



STATE OF WASHINGTON BOARD OF PILOTAGE COMMISSIONERS

BPC Mission: to ensure against the loss of lives, loss of or damage to property and vessels, and to protect the marine environment by maintaining efficient and competent pilotage service on our State's inland waters.



THE BPC PILOTAGE QUARTERLY

Spring 2021

Announcements

Puget Sound Licensure!

The Board licensed Captain Severin Knutsen during the February 18, 2021 meeting.



*Congratulations
Captain Knutsen!*

2021 Marine Pilot Exam

The 2021 Washington State Marine Pilot Exam process begins April 5, 2021 with the Written Exam. The process will continue into the week of April 12 with successful candidates beginning the Simulator Evaluation. Watch our website for information regarding exam results at www.pilotage.wa.gov

On Monday February 15, 2021, BPC Pilot Commissioner Captain Mike Anthony and BPC U.S. Shipping Commissioner Captain Andrew Drennen appeared before the Senate Transportation Committee for their confirmation hearing (re-appointment and appointment, respectively). The commissioners provided information on their backgrounds and what they hope to accomplish on the Board. They both were confirmed in Executive Session of the committee on February 22, 2021.



The Board's Foreign Shipping representative, Captain Rik Krombeen, appeared before the committee on March 23, 2021 for his re-appointment confirmation hearing. As a representative of Holland American Group, he spoke to the effects of the pandemic on the cruise industry and the path forward. He was confirmed in Executive Session of the committee on March 30, 2021.



Congratulations and thank you all for your service!

From the top: Senate Transportation Committee Chair Senator Steve Hobbs, Captain Michael Anthony, and Captain Andrew Drennen during the February 15, 2021 confirmation hearing, and Captain Rik Krombeen during the March 23, 2021 confirmation hearing. Images courtesy of TVW.

Pilotage Tariffs

The 2019 Washington State Legislature transferred the pilotage tariff setting responsibility from the Board of Pilotage Commissioners to the Utilities and Transportation Commission (UTC). The new Grays Harbor Pilotage District tariff became effective December 10, 2019. The new Puget Sound Pilotage District tariff became effective January 25, 2021. Both tariffs can be found on the UTC's website at <https://www.utc.wa.gov/regulatedIndustries/transportation/Pages/Pilotage.aspx>. You can also find links to both on the home page of our [website](#).

Women in Maritime Leadership

Cal Maritime held its 10th Annual Women in Maritime Leadership Conference on March 4th and 5th. The theme of the conference was Building Resiliency. BPC Chair Sheri Tonn and Executive Director Jaimie Bever are regulars at these yearly conferences representing Washington State pilotage and the BPC/PSP Joint Diversity Committee. It is always inspiring to hear the stories and perspectives from professional women mariners as well as to connect with the male and female cadets, who

are the future of marine pilotage. While we missed connecting with these individuals in person, Cal Maritime did an excellent job with the virtual platform.



BUILDING RESILIENCY
2021 WOMEN IN MARITIME LEADERSHIP VIRTUAL CONFERENCE
MARCH 4 & 5 2021 9:30am – 3pm
REGISTRATION BEGINS IN JANUARY!
FOR UPDATES AND INFORMATION VISIT
WWW.CSUM.EDU/WML
OR CONTACT VCHILLON@CSUM.EDU / 707-718-0178
CAPTAIN KATE MCCUE
Keynote Speaker March 4th
GLADYS DIVA BROWN
Closing Speaker
CRISTINA ZENATO
Keynote Speaker March 5th
ELIZABETH SIMENSTAD
Closing Speaker
2011-2021 Women in Maritime Leadership 10th Anniversary CAL MARITIME

Image courtesy of Cal Maritime

BPC 2021 Meeting Schedule

The Board typically meets for regular public meetings on the third Thursday of the month. However, the schedule for the Spring and Summer of 2021 will look a little different. Please see below for upcoming meeting dates. You can also find information regarding meetings on our website at <https://pilotage.wa.gov/2021---2022.html>.

Upcoming Regular Public Meetings

- Monday, April 19 – 10:00am
- Tuesday, May 25 – 12:00pm
- Tuesday, June 22 – 12:00pm
- Tuesday, July 20 – 12:00pm
- Tuesday, August 17 – 12:00pm

The BPC Pilotage Quarterly is a publication of the Board of Pilotage Commissioners. It is available online at www.pilotage.wa.gov. To join our distribution list, email PilotageInfo@wsdot.wa.gov, or call (206) 515-3904.

District Snapshots

Puget Sound



Retirements:

Captain W. Lowery – March 31
Thank you for your service to the state of Washington!

License Upgrades to Unlimited:

There were no upgrades to Unlimited in the 1st Quarter of 2021.

Training Program:

Currently training are Captains Ryan Gartner, Eric Michael, Nick Moore, Robert Ekemann, Andrew Stewart, Mark Bostick, and Peter Mann.

Captains Larry Holland, Kevin Riddell, and Matt Cassee entered the pilot training program on March 1, 2021.

Grays Harbor



Training Program:

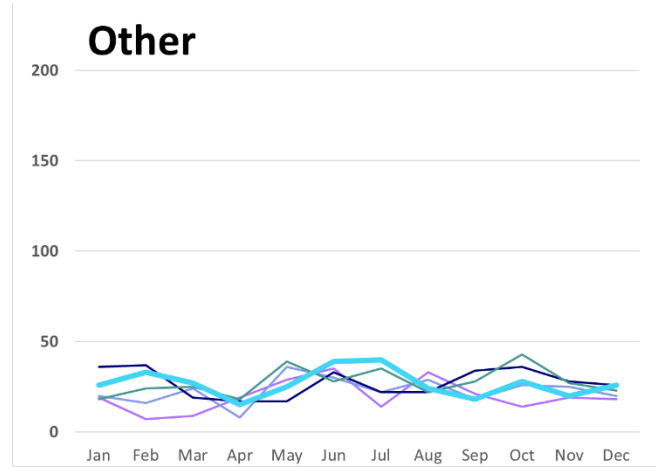
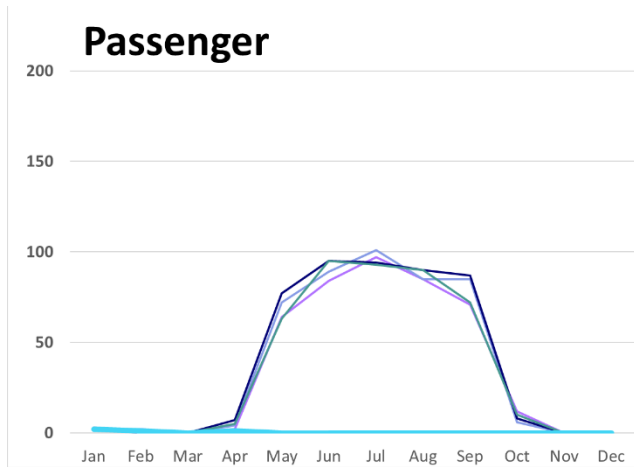
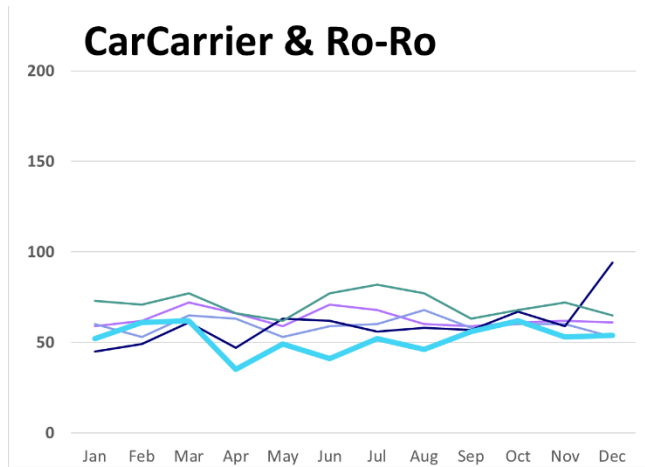
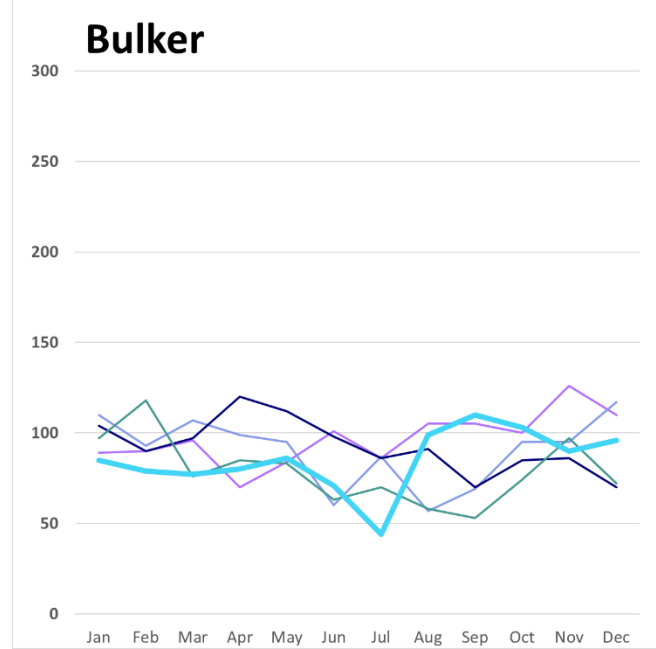
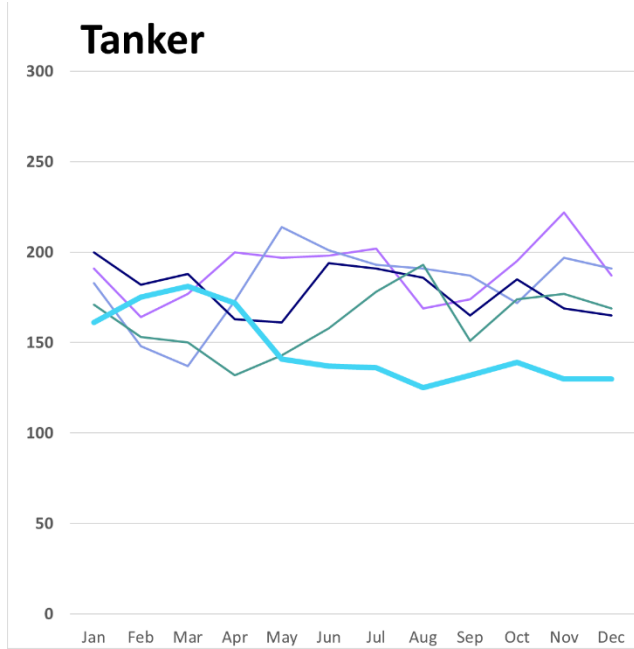
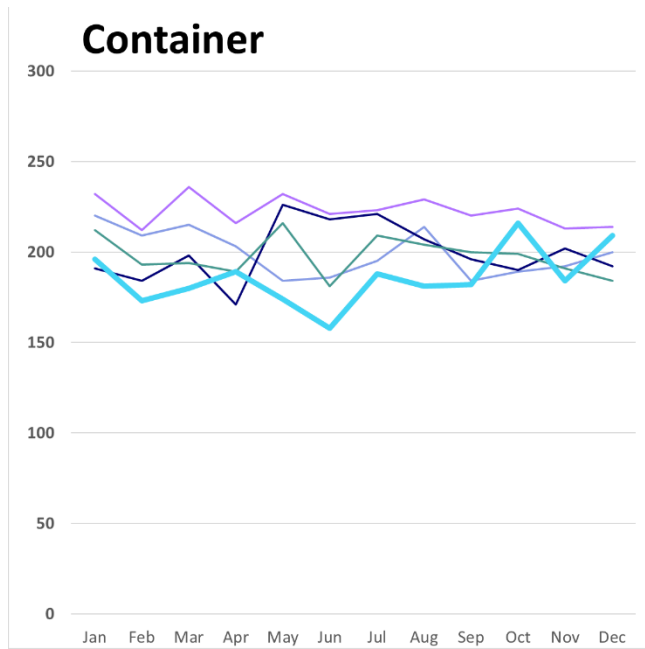
Currently in training is Captain Forest McMullen.



This is a chart we thinking of using in the annual report to show pandemic impact.

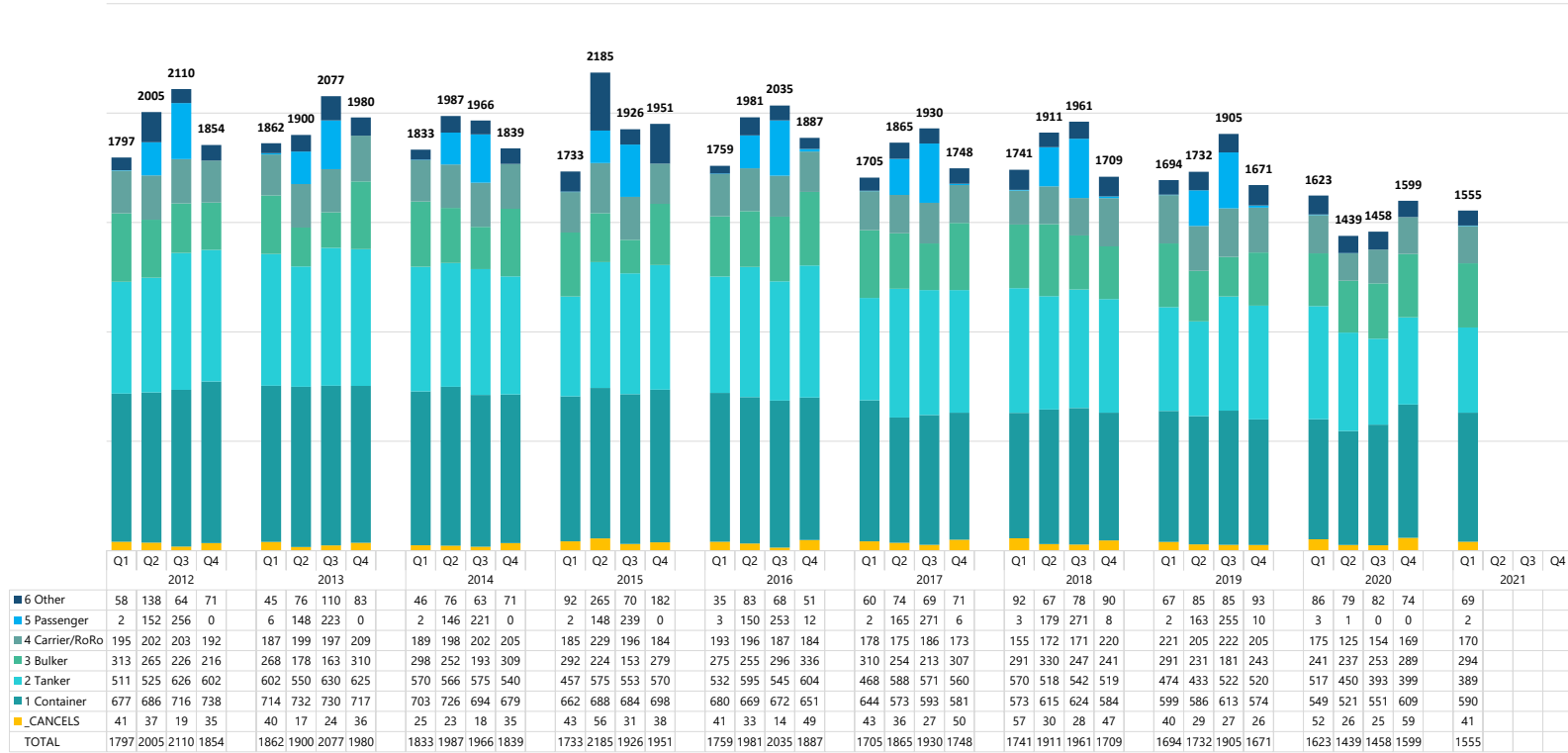
Puget Sound District Moves by Vessel Type 2016-2020

— 2016
— 2017
— 2018
— 2019
— 2020

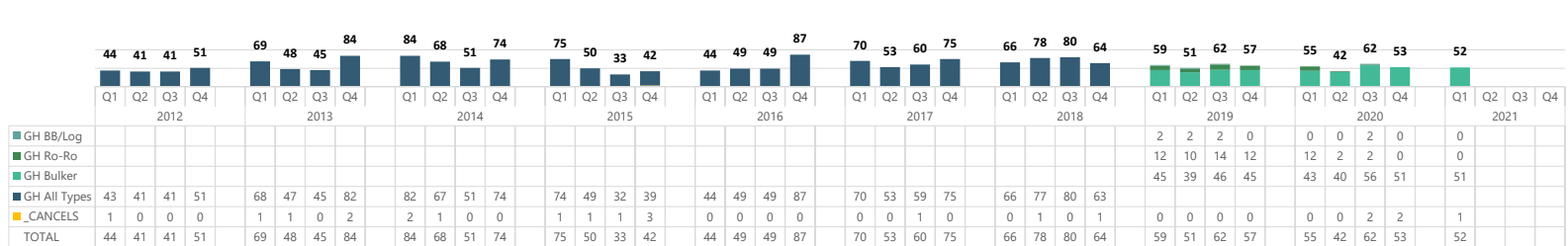


Note: This quarterly chart now shows Assignments, instead of of Moves
 -- in other words it includes cancellations.

