



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

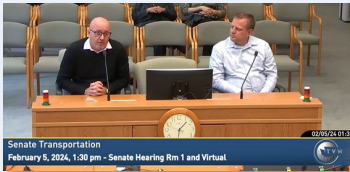
Spring 2024



Announcements

Commissioner Confirmations

On February 5, the Board's industry representatives Commissioners Richard Firth (left) and Andrew Drennen (right) attended a confirmation hearing in front of the Senate Transportation Committee.



Puget Sound Licensures

CONGRATULATIONS

to Captains Mike Mancini and Will Kelly, who were licensed at the March 21 Board Meeting!



From left:

BPC Chair Sheri Tomm and Captain Mike Mancini.

Tug Escort Rulemaking Update



The BPC and Department of Ecology rulemaking team, as well as the BPC's Oil Transportation Safety Committee (OTSC), have been hard at work advancing 2019 legislation per ESHB 1578 to establish rules for tug escorts of laden oil tankers, Articulated Tug Barges (ATBs), and towed oil barges between 5,000 and 40,000 deadweight tons in certain areas of the Puget Sound pilotage waters.

During the first quarter of 2024, the OTSC met several times to develop a recommendation for the Board's consideration regarding Tug Escort Ideas and Environmental Elements for the State Environmental Policy Act (SEPA) process. The Board took action at the [March 21 Regular Public Meeting](#) for the ideas to be included in the SEPA analysis. You can find the list of adopted ideas and elements on our website [here](#).

Our 7th rulemaking workshop is coming up on **Wednesday, May 8, 2024, 1:00pm – 3:00pm** via webinar **AND** in-person at the Ecology Northwest Regional Office (15700 Dayton Ave N, Shoreline, WA). Here are some options to join us:

Virtual Option: Please register in advance at https://waecy-wa.gov/zoom.us/meeting/register/tZcpcuyhpjgiE9d2-L1jCcDF_706I-Bpd0Og

In-Person Option: Please email Haley Kennard at haley.kennard@ecy.wa.gov so that we have an accurate headcount.

Changes in WSF Leadership

Toward the end of December 2023, Washington State Ferries Assistant Secretary Patty Rubstello announced that she would be stepping down from her position in early spring 2024. After a nation-wide search, WSF's Director of Marine Operations Captain Steve Nevey was announced as the next Assistant Secretary in the Ferries Division of WSDOT. Steve brings to the role extensive maritime experience. Prior to working at WSF, Steve worked on oil tankers, a Scottish ferry system, smaller private vessels in the Caribbean, and served as Holland America Group's Director of Operations.



From left: Patty Rubstello and Steve Nevey. Images courtesy of WSDOT.

As Director of Marine Operations at WSF, Steve oversaw the development and implementation of the 'Mate in Training' program. The program is focused on addressing the shortage of qualified Mates that WSF is currently experiencing.

While in the program, 'Mates in Training' focus solely on "riding for pilotage, studying to take USCG pilotage exams, and gaining knowledge and experience on vessels and routes where individuals will most likely be sailing". This 'Mate in Training' designation is a full time, paid position. WSF is a direct pipeline to a becoming a Washington state licensed pilot. Find more information about employment at WSF at

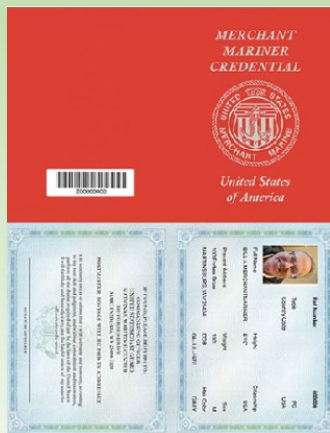
<https://wsdot.wa.gov/travel/washington-state-ferries/about-us/employment-washington-state-ferries>.



Image courtesy of WSDOT.

The Board thanks Patty for her support of pilotage and wishes her all the best in her retirement. We look forward to working with Steve and our continued partnership with WSF!

New Master Mariner Credentials



Example of the new MMC courtesy of the USCG.

The National Maritime Center announced, effective March 1, 2024, a change to the format of Master Mariner Credentials (MMCs). According to [the announcement](#) issued by the USCG on February 21, "the new mariner credential is formatted on 8.5" x 11" waterproof and tear-resistant synthetic paper". The announcement further explains that mariners will "no longer receive separate endorsement labels (i.e. stickers), but rather a new MMC document with the endorsements incorporated". The BPC keeps MMCs on file for all State-licensed pilots.

A brochure further describing the changes can be found [here](#) or at the [National Maritime Center \(CG-NMC\) Home Page \(uscg.mil\)](#).

District Snapshots

Puget Sound



Retirements:

There were no retirements in the first quarter of 2024.

License Upgrades to Unlimited:

Captain K. Grieser
Captain T. McGrath
Well done, Captains!

Training Program:

Currently training are Captains Fleischfresser, Sturgell, Michelson, Wood, and Sabbath.



PS Trainee Captain Harlow Wood docking the bulker KEN SPIRIT at Whatcom Terminal in Bellingham, WA. Image courtesy of Puget Sound Pilots.

Find out more about Puget Sound Pilots at <https://www.pspilots.org/>.



Conference Outreach



BPC Training Program Manager Jolene Hamel with the sponsorship board at the Women on the Water Conference.

The first quarter of 2024 was a busy time for outreach! Kicking off the 2024 conference season was the return of MARAD's Women on the Water annual conference, which had been on hiatus since the pandemic. The conference was held at Massachusetts Maritime Academy in early February. BPC Training Program Manager Jolene Hamel attended to represent the BPC and Washington State pilotage. We were proud to sponsor this conference and are happy to see it return.

Next up was Cal Maritime's Women in Maritime Leadership conference March 15-16. This was another sponsorship opportunity for the BPC. BPC Executive Director Jaimie Bever, Commissioner Eleanor Kirtley, and Puget Sound pilot Captain Severin Knutsen were in attendance.



From left: Jaimie Bever, Severin Knutsen, and Eleanor Kirtley.

Gary Nelson Recognized by AAPA

Prior to his official retirement on March 31, 2024, Port of Grays Harbor Executive Director Gary Nelson was presented with the Distinguished Service Award by the American Association of Port Authorities (AAPA) at the AAPA's Legislative Summit in Washington D.C. Gary had been an active member of the organization since 2000 and also served as the Chairman of the AAPA Board from 2019-2020.

From left: NWSA CEO John Wolfe, Port of Grays Harbor Executive Director Gary Nelson, and AAPA President and CEO Cary Davis. Image courtesy of the Port of Grays Harbor.



The Port of Grays Harbor held a retirement party for Gary on Saturday, March 16, 2024 at the Rotary Log Pavilion in Aberdeen, WA. BPC Chair Sheri Tonn was able to attend representing the BPC. Sheri reported at the March 21 meeting that it was a wonderful celebration of Gary and his work.

Congratulations Gary!

Gary Nelson receives a ship bell in honor of his retirement from the Port of Grays Harbor.



District Snapshots

Grays Harbor



Training Program:

There are no trainees currently.

USCG Joint Training

In February, Grays Harbor pilots participated in a joint training session with the USCG Station Grays Harbor and a USCG helicopter from Air Station Astoria.



Find out more about the Port of Grays Harbor at <https://www.portofgraysharbo.com/>.

Washington State Ferries Strategic Direction

Moving our iconic ferry system forward successfully, and in alignment with the WSDOT Strategic Plan, requires a focus on three simple strategic priorities.





Partial March TEU Numbers

PMSA routinely monitors the monthly TEU tallies published by 23 North American ports, twenty in the United States and three in Canada. We discontinued a previous effort to include Mexico's two major Pacific Coast ports due to data inconsistency issues.

Well before any major port has posted container tallies for March, two of our favorite oracles, the National Retail Federation's Global Port Tracker (NRF/GPT) and Descartes Systems Group have published their forecasts for the month. In an April 9 press release, NRF/GPT expected 1.8 million TEUs would arrive at the thirteen U.S. ports it routinely surveys. That would amount to an 11.0% y/y gain. Meanwhile, Descartes Systems Group's latest Global Shipping Report foresees a 15.7% y/y jump in March with 2,145,341 inbound TEUs at all U.S. ports.

We now turn to the TEU numbers

the ports themselves are posting for March.

Inbound loads in March at the **Port of Long Beach** (302,521) were up 8.4% from a year earlier and up 22.5% from March 2019. Outbound loads at the port (105,099) fell 21.3% from the same month last year and were down 20.0% from March 2019. Counting empty TEUs, total first quarter container traffic through the port (2,002,820) exceeded the volume seen in the same quarter of pre-pandemic 2019 by 10.9%.

Next door at the **Port of Los Angeles**, inbound loads (379,542) were up 18.6% from a year earlier and represented an impressive 22.7% increase over March 2019. Outbound loads (144,718) jumped by 47.3% y/y but remained 8.9% below March 2019. Total container traffic through the nation's busiest container port in this year's first quarter (2,380,503) was 7.8% higher than the volume recorded

in the same period five years earlier.

In the San Francisco Bay Area, the **Port of Oakland** saw major year-over-year gains that helped close its gap with the overall volume of container traffic the port handled before the COVID pandemic hit in early 2020. March inbound loads (83,483) were up 38.4% from a year earlier and 11.7% over March 2019. Outbound loads (75,352) finished up 14.8% year-over-year but remained 14.6% below March 2019. Total container traffic at the port in this year's first quarter (566,053) was 7.5% shy of the total handled in the same quarter five years earlier.

The **Northwest Seaport Alliance Ports of Tacoma and Seattle** posted impressive year-over-year gains in March but remained far short of the volume of container business the two Washington State ports had handled pre-pandemically. Inbound loads (92,787) were up 17.1% from a year

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Partial Tallies

Continued

earlier but were still 20.7% shy of the volume handled in March 2019. Similarly, outbound loads (59,842) were up 15.6% y/y but came up 31.1% short of the mark set five years earlier. Total container traffic in this year's first quarter (699,382) was down 25.0% from the same period in 2019.

North of the border, the **Port of Vancouver** posted strong numbers in March. Inbound loads (158,500) were up 37.4% y/y and up 21.5% from March 2019. Outbound loads (77,839) represented a gain of 20.0% year-over-year but remained down 24.8% from March 2019. Total container traffic YTD through the British Columbia gateway (861,517) was up 2.2% from the first quarter of 2019.

March may have been a long-awaited turnaround month for the **Port of Prince Rupert**. Inbound loads (41,133) were up 34.6% from a year earlier. Outbound loads, though, slipped by 1.1%. Total container traffic through the port in this year's first quarter (191,448) remained 22.9% below the same period in 2019.

