the watch groups but that sometimes there are issues where the best pilot for a job might still be in their rest period, resulting in a delay.

Sheri Tonn and Jaimie Bever shared a work-in-progress chart showing the number of jobs done by each level of pilot for the last 4 years. This did show the effect of having a higher proportion of limited-license pilots in more recent years. In other words new pilots have come on board slightly faster than more experienced pilots have retired and new pilots with limited licenses are doing about 1/3 of the jobs now where previously they did about 1/4 of the jobs.

7. COVID 19

Ivan Carlson reported that PSP continues to work with Dr. Ann Jarris of Discovery Health MD to determine how to proceed safely when COVID-positive personnel are present on a vessel. In every case vessels have been able to test their crew in advance of needing a pilot and to have COVID-negative personnel on the bridge, creating a safe environment for the pilot, even in the case of a TOTE vessel that had ten COVID-positive personnel recently.

Andrew Drennen noted that the Coast Guard no longer requires reporting of COVID cases. Voluntary reporting to WA Department of Health is still an option if desired, but it is not required.

8. Wrap-up/Next Steps/Next Meeting

The next meeting is to be scheduled for October. Quarterly meetings are preferred unless there are urgent matters. The committee adjourned at noon.