Puget Sound Pilotage District Assignments 2012-2021, quarterly, by vessel type, including cancellations



Grays Harbor Pilotage District Assignments 2012-2021 quarterly, by vessel type when available, including cancellations



PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT

Mar-2021

The Board of Pilotage Commissioners (BPC) requests the following information be provided to the BPC staff no

Activity						
Total pilotage assignments:	561	Cancellations:	15			
Total ship moves:	546	Cont'r:	227	Tanker:	144	Genl/Bulk: 105 Other: 70
Assignments delayed due to unavailable rested pilot:	3	Total delay time:				
2 pilot jobs:	39	Reason PSP GUIDELINES FOR RESTRICTED WATERWAYS				
Day of week & date of highest number of assignment	Fri	19-Mar	34			
Day of week & date of lowest number of assignments	Sun	21-Mar	6			
Total number of pilot reposit	120	Upgrade trips	18	YTD	40	
3 consecutive night assignme	33	YTD	78			

Callback Days/Comp Days					
	Starting Total	Call Backs (+)	Used (-)	Burned (-)	Ending Total
Licensed	2634	79	54		2659
Unlicensed	348			34	314
Total	2982	79	54	34	2973

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-Mar	2-Mar	Seattle	PMI	Simulation Exam Development	GRK, SCR
2-Mar	2-Mar	Seattle	PMI	Simulator Beta Test	NIN
8-Mar	9-Mar	Seattle	PMI	Simulation Exam Development	GRK, SCR
8-Mar	8-Mar	Seattle	PMI	Simulator Beta Test	KNU

B. Board, Committee & Key Government Meetings (BPC, PSP, USCG, USACE, Port & similar)					
Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
1-Mar	2-Mar	Seattle	PSP	Office Transitiion	COL
2-Mar	2-Mar	Seattle	PSP	UTC	MOT
8-Mar	8-Mar	Seattle	BPC	Application Review	ANT, SCR
8-Mar	8-Mar	Seattle	PSP	UTC	MOT
9-Mar	9-Mar	Seattle	PSP	Outreach 3 Tree Pt. YC	BOZ, SCR
10-Mar	10-Mar	Seattle	PSP	NOAA	VON
11-Mar	11-Mar	Seattle	PSP	Membership Meeting	COL
12-Mar	12-Mar	Seattle	PSP	First Class Pilotage Quals	BEN, COL
17-Mar	17-Mar	Seattle	BPC	TEC	ANT, BEN, SCR
17-Mar	17-Mar	Seattle	BPC	BPC PREP	ANT, BEN, KLA, SCR
18-Mar	18-Mar	Seattle	BPC	BPC	ANT, BEN, KLA, SCR
19-Mar	19-Mar	Seattle	PSP	Membership Meeting	COL, KLA
23-Mar	23-Mar	Seattle	PSP	Administrative	COL

25-Mar	25-Mar	Seattle	PSP	BOD	ANA, COL, GRD, GRK, KLA, NEW
25-Mar	25-Mar	Seattle	PSP	Pilot Safety Committee	ANA, SCR
26-Mar	26-Mar	Seattle	PSP	First Class Pilotage Quals	BEN, COL

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

Start Dt	End Dt	REASON	PILOT
1-Mar	31-Mar	NFFD	BUJ
2-Mar	9-Mar	ETO	HAM, LOB, LOW, MIL, NIN
16-Mar	23-Mar	ETO	GRK, HAR, SID, THG, VON
28-Mar	28-Mar	ETO	LOW
30-Mar	31-Mar	ETO	ANA, CAW, KAL, KEA, MIL

Presentations

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

- 🕒 *Presentations may be deferred if prior arrangements have not been made.*
- 🕒 *The Board may also defer taking action on issues being presented with less than 1 week notice prior to a schedule Board Meeting to allow adequate time for the Commissioners and the public to review and prepare for discussion.*

Other Information (Any other information requested or intended to be provided to the BPC)

WA State Board of Pilotage Commissioners

Industry Update: April 15, 2021 BPC Meeting

Vessel Arrivals and Assignments

YTD Through First Three Months

- ✚ Overall arrivals **down 36**
Recall, arrivals were **down 395** in 2020 versus 2019
- ✚ Container **down 13** (but up 10 in March to March comparison)
- ✚ Bulkers **up 17** (up 10 in March)
- ✚ Car Carriers **down 1** (up 3 in March)
- ✚ Tankers/ATB's **down 38** (down another 11 in March)

Container Vessels at Anchor or Drifting – Supply Chain Disruptions

- ✓ As significant number of container vessels are still at anchor off of LA/LB or at anchor or drifting off the Bay Area still totaling over 40 between the two gateways.
- ✓ PMSA set up a briefing for OST (Office of the Secretary of Transportation) and the acting MARAD Administrator regarding the back up of ships, containers and the entire supply chain.
- ✓ Eastbound rail capacity limitations, containers out of service sitting at anchor, increase in transloading leaving increasing numbers of 20's and 40's near port instead of points East, temporary off terminal loaded container storage in LA/LB and other efforts being made to address the backlog – PMSA put out a video summarizing things that terminal operators were doing; can provide link to those interested.
- ✓ PNW gateway has had a few issues but had largely escaped the kind of back up being experienced in the California ports; the hope is that 3 additional weekly services will be handled here in addition to potentially getting more ad hoc calls going forward. And, the NSWA and UP announced a new service that in part should help Ag folks get more access to empty containers (see NWSA update).

ECHO – Slowdowns for 2021

- ✚ The ECHO team announced dates for 2021 slowdowns for Haro/Boundary and exiting the SJDF south of Swiftsure Bank. Handouts will be provided to PSP Port Angles Station and to agents and associations.
- ✚ Meanwhile, Quite Sound (US effort) has a budget proviso in Olympia to join port funding to kick start the program here.

Forget highways, Bay Area's biggest traffic jam right now is on the bay

By Carl Nolte, San Francisco Chronicle

For the past few weeks, San Francisco Bay has been packed with huge cargo ships. There were 15 of them anchored south of the Bay Bridge at midweek. There is so much ship traffic that there is not enough room inside the bay for them all to anchor safely. Nine more big ships were waiting in the Pacific, steaming up and down 20 to 30 miles offshore between Santa Cruz and Half Moon Bay. It's part of the West Coast maritime traffic jam, the biggest in years. "It's unprecedented," said James Hill, the Marine Exchange's operations director. "It's crazy, crazy," said Capt. John Carlier, president of the San Francisco Bar Pilots Association, whose members navigate ships in and out of the bay.

America's Imports Are Stuck on Ships Floating Just Off Los Angeles

Tens of thousands of containers holding millions of dollars' worth of goods are stuck offshore, within sight of docks jammed with still more containers

By Kara Dapena and Dylan Moriarty, WSJ March 31, 2021 5:30 am ET

The giant container ship that [blocked the Suez Canal for six days was freed Monday](#), but another bottleneck in the supply chain remains, this one in Southern California. On Monday morning, 24 container ships—with a combined maximum carrying capacity nearly 10 times that of the newly freed ship—were anchored off the coast waiting for space at the ports of Los Angeles and Long Beach, according to the Marine Exchange of Southern California, which keeps tabs on vessels and directs ship traffic... One was on its 12th day of waiting in the seemingly unending queue. And the vessels keep coming.

Farmers call for federal action on shipping bottlenecks

By John Cox, Bakersfield Californian

Kern County farmers are calling for federal intervention in an international shipping bottleneck that has dramatically increased their export costs during the pandemic and jeopardized sales contracts with buyers overseas. Growers whose almonds, pistachios and citrus have too often languished at California docks in the past year are working with federal legislators including Rep. Kevin McCarthy, R-Bakersfield, to pressure the Federal Maritime Commission to take action against shipping companies they say should be doing more to facilitate U.S. ag exports. The shipping industry says the blame, rooted in COVID-19-related labor shortages, now lies with American consumers eager for Asian imports. They say California's ag shipments are up year over year ...

Maersk injects new Asia/US East Coast string to bolster Transpacific supply chains

By: AJOT Administrator | Mar 31 2021 at 08:26 AM

Maersk Inc. North America has announced the start of a new service linking ports in Vietnam and China with the US East Coast via the Panama Canal, starting in May 2021....The service will improve speed, reliability and coverage and integrate into US East Coast landside logistics offerings. Transit times are improved from Yantian to Savannah by 3-4 days (28-29 days) and Yantian to Charleston by 7-8 days (28-29 days) over existing services. The Vietnam call has been added to provide more capacity to the rapidly growing market that has seen gains of 52% and 25% the past two years.

Seattle, Tacoma lure shipping lines escaping congestion at other West Coast ports

By Andrew McIntosh – Staff Writer, Puget Sound Business Journal

The Northwest Seaport Alliance has welcomed three new container shipping companies to Seattle and Tacoma ports so far in 2021 as operators seek to escape growing congestion at other West Coast facilities, CEO [John Wolfe](#) said Tuesday. ..."More cargo means more jobs," said NWSA co-chairman and Port of Tacoma President [Dick Marzano](#), who recently retired after 52 years as a Tacoma longshore worker.

In his address to shipping, marine and logistics executives and labor representatives, Wolfe called 2020 a story of two halves. "The first half of the year was a story of decreasing volumes as Covid-19 and trade wars caused uncertainty across the entire supply chain," Wolfe said. "By midyear, container volumes began to pick up as we found ways to successfully navigate through the pandemic."

"By quarter four of 2020, our gateway volumes had rebounded, exceeding volumes from quarter four in 2019," Wolfe added. "As we turn to 2021, we see new opportunities. We are well-positioned to relieve congestion being felt at other ports along the West Coast. We have excess terminal capacity and we're only one of a few North American terminals bringing on new capacity in the near term.".... NWSA Co-Chairman [Fred Felleman](#) said the alliance is working hard to grow business in its harbors, while also ensuring business practices are environmentally sound to keep waters safe in the long term. "Commerce and killer whales can coexist," he said.



A First Glimpse at February's TEU Counts

Note: *The ports we survey take anywhere from a few days to a few weeks to report their container trade statistics. Because West Coast ports are generally much quicker in releasing their monthly TEU tallies than their rival ports elsewhere in the country, these "First Glimpse" numbers are necessarily incomplete and may give a misleading indication of the latest trends.*

A few ports have already announced their February container tallies. But remember, we're entering a period in which the customary year-over-year comparisons we provide will be severely skewed by last year's outbreak of the COVID-19 virus and the lockdowns (of varying intensity) imposed in hopes of stemming the plague's spread. So for the time being, we'll cite an additional number for the inbound loads through each port we monitor: the change from the month before, from the same month in 2020, and from the same month in 2019, a year in which things were arguably less chaotic.

Let's start with February in sunny Southern California. At the Port of Los Angeles, inbound loads for the month totaled 412,884 TEUs, down 5.7% from January but up a stunning 52.9% over the 270,025 TEUs discharged at the port a year earlier. February's inbound loads also represented a more modest 18.5% bump over February 2019 and even more humble 7.8% increase over February

2018. Outbound loads from LA were meanwhile off from a year earlier by 24.7% and by 29.0% from the February before that. Total container traffic through the port this February amounted to 799,315 TEUs, a 46.9% surge over the same month last year but also a handy 13.3% gain over February 2019.

Next door at the Port of Long Beach, this year's second month was its busiest February ever, with a total of 771,735 loaded and empty TEUs crossing its docks. Inbound loads (373,756 TEUs) were up 2.6% from January, up 50.3% from a year earlier, and 23.4% ahead of February 2019. Outbound loads (119,416 TEUs) were up 2.7% from the previous month, down 4.9% year-over-year, but up 13.4% from two years ago.

No less impressive was February's 26.2% year-over-year jump in inbound loads at Oakland to 80,200 TEUs. That was up 3.6% from January and 14.6% above the port's inbound loaded traffic back in February 2019. Outbound loads at the East Bay port were off by 11.1% from a year earlier, but up 2.6% from February 2019.

At the Ports of Tacoma and Seattle, operating jointly as the Northwest Seaport Alliance, import loads in February totaled 101,091 TEUs, down 11.4% from the preceding month but up 10.3% over a year earlier and up 1.4% from February 2019. Export loads, meanwhile, were down





A First Glimpse at February's TEU Counts *Continued*

13.6% year-over-year and were 9.9% below February 2019's level.

Collectively, the major USWC maritime gateways handled 967,931 inbound loads in February. That was down by 2.6% from the 993,350 loaded inbound TEUs the ports had handled in January, but it was up 43.6% from a year earlier and 17.9% higher than in February 2019. Outbound loads from the USWC ports totaled 349,430 TEUs, a decline of 14.1% from the previous February and 8.4% below the 381,289 outbound loads the same ports handled in the second month of 2019.

Up across the border in British Columbia, Vancouver posted an 8.7% year-over-year increase in inbound loads, but that was erased by a huge plunge of 32.0% at Prince Rupert, leaving the two Canadian ports with a February import total of 162,083 loaded TEUs, off sharply from the 211,426 TEUs of imports they received in January. February's inbound loads were also down 4.6% from last year and were 0.2% below their February 2019 volume. Outbound loads from the two amounted to 136,285 TEUs, up 2.0% from a year ago and 9.5% from February 2019. Total container traffic through the two ports came to

326,853 TEUs, off by 1.5% from a year earlier and by 1.9% from February 2019.

Now back East, Boston had a dreadful February with import loads down 54.6% and outbound loads off by 27.6%. Elsewhere on the East Coast, Virginia saw its February inbound load volume slide by 15.7% from January but increase by 8.2% from a year earlier and by 4.7% from February 2019. Outbound loads were up from January and from all previous Februarys. At Charleston, inbound loads in February, the port's least busy import month since last July, fell by 14.2% from January and by 7.1% from a year earlier. They were up, however, by 5.6% over February 2019. Outbound loads declined by 9.2% year-over-year.

On the Gulf Coast, Houston's inbound loads plummeted by 24.0% a month earlier and were down by 28.0% from February 2020. They were up 6.3% from February 2019. Outbound loads were down sharply both from January (-19.9%) and year-over-year (-28.0%). The 198,763 total TEUs (full + empty) Houston handled in February was the lowest volume of container traffic at the port in any month since February 2019.

Parsing the January 2021 TEU Numbers

Please note: *The numbers here are not derived from forecasting algorithms or the partial information available from U.S. Customs and Border Protection but instead represent the actual TEU counts as reported by the major North American seaports we survey each month. The U.S. mainland ports we monitor collectively handle over 90% of the container movements at continental U.S. ports.*

The Port of Long Beach reported that inbound loaded TEUs in the year's first month totaled 364,255. While that represented a 17.5% (+54,294 TEUs) jump over the first month of 2020, it marked a 10.3% fall-off from the 406,072 inbound loads the port handled in December. January was Long Beach's least busy month for inbound loads since last June.

Next door at the Port of Los Angeles, inbound loads totaled 437,609 TEUs, up 5.5% from a year earlier but down 5.0% from December. As was the case at Long Beach, January yielded the smallest number of inbound loads at the port in any month since June.

Together, the two San Pedro Bay ports posted a 10.6% (+77,172 TEUs) increase in inbound loads over January 2020. However, that was 7.5% shy of December, when the two ports handled 866,937 TEUs. Inbound loads in January were at the lowest level since last June.

Up the coast, the Port of Oakland continued to be impaired by congestion at San Pedro Bay. Inbound loads in January were down 11.9% (-10,466 TEUs) from a year earlier. The East Bay port's inbound traffic in January



Parsing the January 2021 TEU Numbers Continued

was also down 14.2% from December. Further up the coast, the Northwest Seaport Alliance (NWSA) Ports of Tacoma and Seattle started the year with a 10.9% (+11,205 TEUs) year-over-year increase in import loads. January's imports were also down 6.8% from December.

Altogether, the five major U.S. West Coast container ports saw an 8.5% (+77,911 TEUs) increase in inbound loads from January 2020. This January's volume was also down 8.0% (-86,276 TEUs) from December.

The two ports in British Columbia we track both recorded year-over-year gains in January. Inbound loads at Prince Rupert edged up 2.2% (+1,095 TEUs), while Vancouver posted a 12.2% (+17,577 TEUs) increase over January 2020. Together, the two saw a 9.7% (+18,672 TEUs) year-over-year increase. However, January inbound loads were down 6.7% from December.

Along the Eastern Seaboard, the nine ports we track reported 996,371 inbound loaded TEUs in January. That was up 4.2% from the 955,807 inbound loads that had arrived in December. This January's inbound loads were up 16.1% over the 857,998 TEUs they had handled in January 2020 and 13.3% higher than the 879,149 TEUs in January 2019.