Back East, the **Port Authority of New York/New Jersey** seldom makes its monthly tallies available in time for this newsletter.



20px[link=User:Kcida10|Kcida10 (talk) (uploads), CC BY 2.0 ->https://creativecommons.org/licenses/by/2.0/>, via Wikimedia Commons

Elsewhere along the Atlantic Coast, the **Port of Virginia** handled 134,944 inbound loads in March, up 28.1% year-over-year and 26.1% more than in March 2019. Outbound loads (101,170) were up just 0.7% from a year earlier but 13.3% higher than in March 2019. Total container traffic year-to-date through the mid-Atlantic port (850,294) was up 20.0% from the first quarter of 2019.

The **Port of Charleston** handled 107,237 inbound loads in March, up 17.0% from a year earlier and also up 15.5% from March 2019. Outbound loads at the South Carolina port (60,319) were up just 0.9% y/y but fell short of March 2019's volume by 22.4%. YTD, total container traffic (627,297) exceeded the level achieved in the first quarter of 2019 by 4.9%.

The **Port of Savannah** reports that

211,033 inbound loads were handled in March, a 23.9% jump over a year earlier and a 13.2% gain over the pre-pandemic March of 2019. Outbound loads (127,997) were up 8.4% year-over-year but down 17.5% from March 2019. Total loads and empties at the Georgia port in the year's first quarter (1,315,706) were up 11.2% from the same quarter last year and up 14.2% from 2019.

Along the Gulf of Mexico, **Port Houston** handled 164,634 inbound loads in March, a 22.9% y/y jump, and an increase of 50.2% over the number of inbound loads the Texas port handled in March 2019. Outbound loads (34,221) were up 12.0% from a year earlier and 13.5% above March 2019. Total container traffic in the first quarter (1,069,917) represented a 54.1% increase over the same period in 2019.

We Make Cargo Move



The Port
OF HUENEME



FOR THE RECORD

Complete February 2024 TEU Tallies

The National Retail Federation/Global Port Tracker (NRF/GPT) announced in an April 9 press release that “Import Cargo To Hit 2 Million Containers For First Time Since Last Fall”, predicting that this milestone would be reached in May, when 2.04 million inbound loads are expected.

In fact, though, America’s seaports have already exceeded two million inbound loads this year. As **Exhibit 1** shows, inbound loads at U.S. ports totaled 2,066,296 in February, just short of January’s 2,084,583 inbound loads, as we reported in last month’s edition

To be sure, the NRF/GPT confines its attention to the nation’s 13 busiest container ports. This newsletter, by contrast, tracks 20 ports around the country. But even then, we do not capture container traffic through ports that do not share their TEU figures. (The Port of Mobile in Alabama, the Port of Wilmington in North Carolina, and the Port of Wilmington in Delaware come to mind.)

In short, America’s ports handle many more inbound containers laden with consumer goods, capital equipment, and industrial supplies than might be counted in press releases that get recycled by a copy-hungry media.

As Exhibit 1 shows, the 20 U.S. ports we monitor collectively reported handling over two million inbound loads in February, a 25.3% y/y increase but

Exhibit 1	February 2024 Inbound Loaded TEUs at Selected Ports				
	Feb 2024	Feb 2023	Feb 2019	Change from 2022	Change from 2019
Los Angeles	408,764	249,407	348,316	63.9%	17.4%
Long Beach	329,850	254,970	302,865	29.4%	8.9%
San Pedro Bay Total	738,614	504,377	651,181	46.4%	13.4%
Oakland	76,734	58,073	69,977	32.1%	9.7%
NWSA	81,823	83,104	99,669	-1.5%	-17.9%
Hueneme	9,214	11,214	5,812	-17.8%	58.5%
San Diego	6,050	6,056	6,036	-0.1%	0.2%
USWC Total	912,435	662,824	832,675	37.7%	9.6%
Boston	10,658	7,475	11,728	42.6%	-9.1%
NYNJ	332,241	288,314	295,523	15.2%	12.4%
Philadelphia	30,724	27,420	19,855	12.0%	54.7%
Maryland	45,641	39,893	42,287	14.4%	7.9%
Virginia	130,965	108,808	105,357	20.4%	24.3%
South Carolina	104,118	93,780	77,667	11.0%	34.1%
Georgia	218,997	184,189	149,685	18.9%	46.3%
Jaxport	31,499	21,005	25,702	50.0%	22.6%
Port Everglades	28,414	27,609	27,361	2.9%	3.8%
Miami	44,523	36,196	32,125	23.0%	38.6%
USEC Total	977,780	834,689	787,290	17.1%	24.2%
New Orleans	9,232	9,452	7,393	-2.3%	24.9%
Houston	166,849	141,946	86,953	17.5%	91.9%
USGC	176,081	151,398	94,346	16.3%	86.6%
Vancouver	153,005	124,831	129,494	22.6%	18.2%
Prince Rupert	30,324	23,244	34,758	30.5%	-12.8%
British Columbia Total	183,329	148,075	164,252	23.8%	11.6%
U.S. Totals	2,066,296	1,648,911	1,714,311	25.3%	20.5%

Source Individual Ports



February 2024 TEU Numbers

Continued

a slightly smaller 20.5% (+79,760) gain over the second month of pre-pandemic 2019. U.S. West Coast ports alone recorded 912,435 inbound loads in February, a 37.7% bump over the preceding February and a 9.6% gain over February 2019. U.S. East Coast ports meanwhile handled 977,780 inbound loads, up 17.1% y/y and 24.2% ahead of the February tally five years earlier. U.S. Gulf Coast ports posted a 16.3% y/y increase in February but an even more impressive 86.6% (+81,735) jump since the second month of 2019.

Nationally, as **Exhibit 2** displays, outbound loads in February were up 10.2% over the previous February and improved by 4.5% from February 2019. Only the Gulf Coast ports posted a gain (59.4%) in outbound loads since 2019.

Exhibit 3 adds up the loads and empties that moved through all surveyed ports through the first two months of the year and compares those totals against the totals recorded in the same months last year and in pre-COVID 2019. Overall, the U.S. ports we monitor handled 8,756,995 TEUs in January and February, a 13.3% increase from a year ago and a 9.8% gain over the first two months of 2019.

Moving on to the February tallies supplied by the major ports themselves. As usual, we start our port-by-port accounting in Southern California, where the nation's two busiest container ports started the year on an exceptionally positive note.

Exhibit 2	February 2024 Outbound Loaded TEUs at Selected Ports				
	Feb 2024	Feb 2023	Feb 2019	Change from 2023	Change from 2019
Los Angeles	132,755	82,404	142,555	61.1%	-6.9%
Long Beach	87,474	110,919	105,287	21.1%	-16.9%
San Pedro Bay Totals	220,229	193,323	247,842	13.9%	-11.1%
Oakland	69,242	55,741	67,837	24.2%	2.1%
NWSA	50,150	45,716	65,610	9.7%	-23.6%
Hueneme	1,982	1,720	1,174	15.2%	68.8%
San Diego	478	740	164	-35.4%	191.5%
USWC Totals	342,081	297,240	382,627	15.1%	-10.6%
Boston	5,686	4,386	5,723	29.6%	-0.6%
NYNJ	101,636	98,692	113,358	3.0%	-10.3%
Philadelphia	5,876	6,121	5,467	-4.0%	7.5%
Maryland	19,554	20,126	18,556	-2.8%	5.4%
Virginia	99,969	96,399	76,642	3.7%	30.4%
South Carolina	59,639	61,448	62,086	-2.9%	-3.9%
Georgia	121,933	110,772	105,260	10.1%	15.8%
Jaxport	40,751	40,896	38,837	-0.4%	4.9%
Port Everglades	33,015	32,565	32,664	1.4%	1.1%
Miami	22,962	22,362	30,627	2.7%	-25.0%
USEC Totals	511,021	493,767	489,220	3.5%	4.5%
New Orleans	21,934	18,999	18,718	15.4%	17.2%
Houston	145,766	116,265	86,460	25.4%	68.6%
USGC Totals	167,700	135,264	105,178	24.0%	59.4%
Vancouver	72,838	66,482	92,869	9.6%	-21.6%
Prince Rupert	9,322	8,406	11,677	10.9%	-20.2%
British Columbia Totals	82,160	74,888	104,546	9.7%	-21.4%
U.S. Totals	1,020,802	926,271	977,025	10.2%	4.5%

Source Individual Ports



February 2024 TEU Numbers

Continued

At the **Port of Long Beach**, February inbound loads (329,850) were up 29.4% from a year earlier, while outbound loads (87,474) declined by 21.1%. Measured against the same month in pre-pandemic 2019, inbound loads were down 8.9%, while outbound loads were lower by 16.9%. Year to date, total box trade movement through the Southern California gateway amounted to 1,348,738 TEUs, up 17.3% from the same months in 2019.

Year-over-year jumps were even more stupendous next door at the **Port of Los Angeles**, where inbound loads in February (408,764) were up 63.9% over a year earlier. Outbound loads (132,755) were meanwhile up 61.1% y/y. Total container traffic YTD (1,637,086) was up 34.9% over the first two months of last year. Measured against the pre-pandemic February of 2019, inbound loads this February were up 17.4%, while outbound loads were down 6.9%. Total container moves through the port YTD were up 5.1% from this point in 2019.

In Northern California, the **Port of Oakland** posted a set of strong y/y gains. Inbound loads (76,734) were up 32.1% from a year earlier, while outbound loads (69,242) were up 24.2%. Measured against February 2019, inbound loads this February were up 9.7%, while outbound loads were up 2.1%. Total container traffic through the East Bay port YTD (363,238) remained down by 8.8%.