The most impressive year-over-year gain was recorded by Savannah. There, import loads rose 23.2% (+43,883 TEUs) over January 2020 and 3.6% (+7,989 TEUs) over December 2020. Virginia also posted strong gains, 20.1% (+21,893 TEUs) from a year earlier as

Exhibit 1	January 2021 - Inbound Loaded TEUs at Selected Ports					
	Jan 2021	Jan 2020	% Change	Jan 2021 YTD	Jan 2020 YTD	% Change
Los Angeles	437,609	414,731	5.5%	437,609	414,731	5.5%
Long Beach	364,255	309,961	17.5%	364,255	309,961	17.5%
San Pedro Bay Totals	801,864	724,692	10.6%	801,864	724,692	10.6%
Oakland	77,403	87,869	-11.9%	77,403	87,869	-11.9%
NWSA	114,083	102,878	10.9%	114,083	102,878	10.9%
USWC Totals	993,350	915,439	8.5%	993,350	915,439	8.5%
Boston	10,851	13,402	-19.0%	10,851	13,402	-19.0%
NYNJ	371,392	322,643	15.1%	371,392	322,643	15.1%
Maryland	43,576	45,268	-3.7%	43,576	45,268	-3.7%
Virginia	130,777	108,884	20.1%	130,777	108,884	20.1%
South Carolina	95,478	90,665	5.3%	95,478	90,665	5.3%
Georgia	232,645	188,762	23.2%	232,645	188,762	23.2%
Jaxport	33,560	26,698	25.7%	33,560	26,698	25.7%
Port Everglades	26,832	26,451	1.4%	26,832	26,451	1.4%
Miami	51,260	35,225	45.5%	51,260	35,225	45.5%
USEC Totals	996,371	857,998	16.1%	996,371	857,998	16.1%
New Orleans	9,414	12,514	-24.8%	9,414	12,514	-24.8%
Houston	121,578	105,047	15.7%	121,578	105,047	15.7%
USGC Totals	130,992	117,561	11.4%	130,992	117,561	11.4%
Vancouver	161,183	143,606	12.2%	161,183	143,606	12.2%
Prince Rupert	50,243	49,148	2.2%	50,243	49,148	2.2%
BC Totals	211,426	192,754	9.7%	211,426	192,754	9.7%
US/BC Totals	2,353,358	2,079,760	13.2%	2,353,358	2,079,760	13.2%
US Total	2,120,713	1,890,998	12.1%	2,120,713	1,890,998	12.1%
USWC/BC	1,204,776	1,108,193	8.7%	1,204,776	1,108,193	8.7%

Source Individual Ports



Parsing the January 2021 TEU Numbers Continued

well as a 6.1% (+7,559 TEUs) increase over December. Charleston reported a more modest year-over-year bump of 5.3% (+4,813 TEUs) in the year's first month. Miami saw the sharpest rate of year-over-year growth with a 45.5% (+16,035 TEUs) burst. By contrast, Port Everglades recorded a 1.4% increase over a year earlier, and a 3.9% fall-off from December. Jaxport posted a 25.7% gain (+6,862 TEUs) in January from a year earlier.

Along the Gulf Coast, Houston recorded a 15.7% (+16,531 TEUs) jump in inbound loads over the previous January. However, that was down 4.1% from December. New Orleans suffered a 24.8% year-over-year drop in inbound loads.

Export numbers along the USWC in January were down by 9.7% (-38,927 TEUs) from a year earlier. Long Beach did post a 7.0% year-over-year gain in outbound loads, but that was more than offset by a 19.5% plunge at Los Angeles, leaving the San Pedro Bay ports 8.3% (-21,249 TEUs) shy of the previous January's export load tally. Oakland saw an 11.3% fall-off (-8,785 TEUs), while export shipments from the two NWSA ports tumbled by 13.4% (-8,893 TEUs).

Elsewhere, Savannah's outbound loads were down 7.0% (-8,595 TEUs), while Charleston's exports dipped by 0.8% (-568 TEUs). Boston slipped by 3.9% (-273 TEUs). On the other hand, Virginia reported a 6.8% (+5,360 TEUs) gain over January 2020. Most astonishing was the 70.7% (+6,884 TEUs) year-over-year leap in outbound loads reported by Prince Rupert. Combined with a more modest 1.3% (+1,038 TEUs) increase

Exhibit 2

January 2021 - Outbound Loaded TEUs at Selected Ports

	Jan 2021	Jan 2020	% Change	Jan 2021 YTD	Jan 2020 YTD	% Change
Los Angeles	119,327	148,206	-19.5%	119,327	148,206	-19.5%
Long Beach	116,254	108,624	7.0%	116,254	108,624	7.0%
San Pedro Bay Totals	235,581	256,830	-8.3%	235,581	256,830	-8.3%
Oakland	69,147	77,932	-11.3%	69,147	77,932	-11.3%
NWSA	57,517	66,410	-13.4%	57,517	66,410	-13.4%
USWC Totals	362,245	401,172	-9.7%	362,245	401,172	-9.7%
Boston	6,692	6,965	-3.9%	6,692	6,965	-3.9%
NYNJ	108,738	118,488	-8.2%	108,738	118,488	-8.2%
Maryland	19,904	20,361	-2.2%	19,904	20,361	-2.2%
Virginia	84,688	79,328	6.8%	84,688	79,328	6.8%
South Carolina	67,937	68,505	-0.8%	67,937	68,505	-0.8%
Georgia	113,365	121,960	-7.0%	113,365	121,960	-7.0%
Jaxport	43,614	41,941	4.0%	43,614	41,941	4.0%
Port Everglades	30,795	33,483	-8.0%	30,795	33,483	-8.0%
Miami	27,610	35,324	-21.8%	27,610	35,324	-21.8%
USEC Totals	503,343	526,355	-4.4%	503,343	526,355	-4.4%
New Orleans	21,436	26,213	-18.2%	21,436	26,213	-18.2%
Houston	99,694	118,782	-16.1%	99,694	118,782	-16.1%
USGC Totals	121,130	144,995	-16.5%	121,130	144,995	-16.5%
Vancouver	79,194	78,156	1.3%	79,194	78,156	1.3%
Prince Rupert	16,619	9,735	70.7%	16,619	9,735	70.7%
British Columbia Totals	95,813	87,891	9.0%	95,813	87,891	9.0%
US/Canada Total	1,082,531	1,160,413	-6.7%	1,082,531	1,160,413	-6.7%
US Total	986,718	1,072,522	-8.0%	986,718	1,072,522	-8.0%
USWC/BC	458,058	489,063	-6.3%	458,058	489,063	-6.3%

Source Individual Ports



Parsing the January 2021 TEU Numbers *Continued*

at Vancouver, the two British Columbia ports we track recorded a strong 9.0% (+7,922 TEUs) gain from a year earlier.

Weights and Values

We acknowledge that the TEU is the container shipping industry's preferred metric. Here, though, we offer two alternative measures – the declared weight and value of the goods housed in those TEUs. The percentages in the following exhibits are derived from data compiled by the U.S. Commerce Department that are published with a five-week time-lag.

Exhibit 4: USWC Ports and the Worldwide Container Trade. As usual, this exhibit features some interesting and possibly counter-intuitive data on containerized imports (regardless of point of origin) entering mainland U.S. ports. Even with an armada of loaded vessels waiting offshore, the two San Pedro Bay ports saw their combined percentage of the nation's containerized import tonnage in January slip to 27.5% from 29.4% a month earlier and from 27.7% in January of 2020. Those numbers were reflected in the two ports' combined share of the value of the nation's containerized import trade, with a 33.9% share in January down from 34.9% in December and from 35.5% a year earlier. Meanwhile, the Port of Oakland's January share of import tonnage edged lower to 3.6% from 3.8% in December and from 4.3% in the first month in 2020. Oakland's share of import value also slid to 3.2% from December's 3.5% share and from the 3.7% share the port held the year before. Further north, the two NWSA ports saw their combined share of import tonnage in January decline to 4.6% from 4.7% in their December share and from 5.2% in the previous January. In value terms, the NWSA ports' import share in January equaled the 6.0% share they enjoyed in December, which was higher than their 5.8% share of January 2020.

On the export side, the Southern California ports' market share in January declined from both the preceding month and from January 2020. Owing to the increased prices of certain commodities the two ports handle, their share of the declared value of containerized exports in January was up slightly over both December and January 2020. Oakland saw its export share deteriorate across the boards, while the NWSA ports slipped from December in tonnage but was up on a year-over-year basis. In value terms, the NWSA share remained unchanged at 4.3%.

Exhibit 5: USWC Ports and the East Asia Trade. Plagued by congestion (and by the plague), the Ports of Los Angeles and Long Beach in January sustained a substantial drop in their combined share of the nation's containerized import tonnage from East Asia in January. That month's 43.3% share was down from 46.5% in

Exhibit 3

January Year-to-Date Total TEUs (Loaded and Empty) Handled at Selected Ports

	Jan 2021	Jan 2020	% Change
Los Angeles	835,516	806,144	3.6%
Long Beach	764,006	626,829	21.9%
NYNJ	721,284	617,024	16.9%
Georgia	459,607	377,671	21.7%
Vancouver	319,972	265,599	20.5%
NWSA	288,289	263,816	9.3%
Virginia	270,969	227,234	19.2%
Manzanillo	270,603	264,138	2.4%
Houston	255,039	268,773	-5.1%
South Carolina	216,265	211,020	2.5%
Oakland	199,098	211,251	-5.8%
Montreal	140,456	136,589	2.8%
JaxPort	122,770	109,141	12.5%
Miami	113,835	94,064	21.0%
Prince Rupert	101,585	81,487	24.7%
Lazaro Cardenas	97,640	119,432	-18.2%
Port Everglades	88,139	85,992	2.5%
Maryland	85,166	90,290	-5.7%
Philadelphia	52,301	54,851	-4.6%
New Orleans	40,291	54,636	-26.3%
Boston	22,325	25,874	-13.7%
US/Canada Total	5,096,912	4,608,285	10.6%
US Mainland Only	4,534,899	4,124,610	9.9%

Source Individual Ports



Parsing the January 2021 TEU Numbers Continued

Exhibit 4 USWC Ports Shares of Worldwide U.S. Mainland, January 2021

	Jan 2021	Dec 2020	Jan 2020
Shares of U.S. Mainland Ports Containerized Import Tonnage			
LA/LB	27.5%	29.4%	27.7%
Oakland	3.6%	3.8%	4.3%
NWSA	4.6%	4.7%	5.2%
Shares of U.S. Mainland Ports Containerized Import Value			
LA/LB	33.9%	34.9%	35.5%
Oakland	3.2%	3.5%	3.7%
NWSA	6.0%	6.0%	5.8%
Shares of U.S. Mainland Containerized Export Tonnage			
LA/LB	19.4%	22.4%	21.2%
Oakland	6.1%	6.7%	6.3%
NWSA	7.3%	7.4%	7.1%
Shares of U.S. Mainland Containerized Export Value			
LA/LB	20.7%	20.4%	20.4%
Oakland	6.8%	7.7%	7.4%
NWSA	4.3%	4.3%	4.3%

Source: U.S. Commerce Department.

December and from 44.0% one year earlier. The ports' decline in market share was paralleled in value terms with declines from both December and January of 2020. Elsewhere along the coast, Oakland's 3.9% share of containerized import tonnage from East Asia was off from 4.2% a month earlier and from a 5.1% share a year earlier. Oakland's 3.8% export value share was also down. Further north, the two NWSA ports' 6.8% share of containerized import tonnage from East Asia in January was higher than either December or January of 2020. The NWSA ports' collective share of the value of containerized imports from East Asia was similarly above December and a year earlier.

USWC shares of containerized exports to East Asia in

Exhibit 5 USWC Ports Shares of U.S. Mainland Trade With East Asia, January 2021

	Jan 2021	Dec 2020	Jan 2020
Shares of U.S. Mainland Ports' East Asian Container Import Tonnage			
LA/LB	43.3%	46.5%	44.0%
Oakland	3.9%	4.2%	5.1%
NWSA	6.8%	6.7%	6.7%
Shares of U.S. Mainland Ports' East Asian Container Import Value			
LA/LB	49.3%	52.1%	51.4%
Oakland	3.8%	4.2%	4.4%
NWSA	8.7%	8.6%	8.2%
Shares of U.S. Mainland Ports' East Asian Container Export Tonnage			
LA/LB	31.9%	35.7%	34.9%
Oakland	7.9%	8.2%	9.0%
NWSA	11.4%	11.0%	11.1%
Shares of U.S. Mainland Ports' East Asian Container Export Value			
LA/LB	37.6%	37.1%	39.0%
Oakland	11.6%	12.2%	11.8%
NWSA	8.1%	7.9%	8.5%

Source: U.S. Commerce Department.

January were here and there. The market shares held by the Ports of Los Angeles and Long Beach dropped in tonnage terms between January and December but rose in value terms over the previous month. Oakland's export shares declined from December to January in both tonnage and value, while the NWSA ports recorded market share gains in January from December.

Who's #1?

The Port of Los Angeles was the nation's busiest container port in January with 835,516 TEUs of total traffic (loaded + empty). The Port of Long Beach ran second with 764,006 TEUs, while the Port of New York/New Jersey (PNYNJ) placed well behind in third place with 721,284 TEUs.



Parsing the January 2021 TEU Numbers *Continued*

Leading the second tier of U.S. ports was Savannah with 459,607 total TEUs.

For nitpickers who believe empty boxes shouldn't count, the rankings don't change. Los Angeles remained the big dog with 556,936 loaded TEUs crossing its docks in the year's first month. In second place with 480,509 loaded TEUs was the Port of Long Beach, narrowly edging out PNYNJ's 480,130 total TEUs. Savannah was well behind with 346,010 TEUs.

In the category of inbound loads, Los Angeles (437,609 TEUs) exceeded PNYNJ (371,392 TEUs) which – here's some news – topped Long Beach (364,255 TEUs). Inbound loads at Savannah totaled 232,645 TEUs.

As for outbound loads in January, the most intriguing news is that Savannah (113,365 TEUs) bested PNYNJ (108,738 TEUs) while falling shy of Los Angeles (119,327 TEUs) and Long Beach (116,254 TEUs).

Crossborder Competition during the Months of Plague

A year ago February, the four major ports in the binational Pacific Northwest region handled 263,174 loaded inbound TEUs, 11.0% below January's traffic of 295,632 loaded import TEUs. On the U.S. side of the border, the Ports

of Tacoma and Seattle, operating as the Northwest Seaport Alliance, had a 38.4% share of February's inbound trade. The Port of Vancouver and the Port of Prince Rupert in British Columbia had 47.2% and 14.4% shares, respectively. **Exhibit 6** captures the downs, ups, and downs in containerized imports through the crossborder region's ports since the beginning of last year.

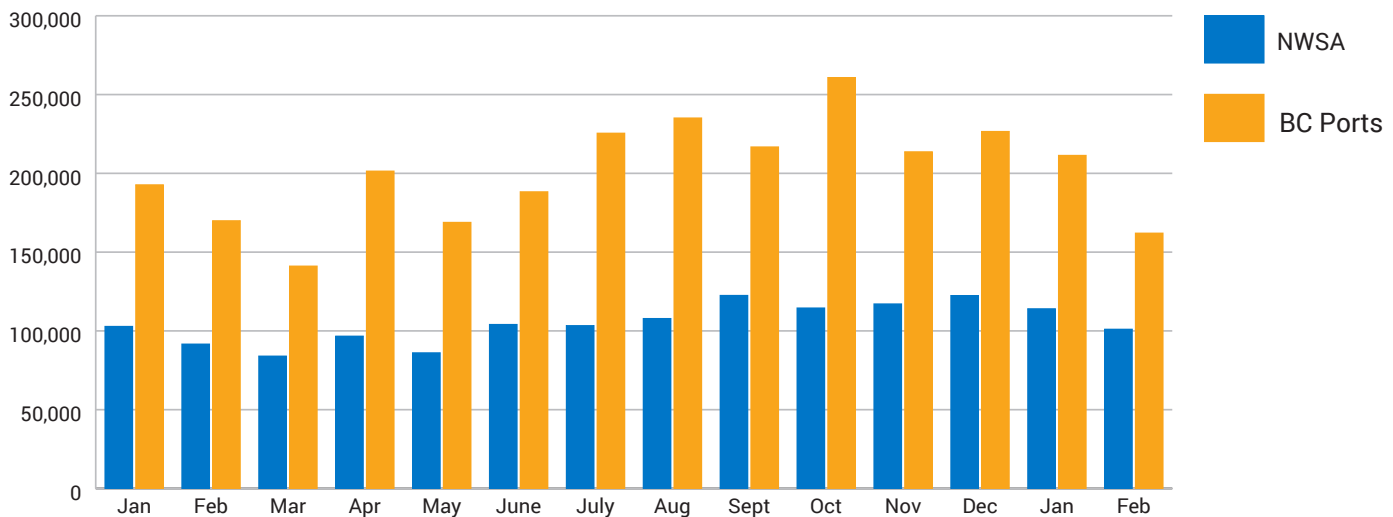
The binational import trade peaked in October at 375,395 TEUs in British Columbia and a month later at the NWSA ports. That was 23.8% higher than a year earlier. By this February, the import surge had subsided to 263,174 TEUs, up just 0.6% from last February. The shares had changed a bit, with the NWSA ports up slightly to 35.0%, while Prince Rupert's share subsided to 15.4%. Vancouver, with an increase to 49.5%, appears to have benefited from the fall-off at Prince Rupert in January.