Exhibit 3

February 2024 YTD Total TEUs

	Feb 2024	Feb 2023	Feb 2019	Change from 2023	Change from 2019
Los Angeles	1,637,086	1,213,860	1,557,757	34.9%	5.1%
Long Beach	1,348,738	1,117,447	1,149,437	20.7%	17.3%
NYNJ	1,299,801	1,216,607	1,207,747	6.8%	7.6%
Georgia	879,709	816,507	772,368	7.7%	13.9%
Houston	708,926	633,442	413,446	11.9%	71.5%
Virginia	558,594	545,346	468,262	2.4%	19.3%
Vancouver	553,347	481,423	573,358	14.9%	-3.5%
NWSA	437,887	438,842	595,461	-0.2%	-26.5%
South Carolina	410,887	416,646	383,820	-1.4%	7.1%
Oakland	363,238	333,065	398,178	9.1%	-8.8%
Montreal	223,324	238,420	258,774	-6.3%	-13.7%
JaxPort	216,977	195,375	220,934	11.1%	-1.8%
Maryland	182,914	184,607	170,176	0.9%	7.5%
Miami	186,976	181,878	187,852	2.8%	-0.5%
Port Everglades	181,353	175,997	171,992	3.0%	5.4%
Philadelphia	130,051	122,367	94,155	6.3%	38.1%
Prince Rupert	116,952	124,142	161,848	-5.8%	-27.7%
New Orleans	88,630	75,883	89,593	16.8%	-1.1%
Hueneme	42,496	45,923	21,670	-7.5%	96.1%
Boston	42,475	35,904	47,833	18.3%	-11.2%
San Diego	23,868	26,481	22,114	-9.9%	7.9%
Portland, Oregon	16,389	24,288	20	-32.5%	∞
U.S. Ports Total	8,756,995	7,800,465	7,972,815	13.3%	9.8%

Source Individual Ports



February 2024 TEU Numbers

Continued

At the **Northwest Seaport Alliance Ports of Tacoma and Seattle**, inbound loads in February (81,823) were off 1.5% from a year earlier and down 17.9% from February 2019. Outbound loads (50,150) were up 9.6% y/y but still 17.9% below the mark set in the same month five years earlier. Total container moves YTD through the Washington State gateways (437,887) were down 26.5% from the first two months of 2019.

Up in British Columbia, the **Port of Vancouver** handled 153,005 inbound loads in February, a gain of 22.6% from a year earlier and, more importantly, 18.2% more inbound loads than it had seen in February 2019. However, outbound loads (72,838) in February, while up 9.6% y/y, remained 21.6% below the 92,869 loads that had sailed from the port five years earlier. Total container moves YTD (553,347) were 3.5% lower than the volume of loads and empties handled to this point in 2019.

Further north, the **Port of Prince Rupert** handled 30,324 inbound loads in February, up 30.5% from a year earlier but still down 12.8% from February 2019. Outbound loads (9,322) were up 10.9% y/y but remained 20.2% below February 2019. Total container traffic YTD (116,952) was down 27.7% from 2019.

Back on the Atlantic seaboard, 332,241 inbound loads were discharged at the **Port of New York/ New Jersey** in February. That was 15.2% higher than a year earlier and 12.4% more than the 295,523 inbound loads the port handled in February 2019. (February's traffic in inbound

loads also exceeded by 5.4% the estimate ventured by John McCown's March 20 Report on the Top 10 U.S. Ports.) Outbound loads at the bi-state gateway amounted to 101,636, up 3.0% y/y but still down 10.3% from February 2019. Total container traffic in the first two months of the year (1,299,801) was up 7.6% from the same period in 2019.

Moving south, the **Port of Virginia** received 130,965 inbound loads in the year's second month, a 20.4% gain from a year earlier and 46.3% more inbound loads than the port handled back in February 2019. Outbound loads (99,969) were up 3.7% y/y and 30.4% more than in February 2019. Total container traffic so far this calendar year (558,594) was up 19.3% from 2019.

At the **Port of Charleston**, February's volume of inbound loads (104,118) was up 11.0% y/y and exceeded the number of inbound loads the port had handled in February 2019 by 34.1%. Outbound loads (59,639) were down 2.0% y/y and down 3.9% from February 2019. Total YTD container trade through the South Carolina port (410,887) was up 7.1% from the same months in 2019.

Down at the **Port of Savannah**, inbound loads in February (218,997) were up 18.9% from a year earlier and up 46.3% from the same month in pre-pandemic 2019. Outbound loads (121,933) were up 10.1% y/y and up 15.8% over February 2019. Total container traffic in this year's first two months totaled 879,709 loads and empties, up 7.7% from the same point last year and 13.9% ahead of the volume of January-February 2019.

At **Port Houston**, everything in February was up by double digits. Inbound loads (166,849) were up 17.5% y/y and 91.9% higher than the 86,953 inbound loads the Texas port handled in February 2019. Meanwhile, outbound loads (145,766) increased by 25.4% from a year earlier and were 68.6% more than February 2019's 86,460 inbound loads. Total container traffic so far this year (708,926) was 11.9% ahead of last year and up 71.5% from 2019.

Finally, February was not a kind month at Oregon's **Port of Portland**, with inbound container traffic at the Columbia River port down 44.0% from a year earlier, while outbound traffic was off by 23.3%. We note with some sadness that, on the heels of a commentary in last month's edition of this newsletter that raised doubts about its viability as a container port, the Port announced on April 15 that it will shut down container operations at Terminal 6 by October.

Container Contents Weights and Values

Exhibit 4 and **Exhibit 5** display the U.S. West Coast ports' shares of the nation's containerized trade through the mainland U.S. ports against which USWC port compete for discretionary cargos. The data are derived from import/export documents shippers file with U.S. Customs and Border Protection. For a broader perspective, we compare the most recent month for which data are available with the same month in the preceding year, in pre-pandemic 2019, and a decade earlier in 2014. For those who are inclined to add up the numbers, the USWC totals in these two exhibits



February 2024 TEU Numbers

Continued

include international container traffic moving through smaller West Coast ports like San Diego, Hueneme, and Everett in addition to the container figures from the USWC Big Five ports.

Exhibit 4 shows a substantial boost in the USWC share of all containerized import tonnage flowing into mainland U.S. ports. Year-over-year gains were especially impressive at the California ports, but the percentage of the nation's containerized import tonnage flowing through the Northwest Seaport Alliance ports in Washington State fell from February 2023. Still, the latest USWC shares remain well below the historical benchmarks.

Exhibit 5 focuses on the USWC shares of U.S. containerized trade involving trading partners in East Asia. Again, the numbers indicate that the Ports of Los Angeles and Long Beach are capturing a significantly larger share of the containerized import tonnage from East Asia. However, both Oakland and the NWSA Ports of Tacoma and Seattle saw their import tonnage shares decline from a year earlier.

USWC Ports and the European Trade

For more than two centuries, Europe had been America's foremost trading partner. Up until the mid-1980s, more of our maritime trade still crossed

the Atlantic than the Pacific. Japan was the sole Asian nation listed in tables enumerating our major trading partners in the 1985 Economic Report of the President. The Atlantic-Pacific ratio soon changed dramatically with the explosive emergence of China as the primary hub of global manufacturing.

Even before the Panama Canal opened an expanded set of locks in 2016, East and Gulf Coast ports had been aggressive in building their trades with the Far East, a development usually depicted as coming at the expense of America's Pacific Coast ports. But the new locks, coupled with billions of federal, state,

Exhibit 4 Major USWC Ports Shares of U.S. Mainland Ports Worldwide Container Trade, February 2024

		Feb 2024	Feb 2023	Feb 2019	Feb 2015
Import Tonnage	USWC	34.3%	31.3%	38.7%	42.3%
	LA/LB	25.6%	21.7%	27.5%	30.9%
	Oak.	3.3%	2.5%	3.5%	4.1%
	NWSA	3.5%	3.8%	5.4%	5.6%
Import Value	USWC	40.0%	37.3%	46.9%	52.0%
	LA/LB	31.7%	28.1%	35.8%	40.5%
	Oak.	3.2%	2.8%	3.5%	3.6%
	NWSA	4.3%	5.1%	6.9%	7.1%
Export Tonnage	USWC	31.8%	31.5%	38.5%	44.3%
	LA/LB	19.2%	19.2%	22.0%	27.1%
	Oak.	5.4%	5.5%	6.7%	6.6%
	NWSA	6.2%	5.9%	8.2%	9.2%
Export Value	USWC	27.2%	25.8%	32.8%	36.5%
	LA/LB	17.3%	16.2%	21.6%	25.0%
	Oak.	5.9%	5.6%	6.7%	5.8%
	NWSA	3.1%	3.2%	4.1%	4.9%

Source: U.S. Commerce Department

Exhibit 5 Major USWC Ports Shares of U.S. Mainland Ports Containerized Trade with East Asia, February 2024

		Feb 2024	Feb 2023	Feb 2019	Feb 2015
Import Tonnage	USWC	51.2%	49.8%	56.9%	64.5%
	LA/LB	41.3%	36.8%	43.5%	48.1%
	Oak.	4.0%	4.6%	4.2%	4.9%
	NWSA	5.2%	6.4%	8.2%	9.4%
Import Value	USWC	59.7%	57.4%	66.3%	72.9%
	LA/LB	48.4%	44.3%	51.5%	57.6%
	Oak.	4.0%	3.6%	4.3%	4.2%
	NWSA	6.4%	8.1%	9.8%	10.1%
Export Tonnage	USWC	52.7%	51.8%	59.9%	68.9%
	LA/LB	32.6%	32.6%	36.7%	44.8%
	Oak.	7.7%	7.8%	9.4%	8.8%
	NWSA	10.8%	10.2%	13.6%	14.4%
Export Value	USWC	55.4%	53.8%	64.2%	71.7%
	LA/LB	36.3%	34.0%	44.1%	51.3%
	Oak.	10.6%	10.7%	11.5%	9.7%
	NWSA	6.7%	7.6%	8.5%	9.7%

Source: U.S. Commerce Department



February 2024 TEU Numbers

Continued

and local investments in port development, enabled East and Gulf Coast ports to better serve their collective hinterland, which is home to the majority of America's population and manufacturing base.

In the 2020 census, 55.5% of Americans resided in the Northeast and South, while 23.7% lived in the West. But whatever business Western states conduct with Europe by sea continues to flow mainly through East and Gulf Coast ports.

Exhibit 6 depicts the USWC share of U.S. containerized import tonnage from Europe over the past two decades.

During the period shown in this exhibit, the population of the West grew by 24.4%, according to the U.S. Census Bureau. Meanwhile, as **Exhibit 7** indicates, containerized import tonnage from Europe through USWC ports edged up by just 7.0%.

Exhibit 8 compares the coastal shares of containerized import tonnage from East Asia over the past twenty years. It tells a familiar story.

Exhibit 9 provides a contrasting view showing the relatively negligible role of USWC ports in handling containerized imports from Europe.

Putting the Baltimore Tragedy in Context

We would be remiss if we did not comment on the March 26 vessel allision with the Francis Scott Key Bridge and the shocking, fatal consequences that effectively closed the Port of Baltimore. We might be even more remiss if we did not comment on the

Exhibit 6

USWC Shares of U.S. Containerized Imports from Europe

Source: U.S. Commerce Department

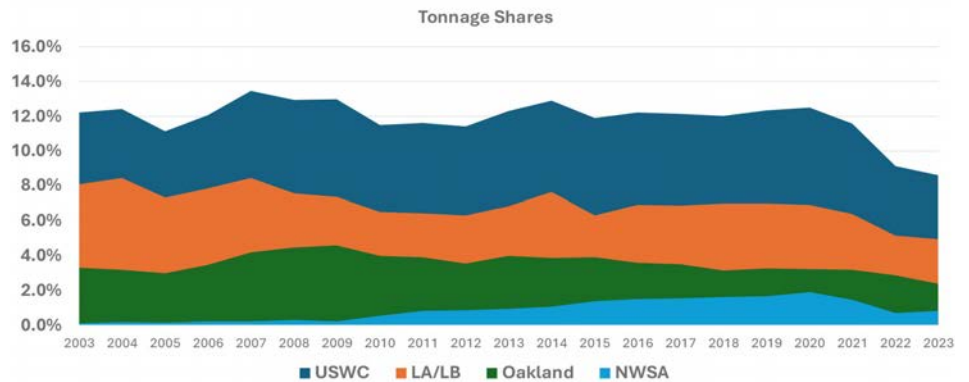


Exhibit 7

USWC Containerized Imports from Europe

Source: U.S. Commerce Department

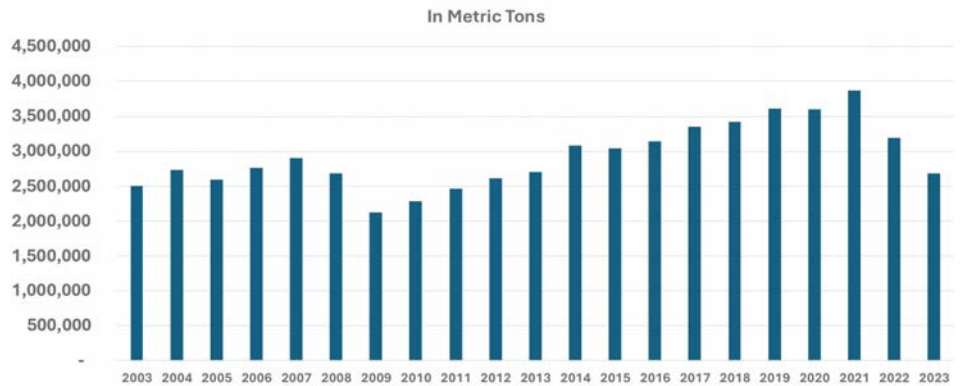
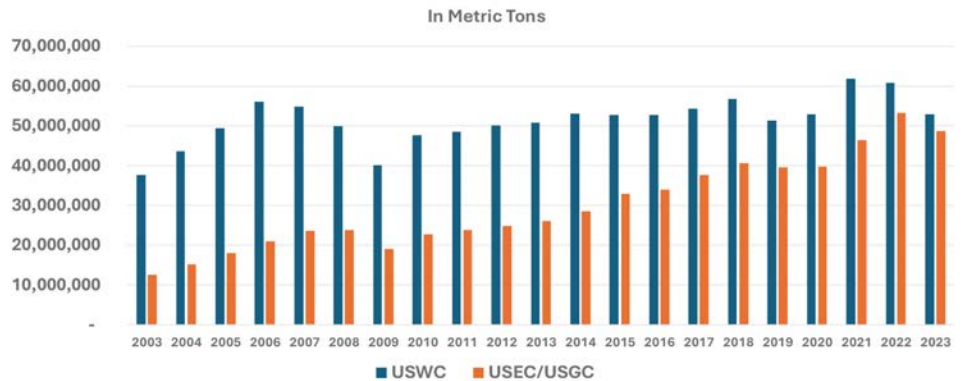


Exhibit 8

Coastal Shares of Containerized Imports from East Asia

Source: U.S. Commerce Department





February 2024 TEU Numbers

Continued

commercial context of the accident, given that initial reports feared the Port of Baltimore would be closed for months and that some commentators and pundits surmised that the overall economic cost would be in the tens of billions. Others predicted a sharp upswing in shipping rates for vessels carrying containers and motor vehicles. A commentator on one national television network feared that nearby ports like New York/New Jersey, Philadelphia, and Norfolk might become congested by the sudden diversion of TEUs destined for the Maryland port.

As it turns out, the impact of this maritime mishap is likely to be very much less substantial than originally dreaded. While Baltimore is the nation's top port for handling cars, trucks, tractors, and farm machinery, the gateway seldom handles more than 100,000 total TEUs a month. That, no doubt, comes as a relief to marine insurance companies. Shipping rates did not spike, and container traffic has been successfully accommodated at other East Coast ports. The Army Corps of Engineers now expects to open a new channel to the Port by the end of May.

For the record, the following exhibits describe the Port of Baltimore's role in the nation's trade in passenger vehicles, trucks, bulldozers, tractors, and even the occasional army tank.

Exhibit 12 depicts the leading U.S. maritime gateways for imported passenger vehicles. Together, these ports account for about two-thirds of all U.S. auto imports arriving by sea. Although its 19.1% share last year

Exhibit 9

Coastal Shares of Containerized Imports from Europe

Source: U.S. Commerce Department

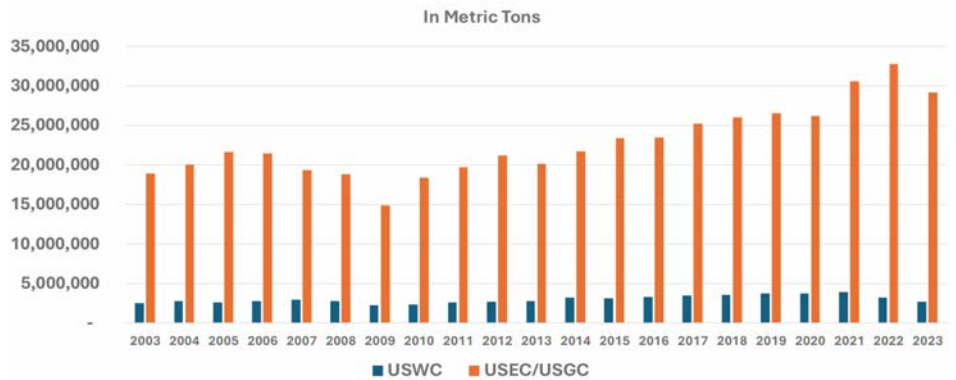


Exhibit 10

Baltimore's Motor Vehicle Import Trade

Source: U.S. Commerce Department

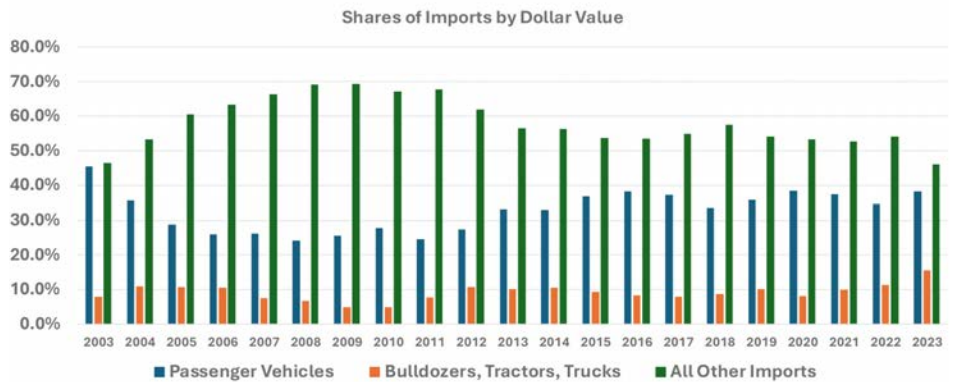
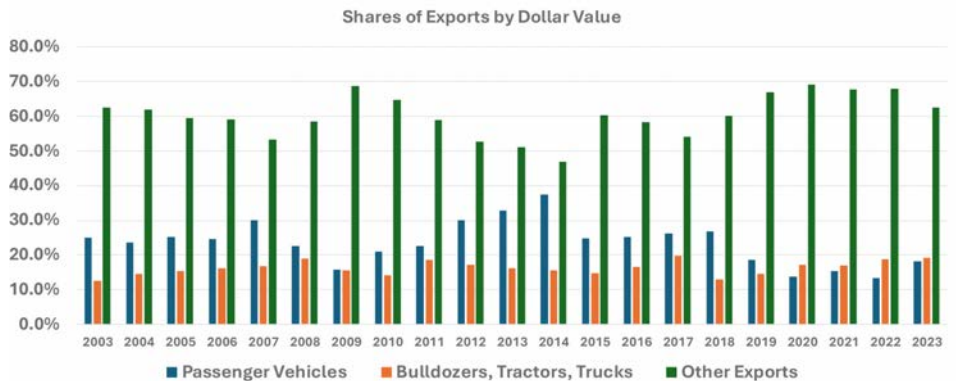


Exhibit 11

Baltimore's Motor Vehicle Export Trade

Source: U.S. Commerce Department





February 2024 TEU Numbers

Continued

was down slightly from the previous two years, the Port of Baltimore ranked Number One, easily exceeding the 11.2% share enjoyed by the Ports of Los Angeles and Long Beach, Port Hueneme (10.5%), PNYNJ (10.2%), Jacksonville (8.8%), and NWSA (7.7%).

More Nuts to England

There is joy at the Almond Board of California, at least judging from its March 26 press release revealing that the “United Kingdom’s government announced it would suspend tariffs for at least two years on raw kernel and inshell almonds from all origins – including the U.S. – beginning April 11, 2024”. The tariffs had been in place since Britain’s departure from the European Union in 2021.

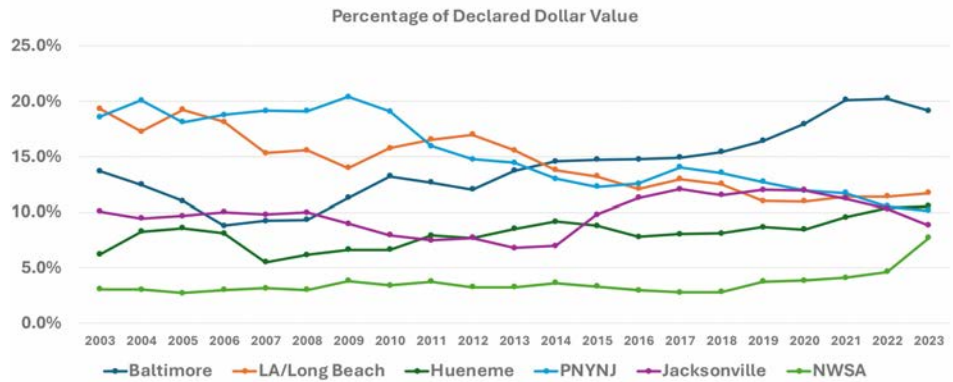
Even before the tariffs were lowered, there had been some good news for the state’s almond growers. In the current crop year (which started on August 1, 2023), almond export tonnage to the U.K. is up 45.5% through March. Among individual European markets, though, the U.K. is not the biggest player. It is, in fact, outranked by Spain, the Netherlands, Germany, and Italy. Back before the tariff and before the plague, the British, Scottish, and Welsh markets accounted for between five and six percent of California almond shipments to Europe which, in turn, accounted for slightly more than a quarter of all California almond exports worldwide.