Throughout the 14 months depicted in Exhibit 6, the four ports combined to handle 4,283,363 loaded import TEUs. That was 41.1% of the 10,413,884 laden TEUs imported through the Ports of Los Angeles and Long Beach during the same period.

As **Exhibit 7** points out, Prince Rupert's inbound traffic generally mirrors Vancouver's, although clearly Vancouver is pulling most of the sled in British Columbia.

Exhibit 6 NWSA vs. BC Ports' Import Trades: January 2020-February 2021

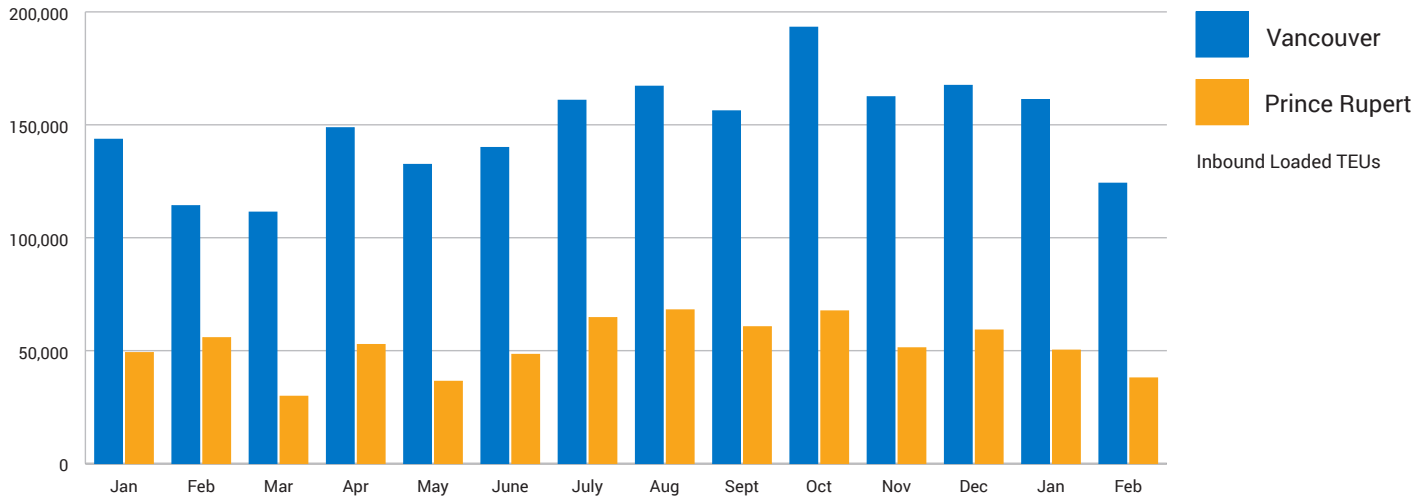
Source: Northwest Seaport Alliance, Ports of Vancouver and Prince Rupert





Parsing the January 2021 TEU Numbers *Continued*

Exhibit 7 **Intramural BC Import Competition: January 2020-February 2021**
 Source: Ports of Vancouver and Prince Rupert



Summing Up the Port of Oakland's Century... So Far

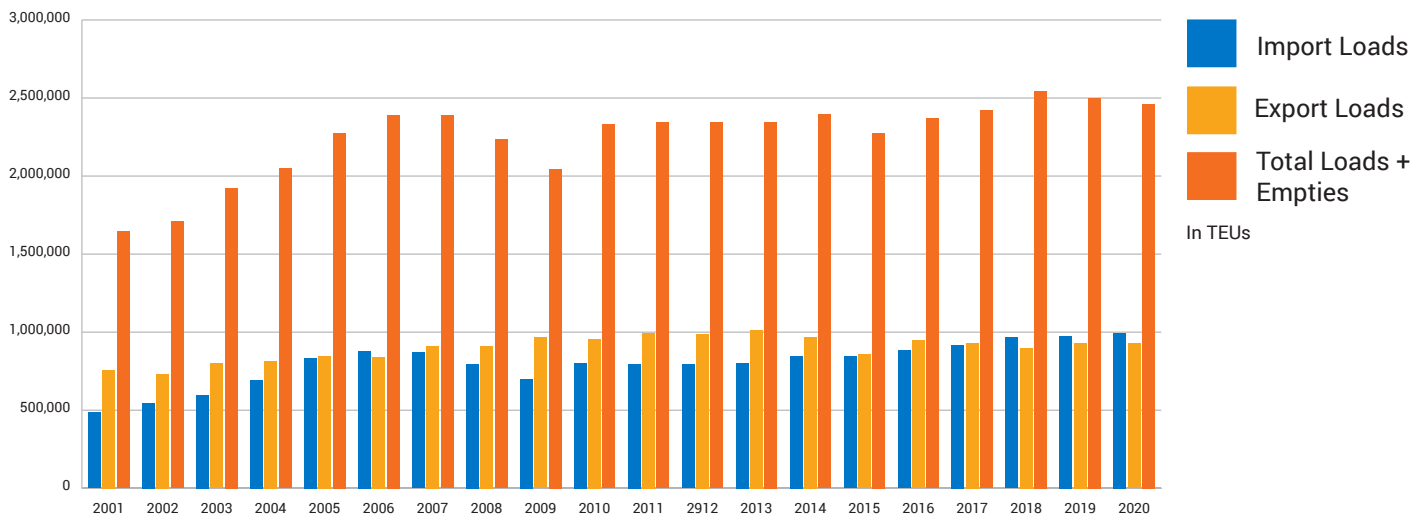
From the start of the 21st century twenty years ago on January 1, 2001 through December 31, 2020, the Port of Oakland handled 44,988,002 total TEUs (loads + empties). For most of those years, Oakland was preeminently an export gateway, with outbound loads accounting for 52.9% of all loaded TEUs the port handled. However, the

last three years have seen import loads exceed export loads. And that has most certainly been the case so far this year, with inbound loads outnumbering export loads by 157,603 TEUs to 138,735 TEUs.

The Ongoing Surge in San Pedro Bay

There's a good chance, figuratively speaking, that less ink is currently being spilled on the NCAA basketball

Exhibit 8 **Two Decades of Container Traffic at the Port of Oakland**
 Source: Port of Oakland





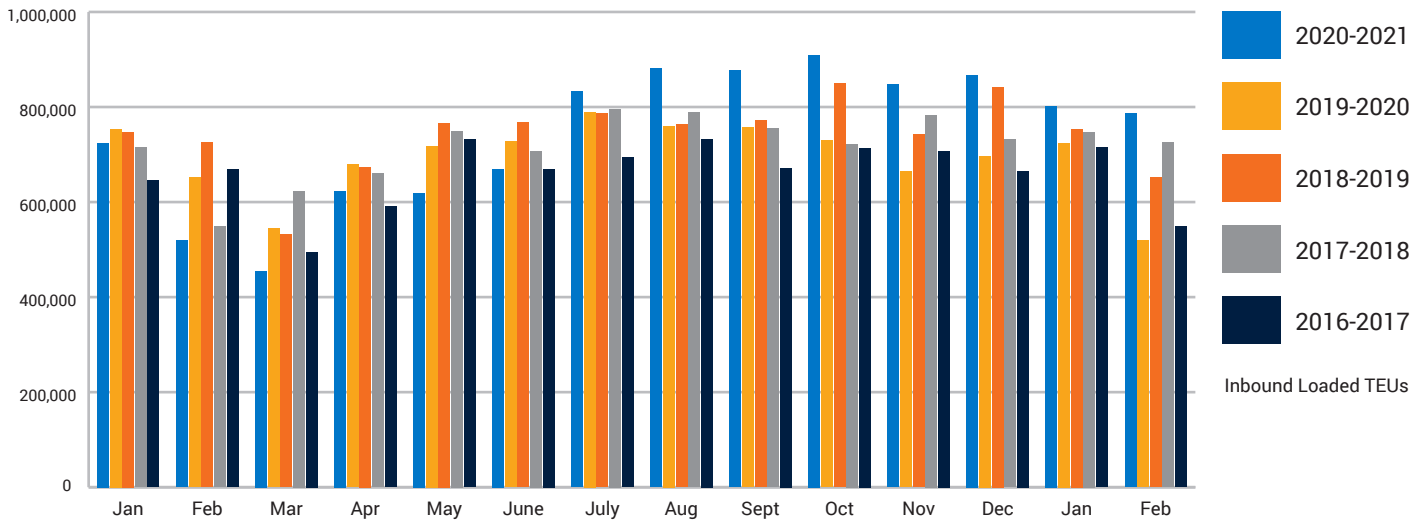
Parsing the January 2021 TEU Numbers *Continued*

tournament than on the plight of shippers trying to get their goods through the two big Southern California ports. This year, at least, the phrase “March Madness” seems to better capture the angst of the nation’s importers and exporters than it does the anxieties of college basketball fans. (If only Holy Cross had made the cut, we all could have rooted for Tony Fauci’s alma mater.)

Not to wander too far off topic, but we thought it might be useful to chart the volume of inbound loaded TEUs that have been arriving at the Ports of Long Beach and Los Angeles since the eve of the pandemic in January 2020 and show how traffic during those fourteen months compares with the same fourteen months for each of the previous years.

What immediately jumps out is how extraordinary the months since last summer have been. Starting last July, the dark blue columns tower over all others. But what is also interesting is not how poorly the period from January 2019 through February 2020 (represented in the orange columns) fared in the historical comparison, it’s how relatively robust was the flow of inbound loaded containers in the fourteen month period starting in January 2018 (represented in gray). These were, of course, the months in which President Trump began aggressively deploying tariffs on imported goods.

Exhibit 9 Inboard Loads at San Pedro Bay in the Plague Months
Source: Ports of Los Angeles and Long Beach





Jock O'Connell's Commentary:

Riling the Xenophobes to Tap the Federal Fisc

"The ocean carriers and marine terminals – *which are mostly foreign-owned* – are strangling exports by denying cargo and slowing shipments." [Emphasis added.]

That's the incendiary claim lodged by the executive director of a national agricultural commodity group, who was responding to a CNBC report alleging that the shipping lines "rejected at least \$1.3 billion in potential U.S. agricultural exports."

Let's set aside the fact that the CNBC report has been widely discredited by people who actually understand the rules of math and aren't merely hungry for attention-grabbing headlines. The executive editor of the *Journal of Commerce* labeled the CNBC claim as "specious," "hinged on a flawed premise," and "unhelpful" to a serious discussion of the real issues at hand.

Given the political climate in this country and the marked upswing in racially-charged incidents in recent months, we should all be seeking to discourage such xenophobic rhetoric. But it's probably only a matter of time before some hyperventilating politician stands before a television camera and tells the ocean carriers serving the nation's seaports to "go home where they came from."

Already, we have seen a flurry of letters to the Federal Maritime Commission demanding that the commission's gumshoes be loosed on those pernicious foreigners who've been abusing our American exporters, most terribly all those farmers struggling to get their produce to overseas markets.

Regrettably but predictably, none of the petitions forwarded to the FMC quite get around to acknowledging that it's the irrepressible demand of American consumers for imported merchandise that is dictating how the world's shipping containers are being deployed. Blaming the foreigner, after all, is vastly preferable to chastising fellow Americans for wanting to buy stuff no longer made in the USA.

So do we really know, apart from the scattered crumbs of anecdotes that trade associations have been scattering before a largely credulous media? Before digging into the

data, let me stipulate that I am not seeking to make light of those farmers (or, perhaps more precisely, their freight-forwarders) whose shipments – for one reason or another – have literally missed the boat. What I am interested in doing is bringing some perspective to a topic currently rife with histrionic hyperbole.

So, for starters, one thing we know is that the U.S. Department of Agriculture, which employs a small army of bean counters to keep tabs on the welfare of our farmers, tells us that the global sales of U.S. farm and food products last year was not only some seven percent higher than in 2019 but was also the second highest on record. Amazingly, all that food and fiber somehow made it to customers worldwide.

Another thing we know is that that most of the nation's farm export trade does not leave U.S. seaports in containers. Seaborne exports of soybeans, wheat, and corn last year amounted to 125.14 million metric tons, valued at just over \$37.17 billion. How much of that trade traveled in containers? 6.71 million metric tons, a whopping 5.4% share. **Exhibits A-C** illustrate how little of the nation's export trade in wheat, corn, and even soybeans relies on the availability of shipping containers. So it would appear that a lot of the farmland fretting about metal boxes, especially in the states growing those amber waves of grain (and soybeans) we patriotically celebrate, has been for naught.

Some of the loudest laments lately cite the plight of apple growers in Washington State, who have been insisting they are being thwarted from getting their fruit onto outbound ships. U.S. trade statistics do show that apple exports through the Ports of Seattle and Tacoma between the usual start of harvest last September through January of this year (the latest available export numbers) were down from the same period a year earlier 18.0%.

But before anyone contends that that plunge constitutes prima facie evidence of ocean carriers discriminating against apple exporters, consider **Exhibit D**, which attests to the remarkable variability of the apple export trade through the NWSA ports over the past decade.



Commentary Continued

Exhibit A U.S. Soybean Exports Containerized vs. Bulk

Source: U.S. Commerce Department

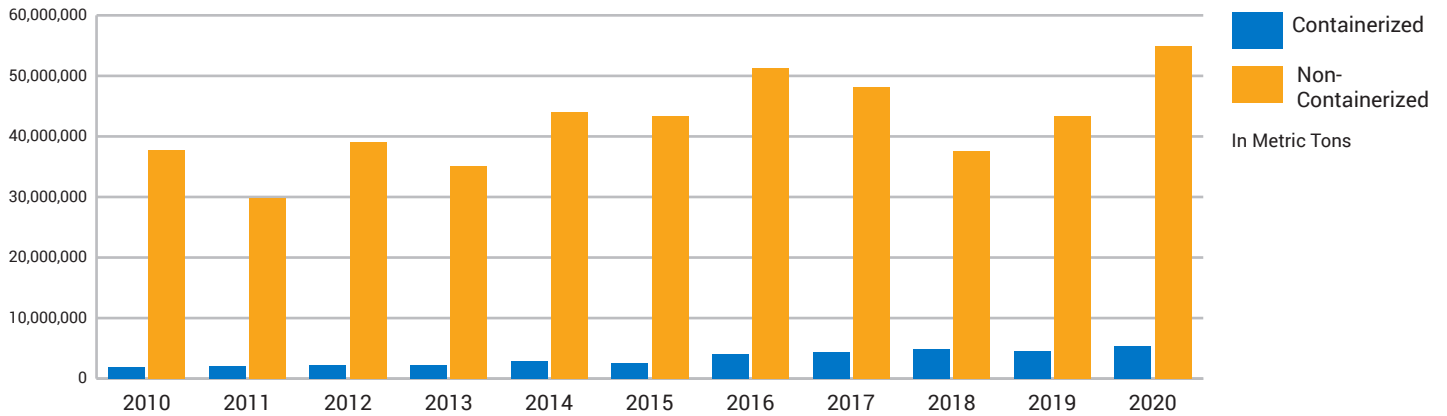


Exhibit B U.S. Wheat Exports Containerized vs. Bulk

Source: U.S. Commerce Department

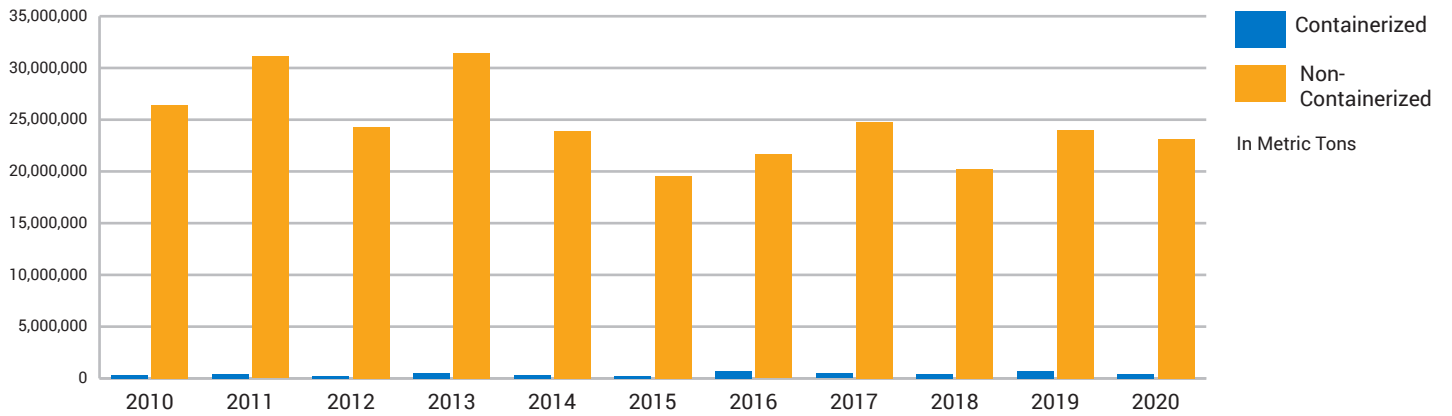
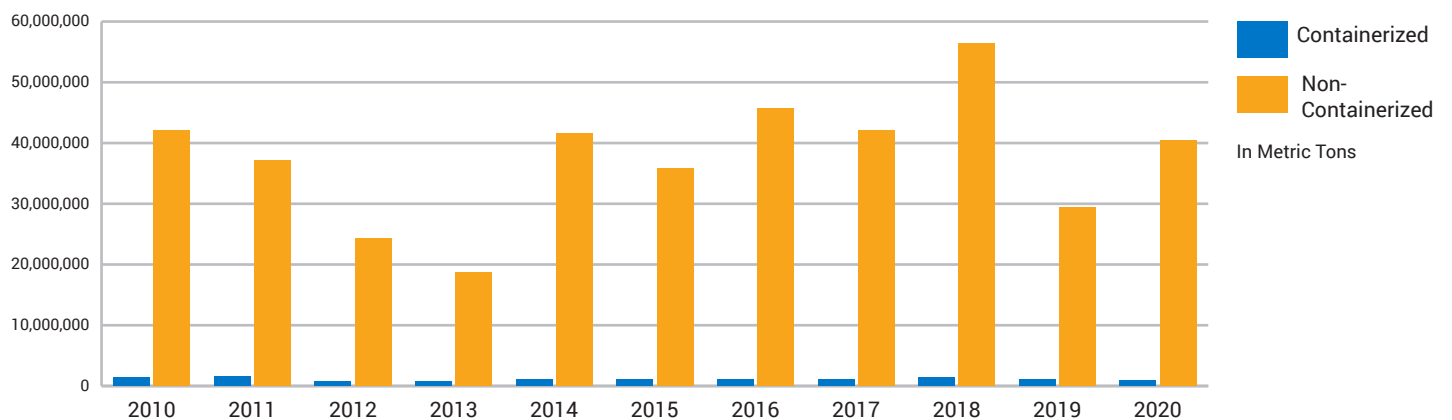


Exhibit C U.S. Corn (Maize) Exports Containerized vs. Bulk

Source: U.S. Commerce Department





Commentary Continued

As the export manager at one major exporter of Washington State apples recently told *Fresh Plaza*, a magazine covering the fresh produce industry, “overall demand this season has been slower than usual.” Among other things, prices are said to be higher, which tends to suppress demand when large numbers of consumers are out of work due to pandemic lockdowns.