Still, small joys still count.

Exhibit 12

Passenger Vehicle Imports by U.S. Port

Source: U.S. Commerce Department



Must Farm

That’s not an agricultural imperative. Rather, Must Farm is the site of an archaeological excavation in England. The dig began in 2011 under the supervision of an archaeological team from nearby Cambridge University. The site consists of the remains of five large wooden dwellings constructed during the late Bronze Age around 850 BC.

Perhaps the most remarkable artifacts unearthed at the site, at least from the viewpoint of those of us in the logistics sector of the global economy, were 49 glass beads. According to a Cambridge University study, all but one of these beads “came from far-flung places” including what is now Iran.

That’s a long haul. The distance between London and Tehran is about the same as the distance between

Boston and San Francisco. There is no firm evidence of how those beads made their way from Iran to Must Farm. The Cambridge archaeologists suspect “a long series of small trades” over a considerable period of time. But it’s also conceivable a direct shipment necessitating one or more sea voyages might have been involved. So, too, then would have been at least one very adventurous traveler who calculated that a few decorative baubles found in a Persian market might fetch a handsome reward back home in a rural English fen.

There’s an epic novel or a TV mini-series in there, if not a doctoral dissertation.



JOCK O'CONNELL'S COMMENTARY

The Transborder Trade Threat to USWC Ports

Even while I was solemnly commemorating the Irish High Holy Day on March 17, I did take notice of a headline that day in a prominent shipping industry publication proclaiming that Chinese exports to Mexico's Pacific Coast ports had "skyrocketed" in January.

The headline bannered an article, citing a "global freight intelligence platform", that reported oceanborne imports from China had "surged nearly 60% year over year (y/y) in January". That wave of inbound TEUs, the article breathlessly explained, reflected China's growing investment in manufacturing operations in Mexico. Those investments, the report ominously concluded, will pose a long-term threat to U.S. West Coast (USWC) ports because, unlike goods produced in China or in Chinese-owned factories in Southeast Asia, the *hecho en Mexico* output of these near-shored factories would enter the U.S. market by truck or rail and not aboard ocean carriers.

Shortly after, another report popped

up in my inbox announcing that the New Year was seeing "exponential" growth in Chinese shipments to Manzanillo and Lazaro Cardenas, Mexico's chief West Coast container ports.

Most of us appreciate that a single month of data does not establish a trend. In some newsrooms, however, isolated bits of information can bait headline writers into indulging in hyperbole. Editors are, after all, forever thinking about how best to grab the attention of passing eyes. I'm reminded of the time in the spring of 1976 when my otherwise peaceful stroll through London's Mayfair district was brought up short when I spied a lad hawking a fresh-off-the-press *Evening Standard* whose frontpage blared out this news: "O'Connell Shot". (Depending on your perspective, Mr. O'Connell was either a notorious Irish terrorist or a brave Irish patriot, but definitely not a close relative.)

Hence the topic: how much of this is fact and how much is hyperbolic headlining?

There is no question that Chinese manufacturers have been setting up shop in lands that are less likely to attract the attention of U.S. Customs inspectors or Congressional critics of free trade. Nor is there any question that Chinese investment in Mexican industrial parks has been burgeoning, just as Japanese investments had a generation earlier. Even before Mexico, Canada, and the United States ratified the North American Free Trade Agreement in 1993, foreign direct investment had flowed into what were then called maquiladoras. These were manufacturing plants, usually located near the U.S. border, which offered easier access to the U.S. market, a low-cost labor force, and a relatively lax regulatory environment. By the 1990s, more than a million Mexicans were employed in maquiladoras.

The Chinese are just the latest to capitalize on Mexico's proximity to the world's richest consumer market. But Chinese companies are now the fastest-growing source of foreign direct



On Track with Rail

More tracks, longer trains, greener locomotives – moving cargo more efficiently as we work towards zero emissions.



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



Commentary

Continued

investment in Mexico. According to a new report from Procopio, a legal services firm that advises international investors, Chinese investment predominantly targets the manufacturing sector, encompassing diverse projects such as computer servers, construction equipment, electric vehicles, and furniture. In most instances, components must be imported due to a currently inadequate supplier base in Mexico.

Not surprisingly, as Exhibit A attests, China’s role in Mexico’s import trade has been creeping upwards for the past decade

More importantly for USWC ports, the share of Mexico’s imports that arrived by sea grew from 25.0% in 2010 to 58.4% last year. And just under 85% of Mexico’s seaborne imports from China arrived at the Ports of Manzanillo and Lazaro Cardenas, the chief maritime gateways on Mexico’s Pacific shore.

But before attributing all of the heightened seaborne imports to an ambitious scheme to evade U.S. tariffs on Chinese imports, there may be other reasons for an apparent January surge of Chinese shipments into these two ports. For one thing, we shouldn’t ignore the broader context. Most immediately, we shouldn’t discount the possibility that low-water restrictions at the Panama Canal have led to a rejiggering of the routes Chinese shipping had been accustomed to following from Shanghai or Ningbo to ports throughout the Caribbean and along the Atlantic Coasts of both North and South America. With the improvement of rail

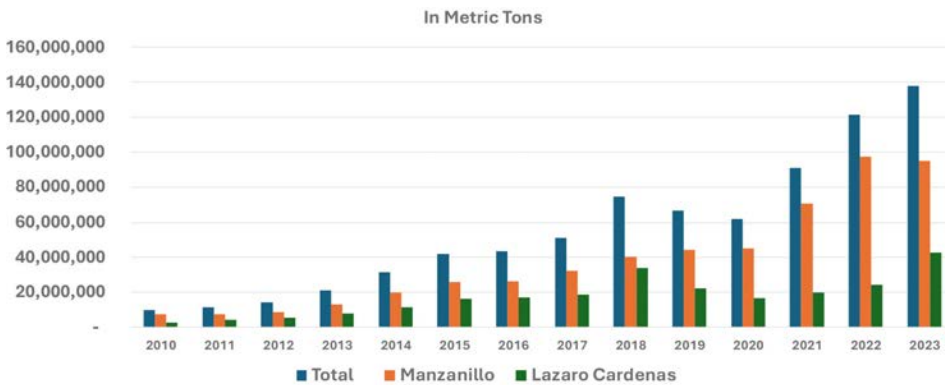
Exhibit A China’s Share of Mexico’s Merchandise Import Trade

Source: National System of Statistical and Geographical Information (NEGI)



Exhibit B Chinese Imports via Mexico’s Chief Pacific Coast Ports

Source: National System of Statistical and Geographical Information (NEGI)



Puerto Lázaro Cárdenas, CC BY-SA 4.0 <https://creativecommons.org/licenses/by-sa/4.0/> via Wikimedia Commons



Commentary

Continued

service between Mexico and the U.S. heartland, some of those Chinese imports through Manzanillo and Lazaro Cardenas might otherwise have been intended for Port Houston.

Nor should we overlook the simple fact that Mexico is itself a large market with a population of 132 million and a gross domestic product of nearly two trillion U.S. dollars. Mexico ranks as the world's 12th largest economy, smaller than the Russian Federation but larger than South Korea. GDP per capita is a respectable US\$25,880, according to the International Monetary Fund. So expanding your economic footprint there is something of a no-brainer for a country seeking to dominate global commerce.

In the end, though, it is hard to reconcile the current burst of media excitement about surging Chinese imports into Manzanillo and Lazaro Cardenas early this year with the available data.

For the fact is that none of this is exactly news.

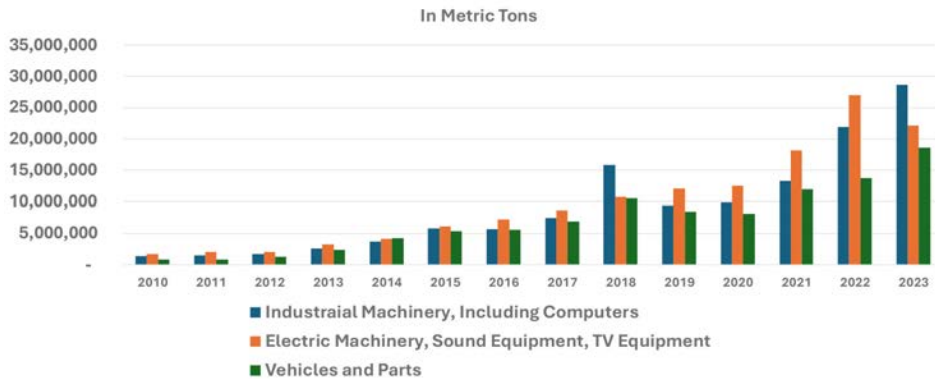
Consider **Exhibit B**. Chinese shipments to Mexico's two top Pacific Coast ports have been steadily increasing and have been exceptionally brisk in recent years. Volumes rose more than six-fold to 137,874,618 metric tons in 2023 from 21,154,509 metric tons just ten years before.

Exhibit C breaks down the trade by major commodities, revealing that growth has been particularly fast in the automotive sector. It is a share that is apt to grow due to the

Exhibit C

Top Categories of Chinese Imports Via Manzanillo and Lazaro Cardenas

Source: National System of Statistical and Geographical Information (NEGI)



presence in Mexico of Chery and BYD, two of China's premier manufacturers of electric vehicles.

So, yes, the fact that Chinese companies are expanding their manufacturing capacity in Mexico will ultimately affect business at USWC ports. But that's nothing new. There was nothing sudden or surreptitious about the arrival of Chinese companies in Mexico. Nor should anyone be shocked that foreign direct investment breeds imports.

So goods produced by Chinese-owned factories in Mexico will enter the U.S. market almost exclusively by truck or rail, just the same as garments manufactured in a Chinese-owned factory in Bangladesh will find their way to American consumers via an Atlantic Coast port. This is not to say that the number of inbound loaded TEUs at USWC ports will shrink. Rather, their capacity for growing existing volumes of imports may

be circumscribed.