As for the matter of container availability, the executive pointed to a wrinkle in the eastbound transpacific trade that directly affects exporters of perishables. “In the past, dry goods would often be loaded into reefer containers to reposition them for export when they are here in the US, but reefer containers have less room than dry containers do. So, with imports being up, they are looking to ship as much product as they can and are using more dry containers so there just aren’t as many reefer containers being used right now.”

Let’s now look at how agricultural exports have been faring in the nation’s top farming state. That, of course, would be [drum roll, please] California, where total farm receipts are greater than runners-up Iowa and Nebraska combined. California is also the nation’s leading exporter of agricultural products.

According to the Agricultural Issues Center at the University of California at Davis, the state’s top five

agricultural exports by value are almonds, pistachios, dairy products, wine, and walnuts. Together they account for just over half of the state’s agricultural export trade.

Unlike Midwestern wheat, corn, or even soybeans, California’s tree nuts, dairy products, and wine are all prime candidates for containerization. So if anyone’s exports are being afflicted by a conspiracy of foreign-owned shipping lines, these commodities should be prominent on the casualty list. So just how poorly have they been faring these past months of chaotic conditions at the docks?

The California Almond Board reports February exports were up 13,274 tons from a year ago, an increase of 19.3%. For the almond crop year which began last August, exports have been up 20.3%, an increase of 105,520 tons over the previous crop year.

The Administrative Committee for Pistachios reports February exports were up 788 tons from a year ago, an increase of 5.8%. For the pistachio crop year that began last September, exports have been up 32.9%, a gain of 17,437 tons from a year earlier.

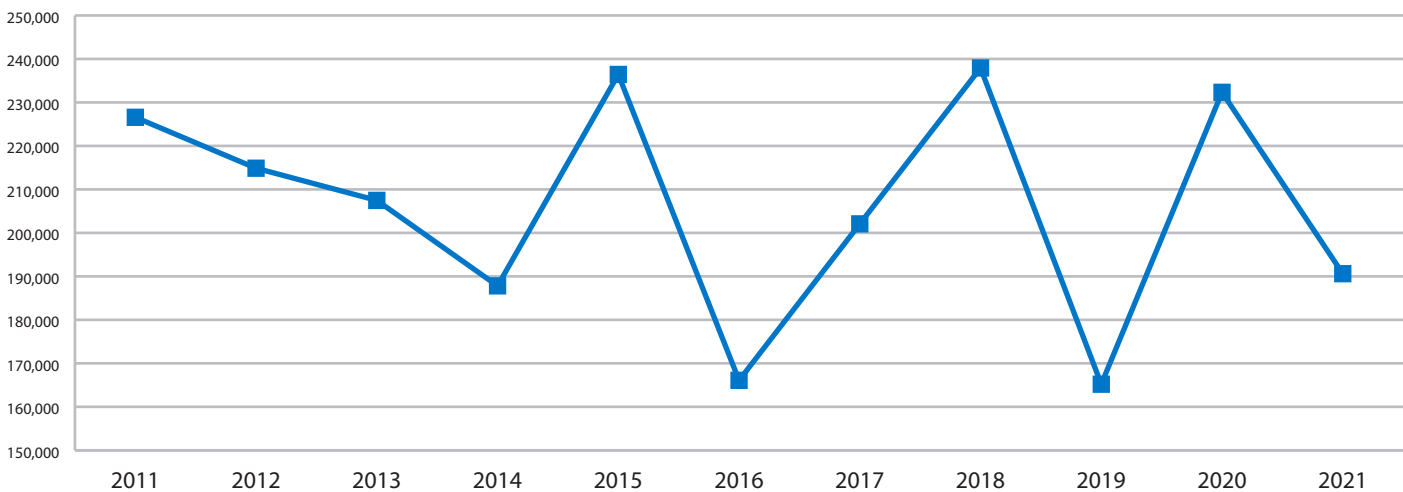
The California Walnut Board reports February exports were up 6,923 tons from a year ago, an increase of 24.8%. For the Walnut Board’s marketing year which started last

Exhibit D

Fresh Apple Exports Through the Ports of Seattle and Tacoma

Source: U.S. Commerce Department

September-January Exports in Metric Tons





Commentary *Continued*

September, exports through February were up 19.2%, an increase of 54,207 tons from a year earlier.

Containerized dairy exports through California's three major ports have been up 19.2% by tonnage since the start of the import surge last July, according to official U.S. trade statistics.

Containerized exports of California wines since last July have admittedly been down 2.3% from a year earlier, but then containerized wine has been an export trade of declining volume since 2013.

So where does this leave us?

There is every expectation that the congestion crisis at U.S. ports will significantly ease in the coming months. Making permanent policy decisions based on transitory circumstances is seldom a good idea. Worse still is leveraging those circumstances to tap the federal fisc for subsidies benefiting a narrow constituency.

It's never a pretty sight to see pressure building for public policy decisions to be taken hastily on the strength of anecdotes rather than hard data. The potential for miscalculations with long-lasting consequences is all too real. Yet that seems to be where we may be heading here.

And what, we should ask, is the likelihood that aid directed to agricultural exporters won't simply push up shipping rates for all outbound containers? And where would that eventually leave shippers of low-value merchandise such as scrap paper and metal, which dearly depend on cheap outbound rates to move their containers to overseas markets?

Standing on the dock, gazing dejectedly as someone else's politically-preferred goods sail away is my guess.

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

It's Time For A Change

By John McLaurin, President,
Pacific Merchant Shipping Association

Our supply chain is overwhelmed with cargo. At its core, there is more cargo than the system can handle. That is evident by ships that are full and sitting at anchorage, terminals which are at capacity, containers and chassis that are fully deployed, scarcity of rail equipment, lack of adequate truck assets and drivers, and full warehouses and distribution centers.

It is also something that is happening all over the world. The explosion of e-commerce is a global response to the pandemic.

The result of this cargo surge: in Southern California, marine terminals have become storage facilities rather than transit points; chassis and containers are being taken out of service and used as mobile storage facilities; ships are inadvertently being used as floating warehouses as landside storage facilities are unable to accommodate additional volumes.

Delay in one segment cascades and becomes an additional delay in other supply chain segments.

The unprecedented demand for consumer goods and industrial products shipped in containers has stressed chassis supply, truck power, berth space, terminal land and warehouse capacity resulting in many in the supply chain advocating "solutions" which only benefit the advocate but penalize everyone else and make the congestion worse.

The proposal to eliminate detention and demurrage charges is one such misguided effort. To argue that eliminating an incentive to return equipment you don't own somehow promotes equipment availability is counterintuitive. If the complaint is that there are abuses in imposition of those fees, then the established oversight of the Federal Maritime Commission is appropriate and will hopefully be based on verifiable data as opposed to scattered anecdotes.

It is time to move away from myopic, self-serving solutions and consider real change in how cargo is transported through Southern California ports. The recent surge in cargo, and speculation by some as to



It's Time for a Change *Continued*

whether this will be the “new normal,” requires the trade community to re-evaluate our entire logistics system.

One idea for real change is to rethink the current model and move away from the “pull model” of cargo owners going to marine terminals and retrieving the cargo as desired. Could you imagine the pull system being applied to FedEx or UPS packages, relying on customers to make an appointment to pick up their own packages – when it is convenient?

Instead, the port container system should consider the “push model” that is more common with final mile delivery of goods, where the ultimate consumer is informed of when the cargo is to be delivered to a warehouse or other location. If marine terminals are truly to be transit points as opposed to a de-facto storage yard, cargo needs to move through the terminal to either its final destination or to an off-dock facility or location that is easily accessible to cargo owners.

Will it be transformative? Yes. Will it require stakeholders to come together to make it work? Yes. Would it ensure cargo moves through the ports efficiently and improve velocity? Yes. Is it necessary? Yes.

The current chassis system is also the subject of perennial complaints. Chassis availability becomes an issue whenever cargo volumes surge. There is a feeling among many that the chassis system must change, and in fact it has changed in the last decade, just not to everyone's satisfaction. Many complain that there aren't enough chassis; the fees are too high; they take up space

on terminals; street dwell time is too long and chassis are often damaged, creating artificial shortages. Has the time come to move chassis to an off-dock location and/or to require a trucker/BCO to utilize their own chassis as opposed to waiting at a marine or rail terminal for a chassis to become available?

Finally, California is rapidly driving logistics to a zero-emissions future. It will bring on many changes. There will be winners and losers. For a time, due to proposed California Air Resources Board policies, there could be a reduced pool of available trucks for use in the harbor area – bringing additional challenges to other segments of the supply chain. In addition to the public policy challenges requiring a zero-emissions supply chain, the collective industry needs to discuss what the port drayage model will look like in just a few years. Whatever surfaces, it will be transformative and affect everyone in the supply chain and will require everyone to work together.

The COVID crisis is providing a preview of the challenges facing the supply chain. Let's take advantage of this opportunity and move together to a better system.

The views expressed by John McLaurin are his own and may not reflect the positions of the members of the Pacific Merchant Shipping Association.

Interested in membership in PMSA?

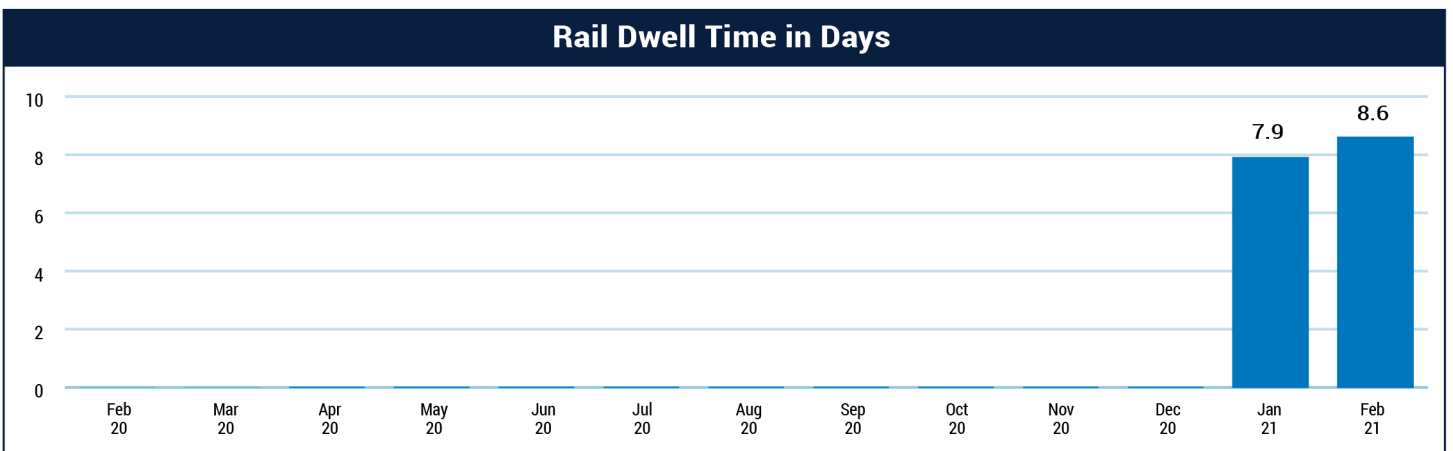
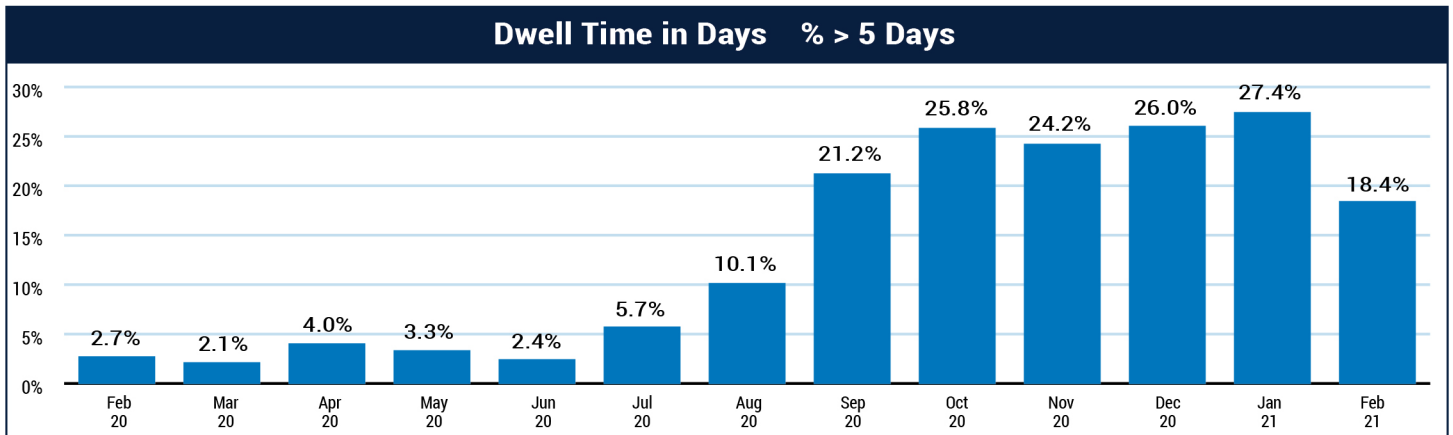
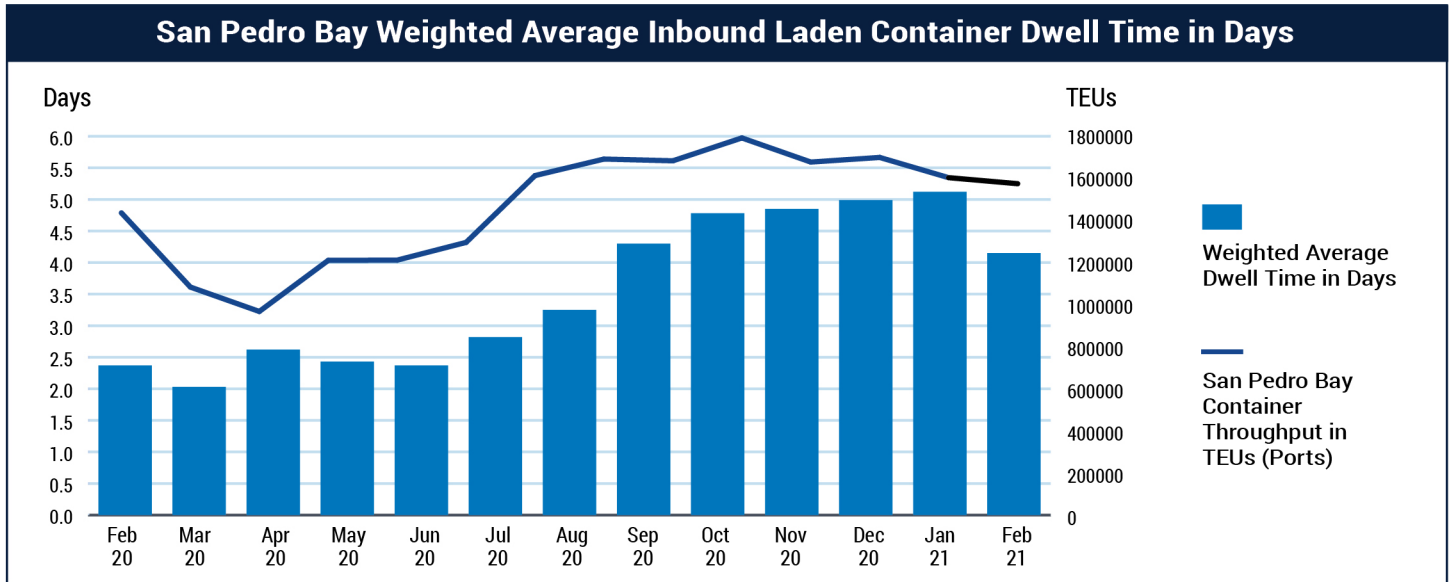
Contact Laura Germany for details at: lgermany@pmsaship.com or 510-987-5000.

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Import Dwell Time Is Down For February; Rail Dwell Time Is Up



**State of Washington
Pilotage Commission
April 19, 2021**

Grays Harbor District Report

In March we had 5 dry bulk vessels for a total of 17 jobs. Capt. D'Angelo has the watch and Capt. McMullen continues to observe making several trips in one day for repositioning. Year to date through March, there have been 18 arrivals for a total of 52 jobs. The outlook for April is 5 vessels and 2 barges.

Terminal Maintenance

Our Terminal Maintenance Dredging Contractor called this week looking for our schedule for summer dredge operations. A condition survey was just completed by NW Hydro, Inc., and we are currently waiting for results.

Contractor has completed the Dolphin Replacement Project at Terminal 3 and the Commission accepted the completed contract at the April Port Commission Meeting.

The new exhaust system on the Chehalis Pilot Boat will require the boat to be shut down for 4-days. Staff is working on a plan to schedule when the Vega upgrades are complete.

The Port Commission awarded the mounting of the new pumps at Jet Array on Terminal 4 to Quigg Brothers, Inc., at the April 13 Commission Meeting. Work is planned to start right away and is estimated to take approximately 4-weeks to complete.

Marine Terminal Suitability Renewal

In order to dispose of dredge material at the Point Chehalis Disposal Site, the Port must have a current suitability determination from the Dredge Material Management Program (DMMP). The determination is based on sampling and analysis of materials in the area to be dredged.

Port staff, working with Moffatt & Nichol, submitted a request to the DMMP to extend the current suitability determination from December 2021 to February 15, 2022 which was granted. This will allow us to complete dredging during the full permitted season (July 16 – February 15). Moffatt & Nichol is working on the draft Sampling Action Plan (SAP) that has to be approved by the DMMP before we can complete the sampling and testing required for the next suitability determination. Staff is working with Mott MacDonald to provide updated plans for the extension of the Terminal 2 dredge prism for inclusion in the SAP. The SAP will be submitted in early May and sampling and a final report will be submitted by the end of the summer.

Terminal Dredging Permits

Port staff is working with Mott MacDonald to provide an updated set of plans for terminal dredge permitting. This will include a new permit at Terminal 3 to replace the one that has expired, and a modification to the current permit at Terminal 2. The Port is not proposing any changes to the dredge prism at T3, but is requesting a 300-foot extension of the dredge prism upriver at Terminal 2. The permit applications will be submitted as soon as we have developed the SAP mentioned about.

Business Development

Work continues on marketing study for the recently acquired, 55-acre former, 520 Pontoon site adjacent to PGH Terminal 4.



Marine Safety Information Bulletin

Commandant
U.S. Coast Guard
Commercial Regulations & Standards Directorate
2703 Martin Luther King Jr Ave SE, STOP 7501
Washington, DC 20593-7501

MSIB Number: 08-20, Change 5
Date: December 22, 2020

E-Mail: OutbreakQuestions@uscg.mil

COVID-19 – Mariner Credentials

Extension of Merchant Mariner Credential Endorsements, Medical Certificates and Course Approvals

This update to MSIB 08-20 provides guidance concerning mariner credentials, medical certificates and course approvals, and the action being taken by the Coast Guard due to the novel coronavirus and the disease it causes (COVID-19). We are doing this in keeping with national guidance to meet the challenge of this disease and in response to a number of questions and concerns raised by the maritime industry and mariners. The provisions in this MSIB are consistent with the Executive Order on Regulatory Relief to Support Economic Recovery issued on May 19, 2020.

The Coast Guard has also been consulting with the International Maritime Organization (IMO) and other administrations to ensure alignment with respect to the extension of endorsements issued in accordance with the Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, as amended (STCW). We are taking a pragmatic approach consistent with the IMO Secretary General's circular Letter No.4204/Add.5 dated March 17, 2020.

Please be aware the following measures may cause a backlog in the processing of credentials and course approvals, especially near the end of the extension dates. Mariners and training providers are strongly encouraged to fulfill the requirements and submit applications as early as possible in order to avoid a lapse in their credential or training approval. Mariners are advised that under our current statutory authority, the expiration dates of merchant mariner credentials may be extended for no more than one year.

To mitigate the impact to the seafarers and the industry caused by the novel coronavirus disease COVID-19, the Coast Guard is taking the following actions:

Merchant Mariner Credentials.

- **National Endorsements:** Under 46 USC Section 7507, Merchant Mariner Credentials may only be extended for up to one year from their date of expiration. Merchant Mariner Credentials (MMC) (National Endorsements only) that expire between March 1, 2020 and June 30, 2021 are extended until the **EARLIER** of
 - October 31, 2021; OR
 - One (1) year after the initial expiration date of the credential (i.e., one year after the expiration date printed on the credential).

Mariners who are actively working on expired credentials that meet the extension criteria must carry the expired credential with a copy of this notice.

- **STCW Endorsements:** MMCs with STCW endorsements that expire between March 1, 2020 and June 30, 2021 are extended until the EARLIER of
 - October 31, 2021; OR
 - One (1) year after the initial expiration date of the credential (i.e., one year after the expiration date printed on the credential).

Mariners who are actively working on expired credentials that meet the extension criteria must carry the expired credential with a copy of this notice.

- Until October 31, 2021, for mariners who have met the requirements for initial competency in survival craft and rescue boats other than fast rescue boats (PSC), PSC-limited, fast rescue boats (FRB), basic training (BT), and advanced firefighting (AFF) and who are renewing MMCs that expire between March 1, 2020 to June 30, 2021, the Coast Guard will accept shipboard experience in fire, emergency, and/or abandon ship drills for demonstrating continued competence in PSC, PSC-Ltd, FRB, BT, and/or AFF provided they have obtained at least 360 days of relevant service within the past five years. Relevant seagoing service will be determined as described in NVICs 4-14, 05-14, 08-14 and 09-14.
- Mariners who do not have at least one year of relevant service in the past five years can only renew their STCW endorsements by demonstrating continued competence for PSC, PSC-Ltd, FRB, BT, and/or AFF as specified in 46 CFR 12.613(b)(4) or 46 CFR 12.615(b)(4) and NVIC 04-14 (for PSC and PSC-Ltd); 46 CFR 12.617(b)(4) and NVIC 05-15 (for FRB); 46 CFR 11.302(e), 12.602(e), and NVIC 08-14 (for BT); and/or 46 CFR 11.303(e) and NVIC 09-14 (for AFF). These mariners will need to complete original or “refresher” training for PSC, PSC-Ltd, FRB, BT, and/or AFF, as appropriate. Shorter and less comprehensive “revalidation” courses are not acceptable.

Medical Certification. The NMC is processing applications for medical certificates within normal time frames. Some mariners have reported difficulties scheduling medical examinations with an authorized medical provider and others are on board vessels overseas and are unable to obtain the required medical examination. The problem is particularly acute for mariners who travel in order to be examined by an authorized provider. Therefore, we are providing extensions for medical certificates.

- **Medical Certificates (National, Pilot, or STCW).** Under 46 USC Section 7508, Medical Certificates may be extended for up to one year from their date of expiration. Medical Certificates that expire between March 1, 2020 and June 30, 2021 are extended until the EARLIER of
 - October 31, 2021; OR
 - One (1) year after the initial expiration date of the medical certificate (i.e., one year after the expiration date printed on the certificate).
- **Pilot Annual Physical examinations.** 46 USC 7101(e)(3) requires that pilots undergo an annual physical examination each year while holding a credential. The Coast Guard does not intend to enforce this requirement given the current the pandemic and its impacts on health care providers. This posture applies until October 31, 2021 irrespective of when the medical certificate expires.

Mariners who are actively working on expired medical certificates that meet the extension criteria must carry the expired certificate with a copy of this notice. This measure ONLY relaxes the requirement to carry an unexpired STCW medical certificate and not the actual medical standards. It is important that mariners with disqualifying medical conditions do not sail.

Additional administrative measures.

- Regional Exam Centers and Monitoring Units. With the exception of Monitoring Unit Guam, all RECs and MUs are open for examinations only. Seating capacity is reduced to comply with CDC guidelines. See the National Maritime Center website for scheduling information. The Coast Guard is considering additional options to augment examination capacity.
- Approval to Test Letters (ATT) and Course Completion Certificates. In recognition of the time REC's and MUs were closed to the public, ATTs and mariner training course completion certificates that expire between March 1, 2020 and June 30, 2021 are extended until October 31, 2021.
- Additional Information (AI), Qualified Assessor (QA), Designated Examiner (DE). The National Maritime Center will provide guidance on the validity of AI, QA, and DE letters on the NMC website.
- Course and Program Approvals.
 - Course and program approvals that expire between January 1, 2020 and December 31, 2020 are extended for six months from their current expiration date. This MSIB serves as formal notification of the extension. The NMC will not issue new course approval letters or certificates. NMC will update internal records to ensure the acceptance of course completion certificates issued during the extension and that the website reflects appropriate information.
 - The NMC will continue to work with training providers on a case-by-case basis to approve alternate training delivery methods, including distance or blended learning. Approved requests and new requests for alternate training delivery methods will become part of the existing course approval and will be valid until the expiration date of the course; and where applicable, will be subject to the extension provided in the previous paragraph. At the time of renewal of the course, the Coast Guard will closely review the training delivery methods including those previously approved as a temporary measure. All testing, practical assessments, and labs associated with these courses must be completed no later than 6 months from the completion of the knowledge-based portion of the training.
 - The NMC will consider, on a case-by-case basis, the use of alternative testing methods for some courses for some end of course examinations provided the training provider can show that the alternative method includes confirmation of the identity of the person taking the test, and maintains the integrity of the examination. The Coast Guard will consider the tools and business processes submitted for approval along with the course content in determining whether to approve the request. Requests should be submitted to NMCCourses@uscg.mil and include a list of courses, a complete description of the alternative requested, the tools involved, and the business process to be employed.
 - The NMC will also consider and approve, on a case-by-case basis, alternative assessment methods for some courses provided it allows the instructor or a qualified assessor to properly witness the

assessment. Requests should be submitted to NMCCourses@uscg.mil and include a list of courses, a complete description of the alternative requested, the tools involved and the business process to be employed.

- This MSIB serves as the extension for previously approved courses using alternate delivery methods.

The NMC may issue additional guidance on these extensions and other administrative measures consistent with this MSIB. This guidance will be posted at <https://www.uscg.mil/nmc/>. If you have questions, visit the NMC website, or contact the NMC Customer Service Center by using the NMC online chat system, by e-mailing IASKNMC@uscg.mil, or by calling 1-888-IASKNMC (427-5662).

R. V. Timme, RDML, U.S. Coast Guard, Assistant Commandant for Prevention Policy sends



STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS

STATEMENT OF POLICY

REGARDING: Extension of Merchant Mariner Credentials, Medical Certificates, and Washington State Pilot Licenses and Annual Physical Requirements Due to COVID-19

It is the policy of the Board that due to the novel coronavirus and the disease it causes (COVID-19) the Board will employ its disciplinary discretion consistent with the following steps taken by the United States Coast Guard published via Marine Safety Information Bulletin 08-20, Change 45, Dated ~~September 30~~ December 22, 2020 titled *COVID-19 – Mariner Credentials, Extension of Merchant Marine Credential Endorsements, Medical Certificates, and Course Approvals*.

“National Endorsements: Under 46 USC Section 7507, Merchant Mariner Credentials may only be extended for up to one year from their date of expiration. Merchant Mariner Credentials (MMC) (National Endorsements only) that expire between March 1, 2020 and ~~December 31~~ June 30, 2021~~0~~ are extended until the EARLIER of:

- ~~June 30~~ October 31, 2021; OR
- One (1) year after the initial expiration date of the credential (i.e., one year after the expiration date printed on the credential).”

“Pilot Annual Physical examinations: 46 USC 7101(e)(3) requires that pilots undergo an annual physical examination each year while holding a credential. The Coast Guard does not intend to enforce this requirement given the current pandemic and its impacts on health care providers. This measure ONLY relaxes the requirement for an annual physical and not the actual medical standards. This posture applies until ~~December 31~~ October 31, 2021~~0~~ irrespective of when the medical certificate expires. It is important that pilots with disqualifying medical conditions do not sail.”

Consistent with the above-mentioned federal documentation and in concert with the U.S. Coast Guard, the BPC will not discipline any Washington State licensed pilot for failure to obtain the otherwise required annual renewal or physical examination by the dates outlined above.



April BPC Update: Vessel Trend Synopsis

Routes for vessels newly under escort requirement

Background Information

ESHB 1578

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 1578

66th Legislature
2019 Regular Session

- ESHB 1578 Section 3 (1)(d)(ii): “By December 31, 2021, complete a synopsis of changing vessel traffic trends”
- Synopsis will compare a year of pre-bill implementation data to a year of post-bill implementation data



Background Information

SOW Deliverables

Synopsis of Changing Vessel Traffic Trends

Scope of Work

1. Route selection (Rosario and Haro) and number of vessel transits pre-and post-bill implementation for the following vessel types.
 - a) vessels that newly fall under an escort requirement
 - b) deep draft and tug traffic that have no additional escort requirement
 - c) vessels that are providing bunkering or refueling services
2. Review of tugs engaged in escorting including number of transits, names of vessels, and operating companies.
3. Number of oil transfers per terminal and per anchorage pre- and post-bill implementation.
4. A review of the last 5 years of existing vessel transit data,



Background Information

SOW Timeline: 2021

Synopsis of Changing Vessel Traffic Trends

Scope of Work

- **November 4:** Ecology delivers initial draft synopsis to BPC
- **December 2:** Ecology delivers final draft to BPC
- **December 31:** BPC publishes the Synopsis and submits to the legislature



Routes for vessels newly under escort requirement

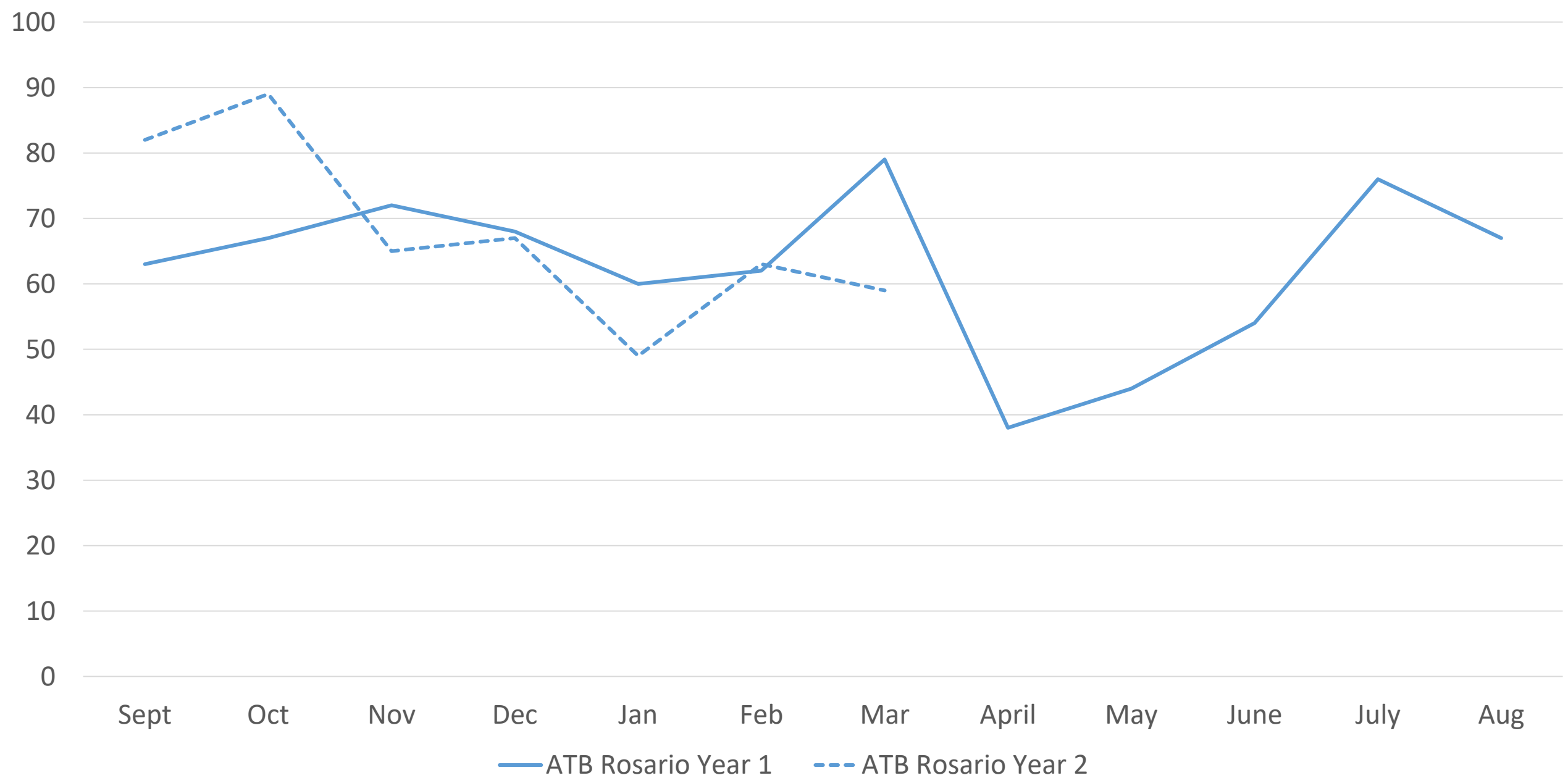
(Likely laden and unknown – excludes likely unladen and engaged in bunkering)

- **> 5,000 ATB**
 - Rosario Year 1 and 2
 - Haro Year 1 and 2
- **>5,000 Barge**
 - Rosario Year 1 and 2
 - Haro Year 1 and 2
- **<40,000 Tanker**
 - Rosario Year 1 and 2
 - Haro Year 1 and 2

* This update will display graphical observations on transits of vessels newly under escort requirement, but will not analyze why these transit route were selected.