We may not have reached Peak Globalization in which the absolute volume of goods traded internationally will flatten or decline. But what we are definitely seeing is a fluid reshaping of the geographical environment in which countries exchange products.

So, unless the aim is to inflame protectionist sentiments, the rising volume of Chinese shipments through Mexico's Pacific Coast ports shouldn't merit BREAKING NEWS!!! headlines.



Northwest Seaport Alliance Doubles-Down on Intermodal Rail Incentives

By Jordan Royer, VP External Affairs, Pacific Merchant Shipping Association

It is no secret that the Ports of Tacoma and Seattle have been seeing contraction in the container market, and have been losing market share to other ports for most of the past two decades. Whether it's the impacts of the federal Harbor Maintenance Tax, expansion of capacity in Canada at the Port of Prince Rupert and Vancouver's Delta Port, Panama Canal expansion, aggressive Atlantic and Gulf coast port competition, or consolidation of West Coast market share by Los Angeles and Long Beach, it is clear that discretionary containerized cargo that used to call at Washington's ports is choosing to go elsewhere.

Addressing this challenge was the key reason the ports formed the Northwest Seaport Alliance (NWSA) – to coordinate as one gateway to compete for cargo and better align port assets to fit the needs of the ports' customers. It hasn't been enough.

This month, the ten commissioners of both ports that make up the NWSA Managing Members upped the ante: they approved a two-pronged strategy to try and incentivize discretionary cargo to come back.

So, what's in the plan?

First, the NWSA has approved \$9 million for an "International Container Rail Cargo Incentive" targeted at ocean carriers that help protect



NWSA rail market share by growing their intermodal rail volumes. This incentive would be paid to an ocean carrier for incremental increases in container cargo year over year – at a rate of \$100 per extra container. The program starts on May 1 of this year and runs through April 30, 2025, with the NWSA reserving the potential to renew the incentive into future years in Q1 2025.

Second, they have developed an awards program to encourage international container service consistency and vessel arrival on-time performance. The incentive would be paid to vessel lines that do not void sailings that are consistently on-time on port calls. The top three performers will receive awards of \$500,000 for first place, \$300,000 for second, and \$200,000 for third.

These are in addition to another NWSA incentive to Marine Terminal Operators who consistently operate truck gates at a full 5-days per week. Currently, cargo volumes don't always

NUMBER OF THE MONTH

\$10 million

TOTAL AMOUNT OF FUNDING APPROVED BY THE NWSA FOR NEW INCENTIVES

always justify gate operations for all shifts across all 5 weekdays. The NWSA approved \$2 million for this program. While only time will tell if this strategy will have an impact and finally help bring discretionary cargo back, the NWSA ports need to be



Northwest Seaport Alliance

Continued

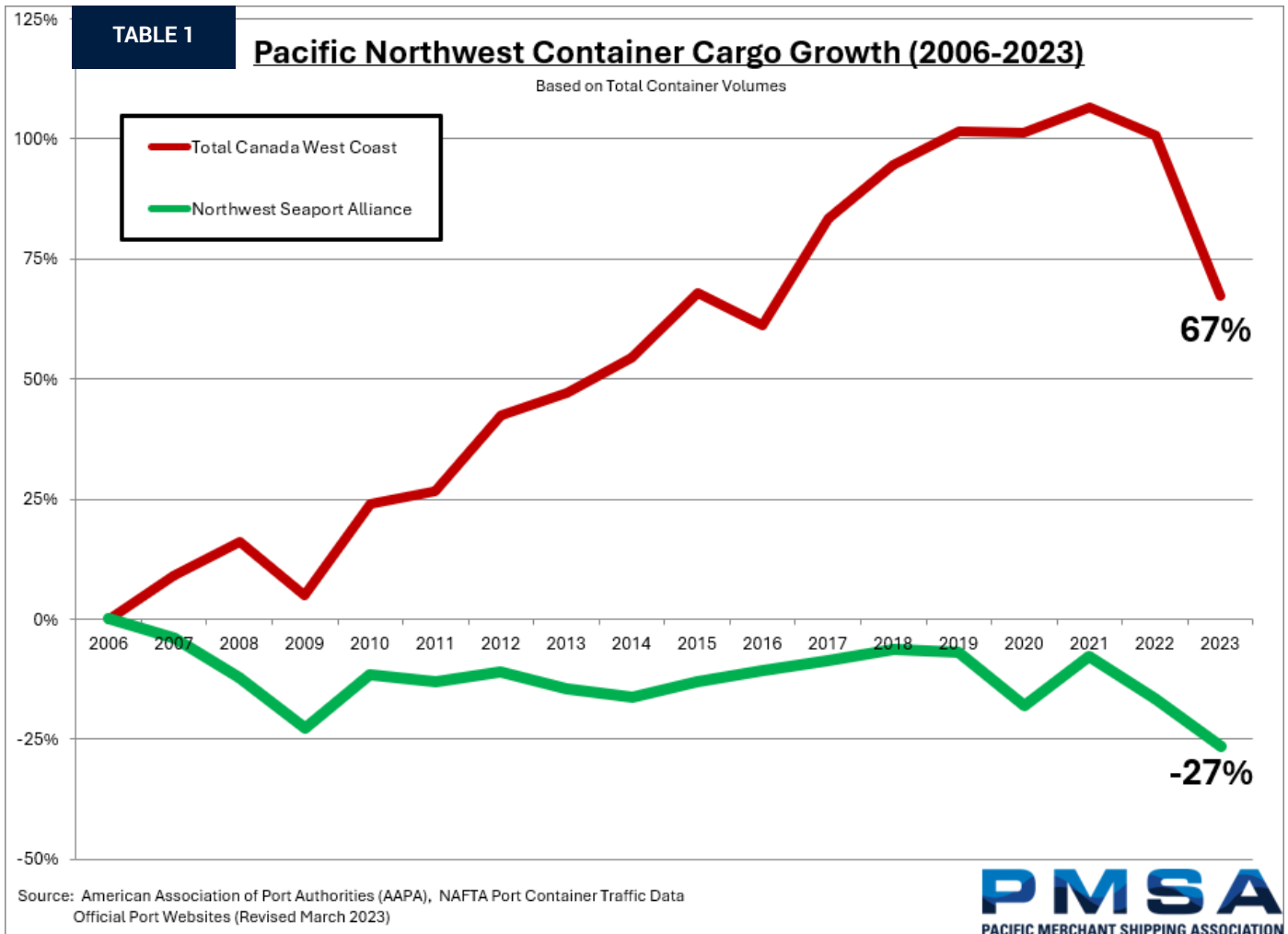
commended for trying. While the headwinds against the Gateway are huge and unpredictable, the port's current volumes don't leave them much choice but to lean in.

While there are plenty of costs in the harbor that are beyond the ports' control for ocean carriers and their customers, like the Harbor Maintenance Tax, pilotage rates, and tug rates, these variables might be partially blunted by the application of these incentives for ocean carriers in the short term.

There is ample incentive for the ports to try and grow their volumes now and rebuild their market presence before being faced with several new and unique costs looming off in the future. With a huge turnover in the State Legislature, a new Governor in January, and clean air measures on the ballot this fall, it remains to be seen if Olympia will be pushing hard for ever more expensive water and air quality regulations, or if these new leaders will tap the breaks and work with the ports to create balanced environmental benefits and job growth.