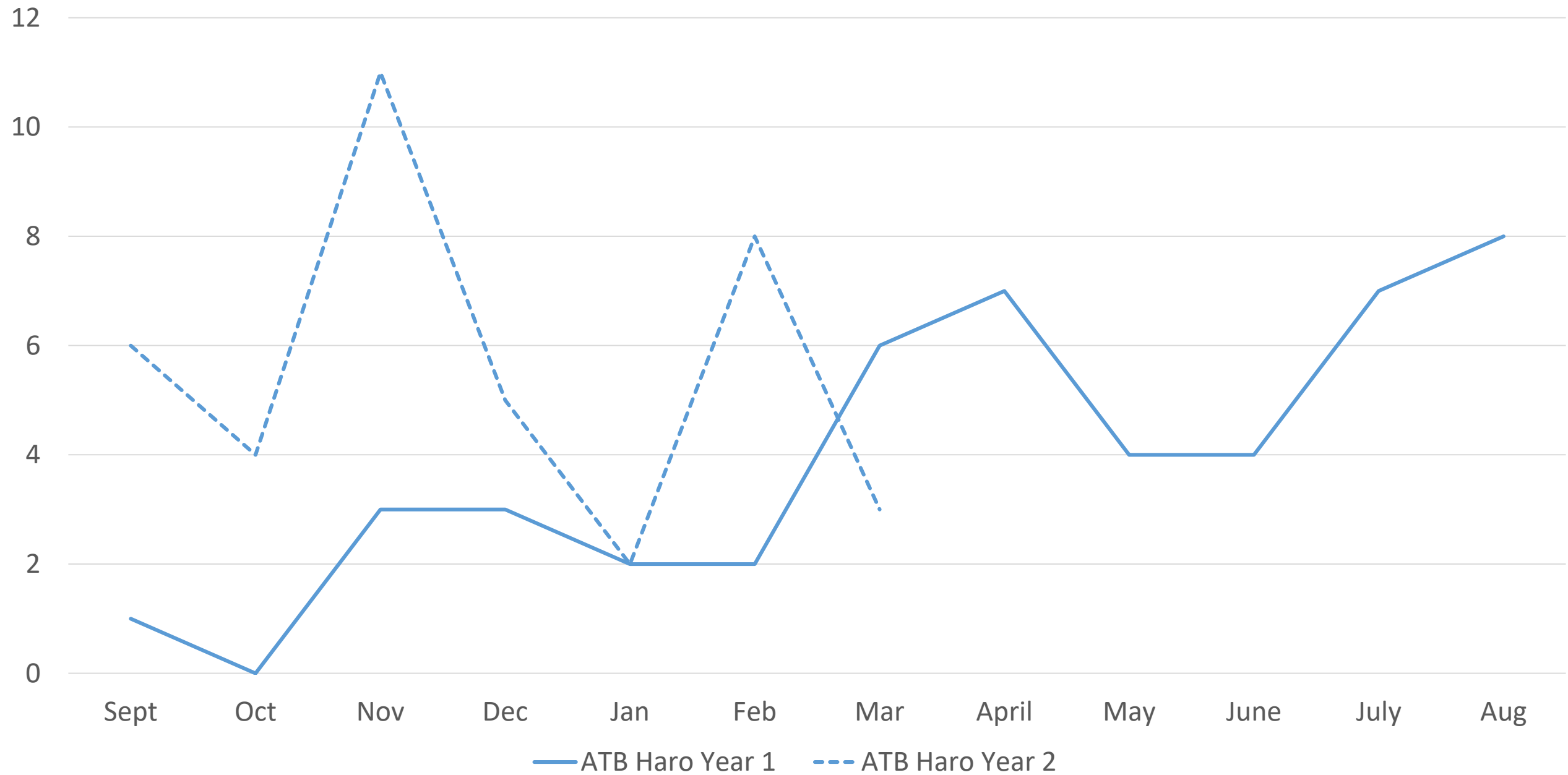


DRAFT RESULTS: ATBs Year 1 and 2 - Rosario transits
(includes likely laden and unknown - excludes likely unladen & bunkering transits)

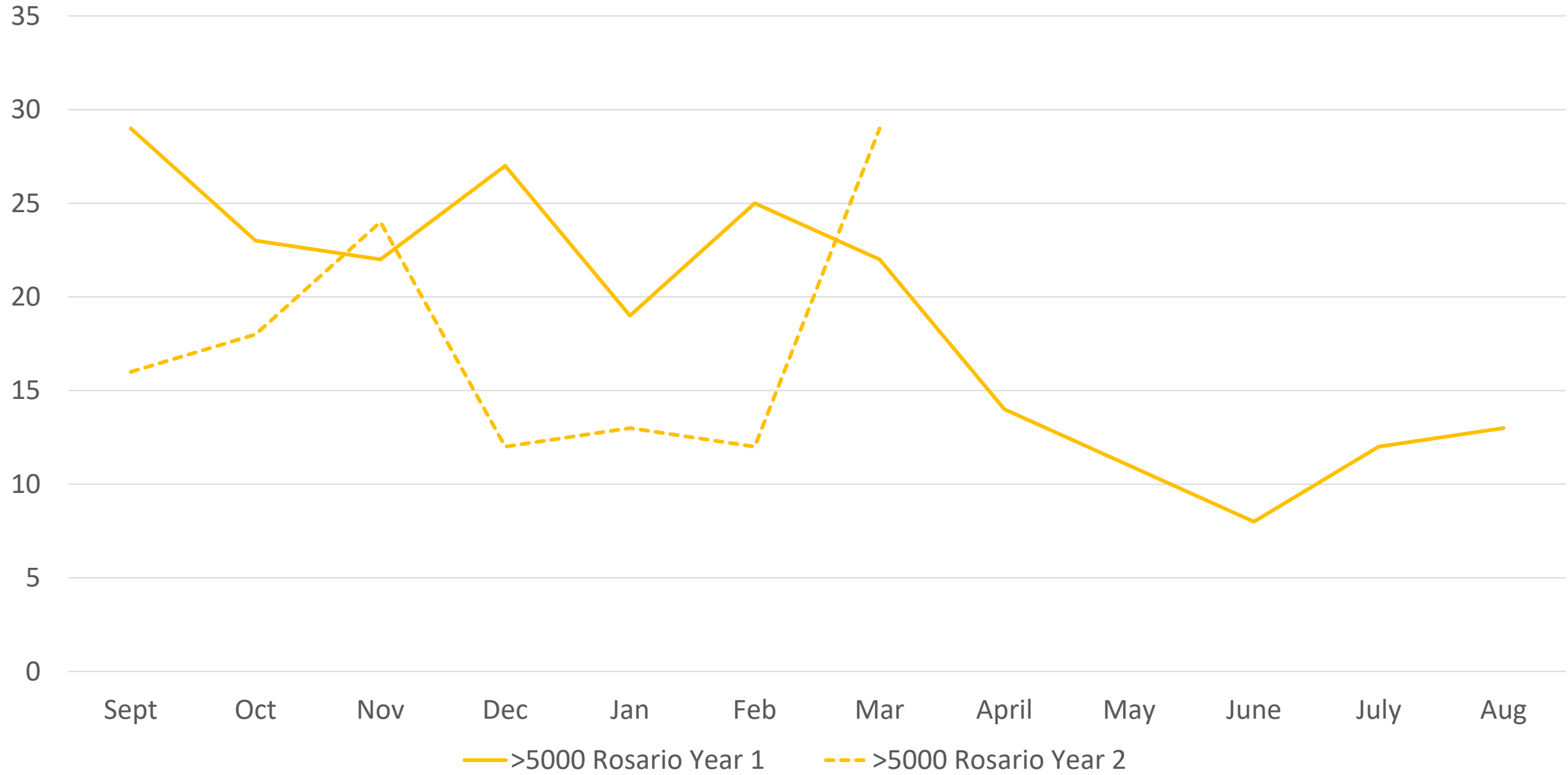


DRAFT RESULTS: ATBs Year 1 and 2 - Haro transits

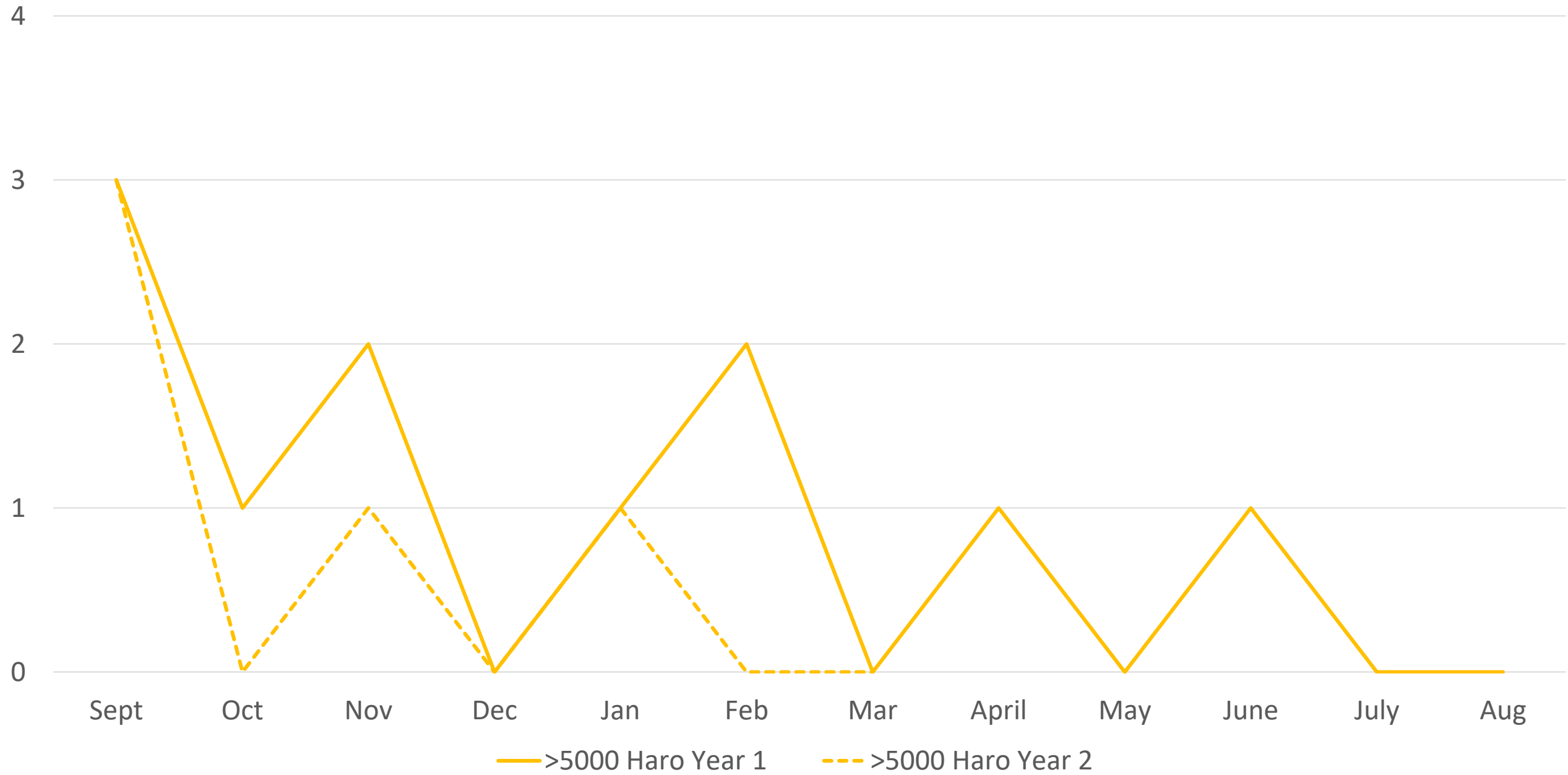
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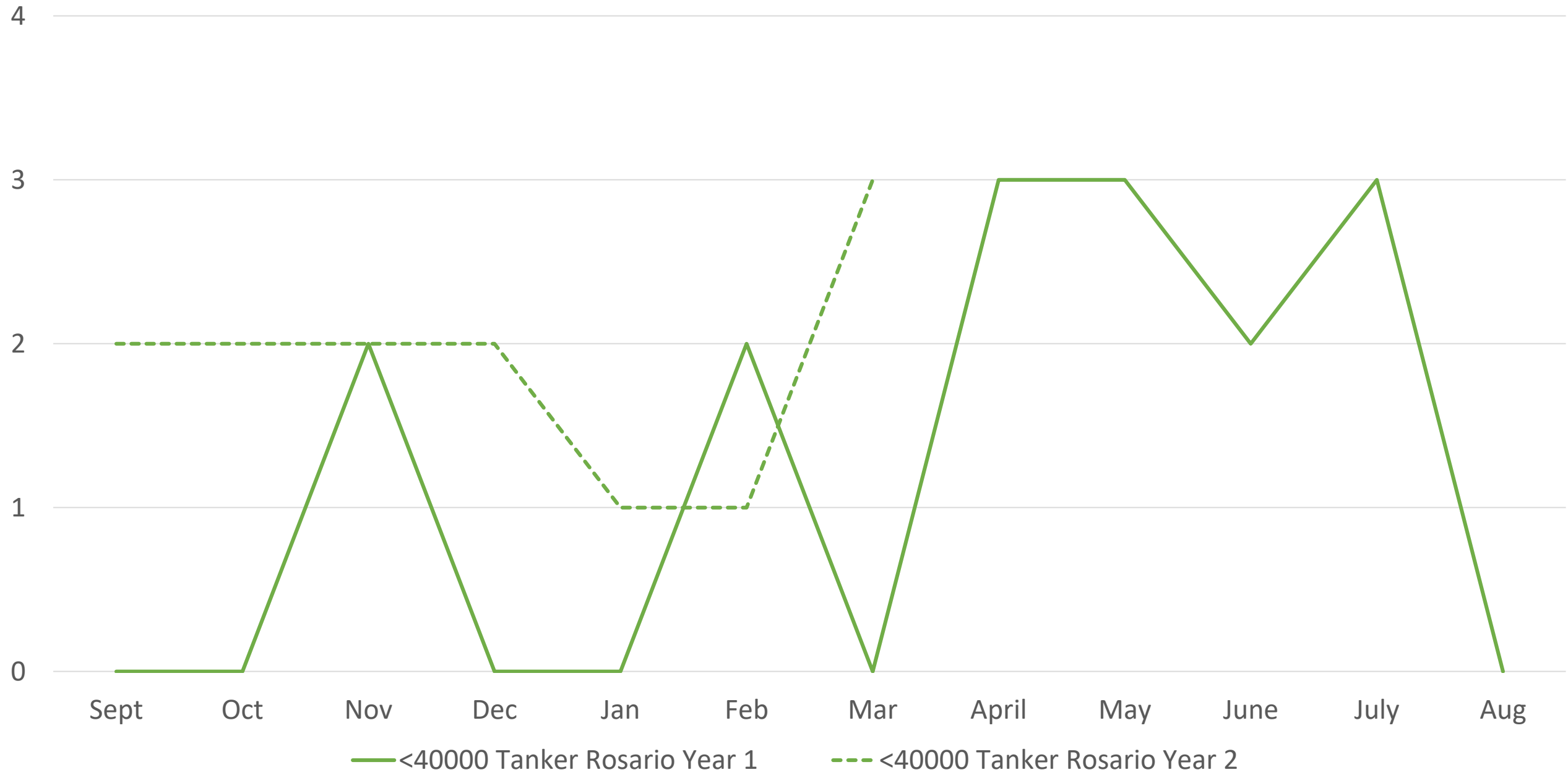
DRAFT RESULTS: > 5,000 Barges Year 1 and 2 - Rosario transits
(includes likely laden and unknown - excludes likely unladen & bunkering transits)



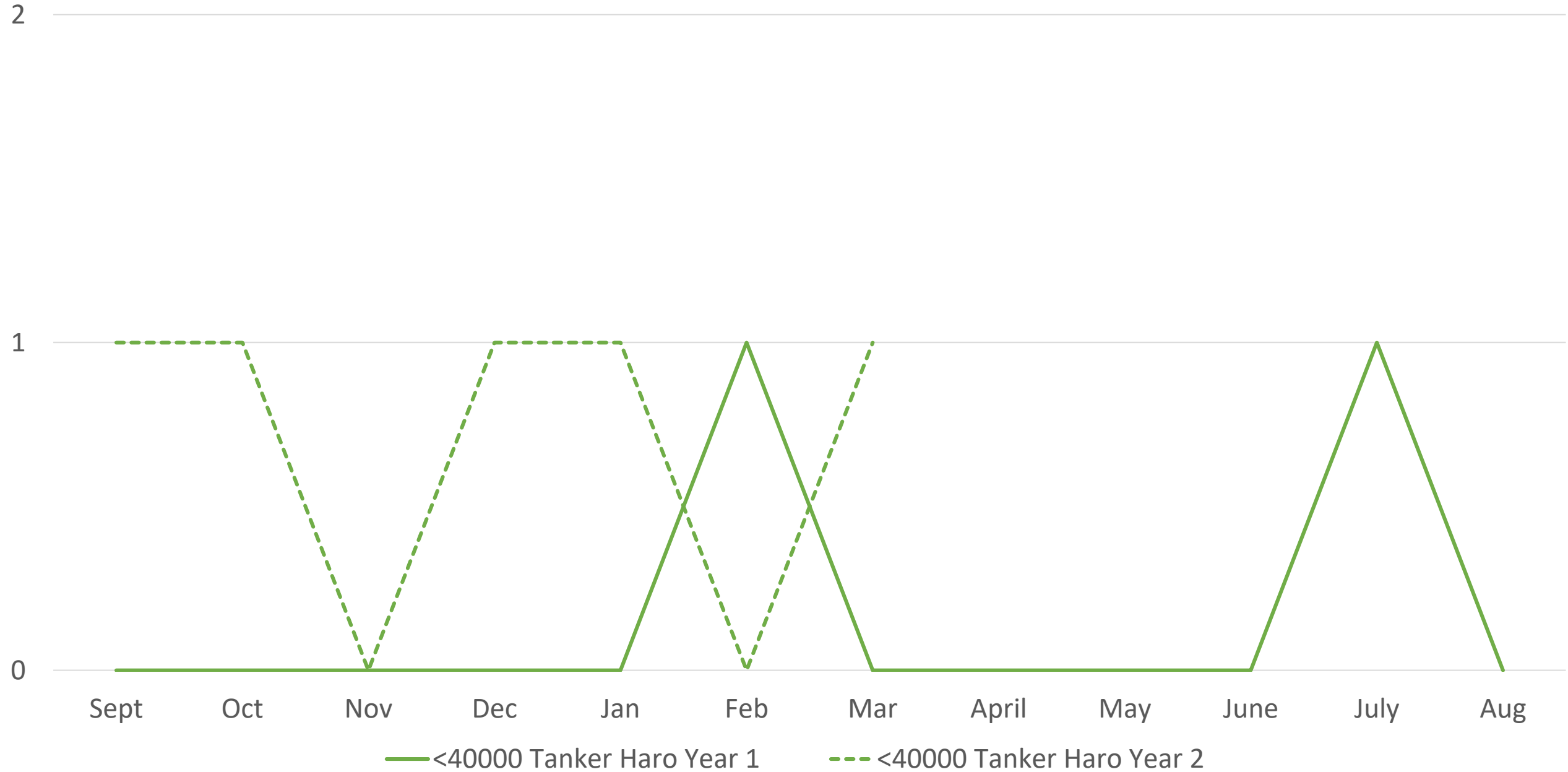
DRAFT RESULTS: > 5,000 Barges Year 1 and 2 - Haro transits
(includes likely laden and unknown - excludes likely unladen & bunkering transits)



DRAFT RESULTS: < 40,000 Tanker Year 1 and 2 - Rosario transits
(includes likely laden and unknown - excludes likely unladen & bunkering transits)



DRAFT RESULTS: < 40,000 Tanker Year 1 and 2 - Haro transits
(includes likely laden and unknown - excludes likely unladen & bunkering transits)

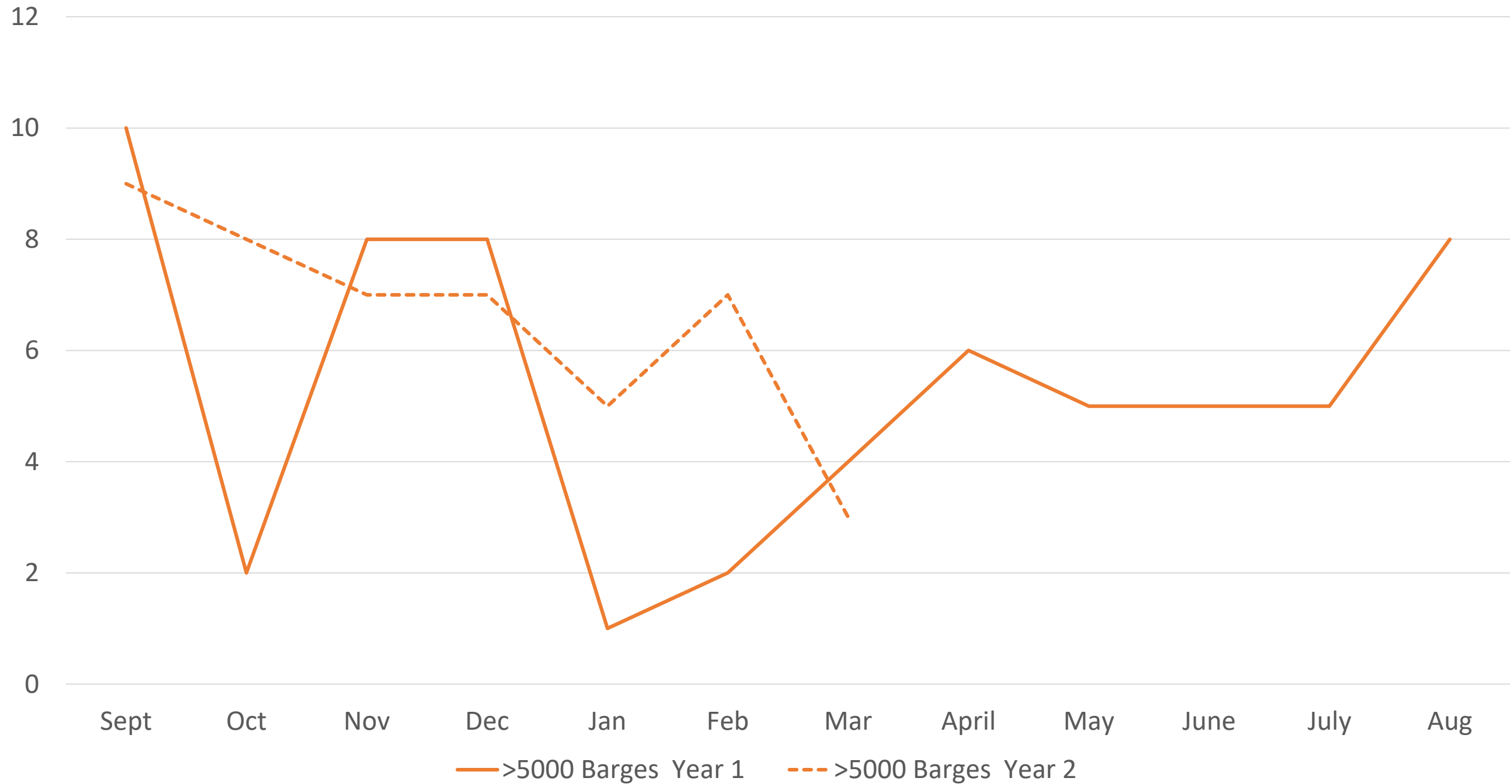


Routes for vessels engaged in bunkering

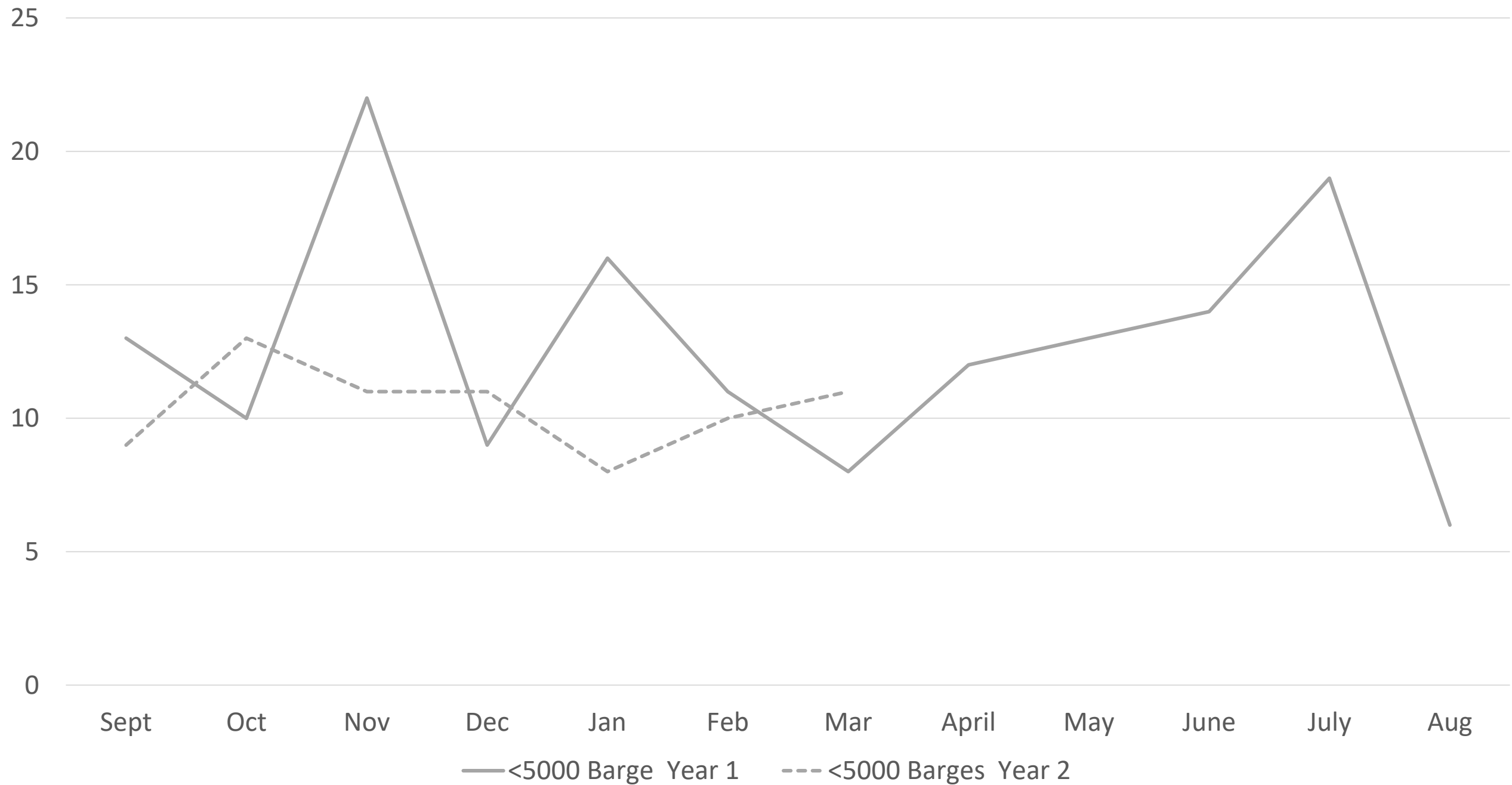
- >5,000 barges engaged in bunkering Rosario Year 1 and 2
- <5,000 barge engaged in bunkering Rosario Year 1 and 2



DRAFT RESULTS: Rosario Transits of >5,000 Barges Engaged in Bunkering



DRAFT RESULTS: Rosario Transits of < 5,000 Barges Engaged in Bunkering



Next Steps

- Continue work on Vessel Trend Synopsis
- Provide updated versions of these graphics in the monthly Board packet





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)

January 13, 2020, 1 pm to 3 pm

Attendees

John Scragg (BPC/PSP), Phil Morrell (BPC), Sheri Tonn (BPC), Jaimie Bever (BPC), Jason Hamilton (BPC), Eleanor Kirtley (BPC), Scott Anacker (PSP), Mike Folkers (PGH), Mike Moore (PMSA), Andrew Drennen (Conoco-Philips), Bettina Maki (BPC)

1. Welcome to Scott Anacker

Chair John Scragg introduced Puget Sound Pilot Scott Anacker, who will be serving on the Pilot Safety Committee. Scott has many years of experience working on fatigue management issues with PSP for the last 8 years.

2. Review of Minutes of previous meeting on 11/16/2020.

The minutes were reviewed and approved by the committee with no corrections.

3. COVID 19 Safety Concerns

Ivan Carlson gave an update. Since the last PSP meeting one pilot had to self-quarantine due to a family member testing positive. Several other pilots have had to self-quarantine due to potential exposures in various settings (both on vessels and in the community) but ultimately those pilots all tested negative and were able to return to work. Pilots are using their comp days as needed to cover self-quarantine days.

PSP is in conversation with several entities -- Clallam County Health Dept, Discovery Health, Washington State Commerce Dept, the Governor's Maritime Sector Lead, Joshua Berger -- about access to vaccines and eligibility requirements. While Washington State has not made maritime workers high priority for vaccines, some pilots may be eligible sooner due their age and/or other situations.

Jaimie Bever reminded Ivan that the Board should be notified when pilots test positive for COVID, as discussed in a previous meeting. Pilots who test positive should be declared Not Fit For Duty, while those who are self-quarantining awaiting test results can simply be noted in the Activity Report.

4. Update WAC to incorporate the new RCW and BPC Policy: Review and consider changes to language of WAC 363-116-081 (Pilotage Rules, Rest Period) that will reflect changes to RCW and incorporate BPC policy related to fatigue management.

The committee members took one last look at the latest revised concise version of the draft WAC language, alongside the very detailed version they had previously come up with. John Scragg offered some further edits to the concise version, to clarify how the “13 hour rule” applies to multiple harbor shifts -- that the 13 hours starts at the beginning of the first harbor shift and ends at the end of the last harbor shift. The committee concurred with the change.

John also suggested that the language about travel time allowances might be too specific and could cause the WAC to become outdated if PSP revised travel time calculations in the future. Omitting this wording would leave travel time (an important variable in rest period calculations) completely undefined in the WAC. The committee discussed whether it was reasonable for the travel time details to be documented in PSP operating rules with the understanding that the Board has responsibility to review the operating rules from time to time – and that PSP is required to notify the Board when making changes to the rules. The committee agreed this was an acceptable solution.

The group preferred the new concise version with the above-described edits and wanted to present that to the Board. Eleanor Kirtley thought, however, that the Board would benefit from seeing the detailed version as well, to understand the careful work that had gone into the final wording. Mike Moore agreed that while the concise language is best for the WAC, there is value to retaining the committee’s earlier drafts in another location. Jaimie explained this material will be included in the Concise Explanatory Statement (CES) which accompanies the proposed rule draft and CR102 Proposed Rule Making form filed with the Code Reviser. The CES does not become part of the public record, but is kept on file with BPC. The committee agreed this was an acceptable solution. Mike Moore pointed out that the BPC Annual Report is another place where annual rule making is documented, for good measure. Mike Folkers will provide needed information to complete the Grays Harbor rules in the detailed draft language.

5. Enterprise Risk Management Update

The State of Washington is rolling out a new Enterprise Risk Management tool (“Origami”). Jaimie explained that BPC will begin having each of the committees take responsibility for identifying risks that fall under the scope of the committee objectives. This will be a new way of integrating Risk Management into the everyday work of the Board, and not just having it be an annual task handled by one or two people behind the scenes. Sheri Tonn expressed cautious optimism – she has seen similar efforts succeed, though some fail.

6. Wrap-up/Meeting Schedule Review/Next Meeting

- At the upcoming Board meeting, the Board *might* request changes to the draft WAC language, so the committee should be prepared to meet soon after the board meeting, in that event.
- If the Board does not request changes, then the next committee meeting can be held in March.
- The committee members congratulated Ivan Carlson on being elected PSP President!

The meeting was adjourned at 2:10 pm.