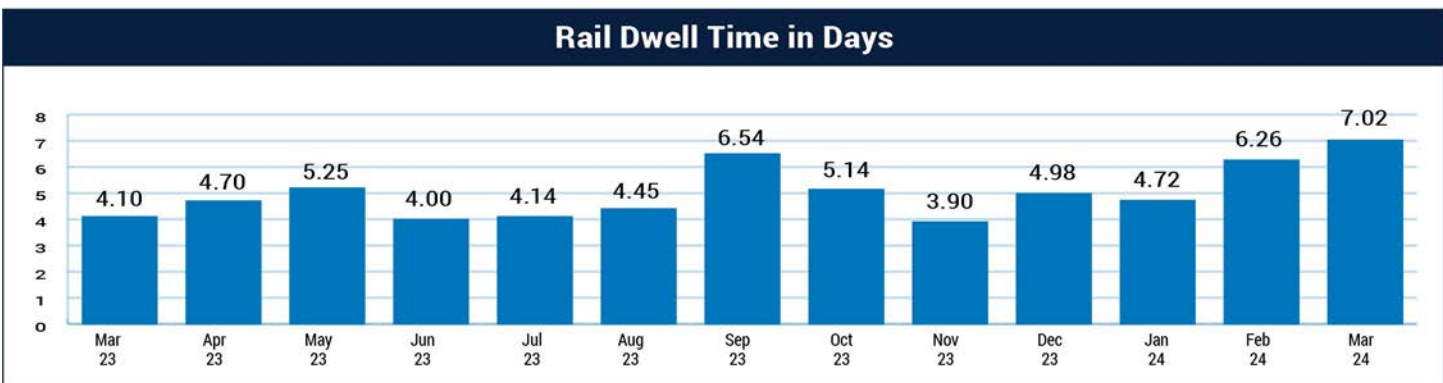
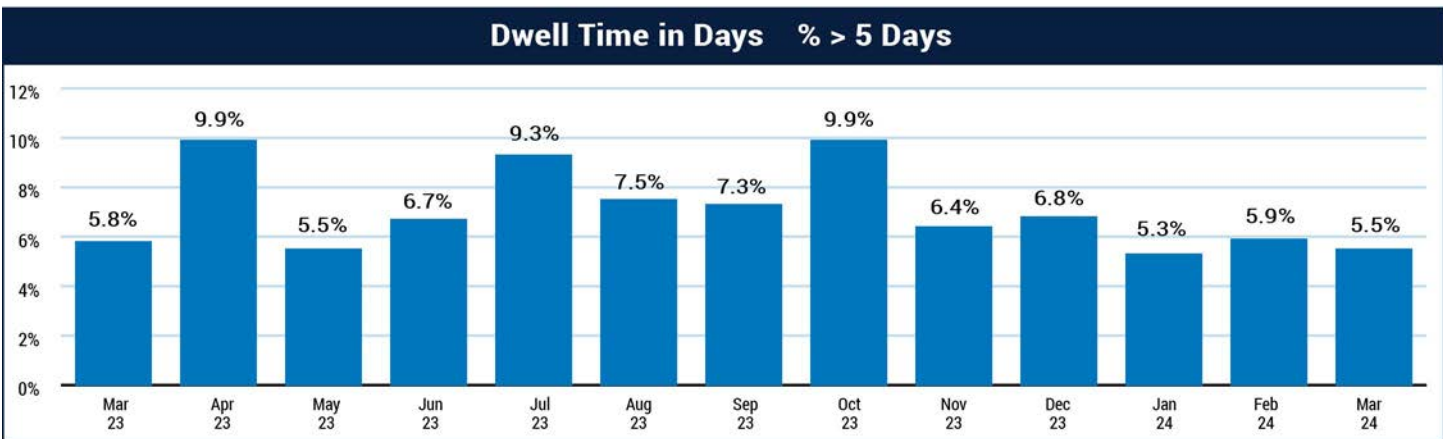
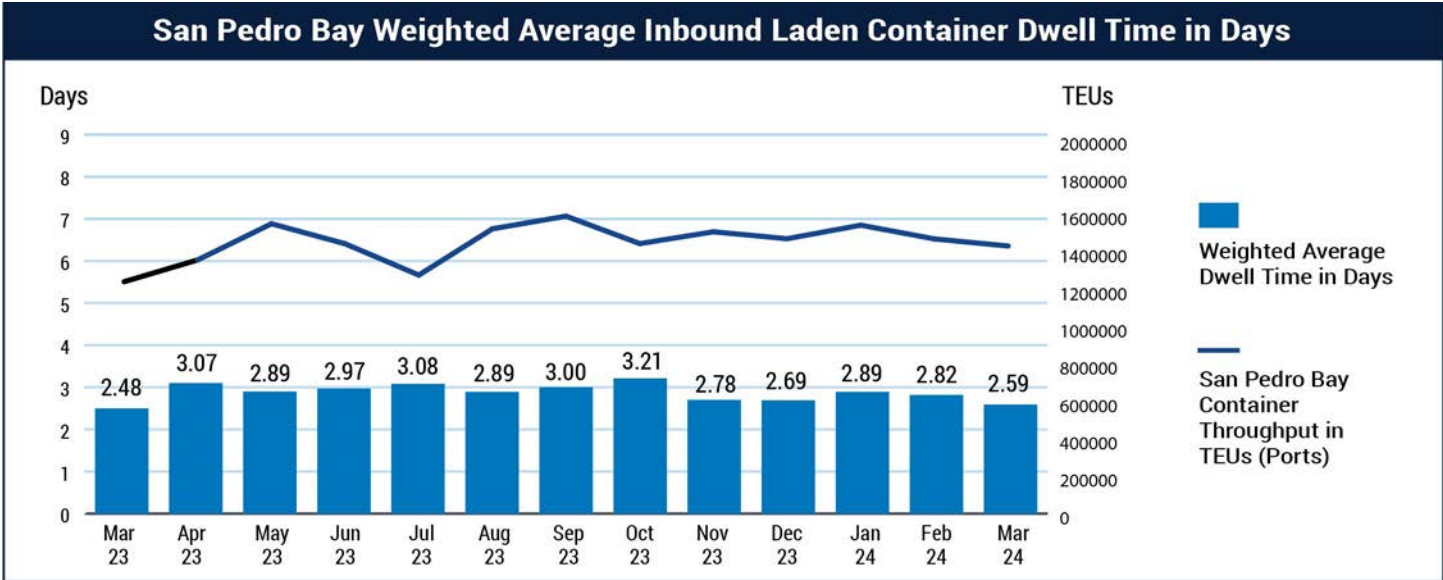
The most advanced ports technologically and environmentally are also usually the busiest – and the NWSA ports right now are neither. The key to improving both is regaining the discretionary cargo volumes that have slipped away over the years, and these new rail incentives might be the first step towards a brighter future. We hope they work, and that new leadership in the State will not pull the rug out from under these efforts.

Refer to table 1 for the cargo growth of the NWSA from 2006 to 2023.





San Pedro Bay Ports Dwell Times for Month of March Remain Similar to February Levels



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WA State Board of Pilotage Commissioners Industry Update May 16, 2024 Meeting

April Arrivals Up by 36 Compared to April 2023

Recall April 2023 Was Low Arrival Month

✚ Containers unchanged	✚ Car Carriers up 1
✚ Bulkers up 11	✚ Tankers up 12
✚ General up unchanged	✚ ATB up 7
✚ Other up 2	✚ RoRo up 1

Daily Arrival Average for 2024 is 6.2

As demonstrated in the daily arrival table from 2015 through 2024 YTD, the daily arrival average does not fluctuate a great deal. This is just one metric to consider when evaluating pilot workload and number of pilots. The ratio of pilot assignments to arrivals has changed with the addition of second pilot shift assignments meaning a container ship used to have the arrival assignment and the departure assignment while minimizing the need for anchoring or shifts. However, with the second pilot requirements, that ratio has changed. The difference from an arrival or departure assignment is that a second pilot shift assignment is much shorter and does not require transportation to Port Angeles or vice versa. Assignment volume and type and distribution are meaningful as is the number of on watch pilots on a daily basis; comparing these can help determine adjustments that are needed – the safety committee is discussing these issues per Chair Tonn’s ask.

Trans Mountain Pipeline Completed – Tanker Traffic Will Commence this Month

The 12-year process to expand the capacity of the TMP is complete and the expectation is that tanker calls will commence sometime this month. Recall, that loaded tankers will be escorted from North Vancouver all the way to the departure from the Strait of Juan de Fuca. Escort tugs and one response vessel capable of being towed will provide additional tug response capabilities in the waterways transited including Haro, Boundary and the SJDF. This means that tug response in those waterways will be increased regardless of the volume of tanker traffic which can increase to about one loaded tanker outbound per day though initially that volume of traffic is not expected.

Blair Waterway – Dredging Timing Depends on Emergency Designation

The Army Corps of Engineers representative at the Puget Sound Harbor Safety Committee always provides an update on ACOE activities. When the Blair Waterway dredging came up, he stated that the timing of dredging would depend on whether it is designated as an emergency. The ACOE and NWSA have been in discussions about this and the status is still pending but there is significant interest in getting this done sooner than later.

Stormwater Management Challenges Continue – Pilotage Could Be Impacted

Last month, we mentioned that Marine Terminal Operators (and the ports that own the terminals) are facing difficult challenges regarding the management of stormwater. There are legal considerations and challenges that need to play out in order to determine the way ahead. Suffice to say, if certain decisions are made and withstand legal challenges, there would be a significant disruption of container handling capacity with follow on reductions in ship calls and container volumes.

Will California hobble the US railroad industry?

On Friday, June 16, 2023 By VERONIQUE DE RUGY

PUBLISHED: May 2, 2024 at 8:35 a.m. | UPDATED: May 2, 2024 at 8:35 a.m.

<https://www.dailyherald.com/20240504/syndicated-columnists/will-california-hobble-the-u-s-railroad-industry/>

American federalism is struggling. Federal rules are an overwhelming presence in every state government, and some states, due to their size or other leverage, can impose their own policies on much or all of the country. The problem has been made clearer by an under-the-radar plan to phase out diesel locomotives in California. If the federal government provides the state with a helping hand, it would bring nationwide repercussions for a vital, overlooked industry. Various industry and advocacy groups are lining up against California's costly measure, calling on the U.S. Environmental Protection Agency to deny a waiver needed to fully implement it.

Railroads may not be something most Americans, whose attention is on their own cars and roads, think about often. But rail is the most basic infrastructure of interstate commerce, accounting for around 40% of long-distance ton-miles. It's also fairly clean, accounting for less than 1% of total U.S. emissions. Private companies, like Union Pacific in the West or CSX in the East, pay for their infrastructure and equipment. These facts haven't stopped the regulatory power grab. Most importantly, the California Air Resources Board regulation would have all freight trains operate in zero-emission configuration by 2035.

US Gulf ports maintain momentum and see containers as 'the way forward'

By Ian Putzger, Americas correspondent 03/05/2024

<https://theloadstar.com/us-gulf-ports-maintain-momentum-and-see-containers-as-the-way-forward/>

The pendulum swing appears to have missed US ports on the Gulf of Mexico, which are beating predictions of loss of container traffic to west coast gateways. Instead, volumes have continued to climb. Like ports on the east coast, the likes of Houston and New Orleans clocked up double-digit growth in box traffic in 2022/23, partly as a result of importers' concerns about disruption of flows through the west coast. In addition to the congestion that had paralysed import flows on the west coast in 2021/22, there were worries about work stoppages, with union and terminal employers renegotiating the labour contract last year. At this point, pricing also looks favourable, pointing to recent increases of \$1,500, to over \$2,000 per container, in rates from Asia to the west coast, which have been more significant than rate hikes to Gulf ports.

Washington's border waters are on the cusp of a major rise in oil tanker traffic

ENVIRONMENT Apr 29, 2024 | 7:00 am ET

By Tom Banse

<https://www.seattletimes.com/seattle-news/environment/was-border-waters-on-the-cusp-of-a-major-rise-in-oil-tanker-traffic/>

A significant increase in oil tanker traffic is in store for the Salish Sea with the completion of the Trans Mountain Pipeline expansion in British Columbia. The project triples the volume of Alberta crude the pipeline can carry to an export terminal in Burnaby near Vancouver, British Columbia. The facility now sends out an average of five loaded tankers per month. The expansion aims to raise the pace to one vessel per day. The oil-filled ships pass by the San Juan Islands and Olympic Peninsula as they head out to sea.

UO professor on why Port of Portland Terminal 6 closure will impact trade nationwide

Port of Portland announced the end of container shipping with the closure of Terminal 6 this month, after searching for a 3rd party to take over operations.

By Julia Lopez, Published: Apr. 28, 2024 at 10:36 PM GMT-7 | Updated: 14 hours ago

<https://www.kptv.com/2024/04/29/local-professor-why-port-portland-terminal-6-closure-will-impact-trade-nationwide/>

PORTLAND Ore. (KPTV) - The Port of Portland announced the end of container shipping with the closure of Terminal 6 this month. That comes after the Port said it searched for a third party to take over operations for a year after a reported \$30 million in losses over the past three years. The Port of Portland describes the terminal located along North Marine Drive as a connector of agriculture, seafood and retail trade between Oregon and the rest of the world.

In 2017, the Port reports the terminal lost its previous operator to labor disputes and it hasn't found its financial footing since then. A spokesperson for the Port said they have "left no stone unturned" and are disappointed by the move to closure. Now, Oct. 1 marks the end of container shipping in and out of Portland.

Port of Grays Harbor

Pilotage Report

May 16, 2024

Pilotage Activity

There were 10 arrivals in April (6 dry bulkers, 1 liquid bulker, 1 logger and 2 RoRo's) for a total of 30 jobs. Year to date, through April, there have been a total of 37 arrivals for a total of 104 jobs. At one point in April we had a total of 4 vessels at anchor.

The May schedule is looking just as busy as April with 10 arrivals: 5 dry bulker, 3 RoRo and 2 liquid bulkers.

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT

Apr-2024

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:	620	Cancellations:	19
Total ship moves:	601	Cont'r:	180
		Tanker:	203
		Genl/Bulk:	114
		Other:	104
Assignments delayed due to unavailable rested pilot:	7	Total delay time:	24.5 hours
Assignments delayed for efficiency reasons:	9	Total delay time:	25.75 hours
Billable delays by customers:	46	Total delay time:	106
Order time changes by customers:	131		
2 pilot jobs:	51	Reason:	PSP GUIDELINES FOR RESTRICTED WATERWAYS
Day of week & date of highest number of assignments:	Friday, 4/19/24		30
Day of week & date of lowest number of assignments:	Tuesday, 4/2/24		11
Total number of pilot repositions	96	Upgrade trips	20
		YTD	70
3 consecutive night assignments:	38	YTD	140

Callback Days/Comp Days

	Starting Total	Call Backs (+)	Used (-)	Burned (-)	Ending Total
Licensed	2667	51	62		2656
Unlicensed	0				0
Total	2667				2656

On watch assignments 567 Call back assignments 53 CBJ ratio 8.54%

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			
2-Apr	2-Apr	Seattle	PMI	Azipod	BEN*, BOU*, CAJ, MCG, ROU			
5-Apr	14-Apr	Solent England	Warsash	Manned Model	CAS(on 5*, off 5), SCS(on 7*, off 3)			
19-Apr	28-Apr	Solent England	Warsash	Manned Model	GRK(on 7*, off 3)			
1-Apr	30-Apr			Upgrade Assignments On Duty	GAR (3), MAN (1), MIE (1), RID (1), SEA (2)			
1-Apr	30-Apr			Upgrade Assignments Off Duty	BOS (2), GAR (2), MAN (1), MCG (2), MEL			
					* On Watch	Off Watch	** paired to assign.	
					29	26		

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

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
6-Apr	6-Apr	Edmonds	PSP	Outreach	KEP**
9-Apr	9-Apr	Seattle	PSP	Transportation	BOS, KLA, MCN*, MYE*, RID
9-Apr	9-Apr	Seattle	PSP	Rate Committee	GRK, KLA, KNU, MCG
10-Apr	10-Apr	Seattle	BPC	BPC Prep	BEN, KNU
11-Apr	11-Apr	Seattle	BPC	BPC	ANT, BEN, KNU

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees			
11-Apr	11-Apr	Seattle	PSP	BOD	GRK*, HAM*, HUP*, KLA*, MCG, MYE*			
12-Apr	12-Apr	Seattle	PSP	Training Committee	BOU, MAN*, SCR*			
12-Apr	12-Apr	Ballard	PSP	Ladder Safety	HAM*			
12-Apr	12-Apr	Seattle	BPC	BPC	ANT, BEN, BOU, HAM*, KNU			
12-Apr	19-Apr	Seattle	PSP	President	KLA(on 8*)			
18-Apr	18-Apr	Seattle	PSP	Ladder Safety	GRK*, HAM			
18-Apr	18-Apr	Seattle	PSP	Rates	KNU*			
19-Apr	19-Apr	Seattle	PSP	Rate Committee	GRK*, KNU, KLA*, MCG			
19-Apr	27-Apr	Rotterdam	PSP	IMPA Conference	KLA(on 7*, off 2)			
19-Apr	24-Apr	Seattle	PSP	President	HUP(off 5)			
20-Apr	28-Apr	Rotterdam	PSP	IMPA Conference	HAM(off 8)			
21-Apr	26-Apr	Seattle	BPC	BPC Exam	BEN(on 6*), SCR(on 4*, off 2)			
22-Apr	22-Apr	Port Angeles	PSP	Green Marine	ROU*			
24-Apr	30-Apr	Seattle	PSP	President	MYE(off 6)			
25-Apr	25-Apr	Seattle	PSP	Reference Manual	KEN*, LOB*, SCS*, SID*, STA			
25-Apr	25-Apr	Seattle	PSP	Rates	MCG*			
30-Apr	30-Apr	Seattle	BPC	BPC-Prep	BEN*, SCR			
					* On Watch	Off Watch	** paired to assign.	
					47	45	1	

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT PAGE 2

Safety/Regulatory

Outreach

Administrative

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

Start Dt	End Dt	REASON	PILOT
1-Apr	30-Apr	NFFD	SES

Number of assignments during the 12 months prior to setting the number of pilots at 56 at the July 2019 065 hearing.

7,101

Number of assignments during the last 12 months (May 2023-April 2024).

7,484

Call back job ratio during the last 12 months (May 2023-April 2024) **12.20%**

Puget Sound District Activity Report Dashboard

2024 April

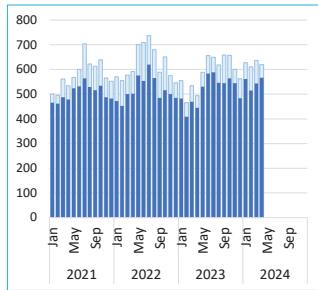
Last modified 5/15/2024.

Licensed Pilots
Including President
56

PS District
Trainees
5

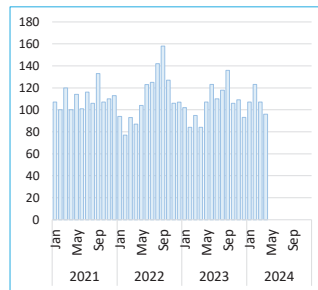
Capt. W. Kelly (#227) was licensed April 2nd, bringing count to 56.

Total Assignments
620



567 On-Watch (dark blue), 53 Off-Watch (light blue)

Repositions
96



Licensed Pilots w/o Pres **55**
Pilots NFFD entire month **1**
Available Pilots **54**

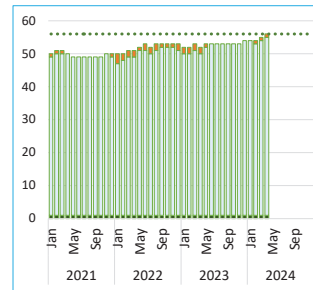
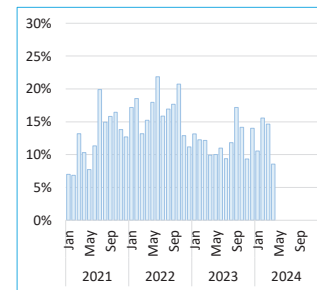
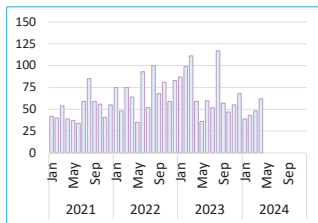


chart also includes president (1 pilot)

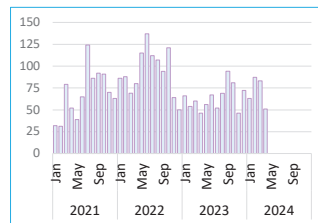
Off-Watch Assignments
(Callbacks)
9%



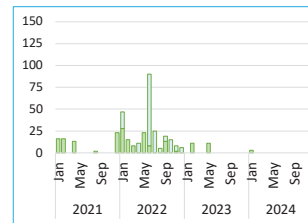
Comp Days Used
(Licensed Pilots)
62



Comp Days Earned
(Callbacks)
51

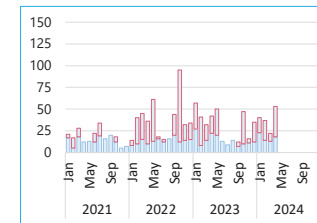


COVID Days* **0**
NFFD Days* **0**



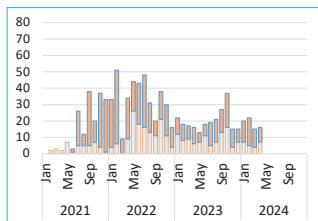
count of NFFD days if pilot(s)
not NFFD whole month

Training Days **35**
Upgrade Trips **18**



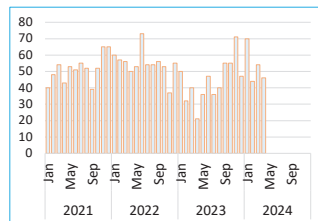
training days (red) stacked
on upgrade trips (blue)

Pilot Delays (Count)
combined total
16

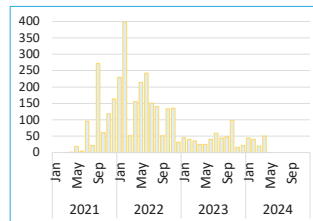


efficiency delay counts stacked on top
of pilot shortage delay counts on bottom

Billable Delays (Count)
by Customers
46

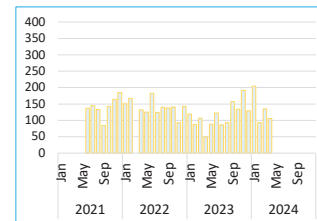


Pilot Delay Hours
(Pilot Shortage & Efficiency)
50.25 hrs



total pilot delay hours (not separated into
efficiency & pilot shortage components)

Billable Delay Hours
by Customers
106 hrs





STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS

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

WAC 363-116-065 Number of Pilots (NOP)

Instructions for Stakeholders

Introductory Statement

Per WAC [363-116-065](#) “(1) The board will, from time to time, set the number of pilots to be licensed in each pilotage district of the state that is best calculated to optimize the operation of a safe, fully regulated, efficient, and competent pilotage service. This determination will be made by the board at meetings for which the agenda lists this issue as a topic for resolution. In addition, the board shall plan ahead to ensure, to the extent possible, that pilot trainees enter the training program set forth in WAC [363-116-078](#) so that they complete the training program in a timely manner”.

Definitions

1. “Number of Pilots” (NOP) – For the process of determining the appropriate number of pilots in the Puget Sound Pilotage District, the BPC will hold a series of public meetings as outlined in this memo. Holding a “hearing” to determine the number of pilots is not a requirement of either the RCW or the WAC. The process will be referred to as Number of Pilots or NOP.
2. “Target Assignment Level” (TAL) – The TAL will be discussed and recommended by the Pilot Safety Committee (PSC) for Board adoption PRIOR to setting the number of Pilots.
3. “Number of Pilots” (NOP) – This refers to the number of authorized pilot licenses in a pilotage district, taking into account the considerations outlined in WAC [363-116-065](#) as follows:

In setting the number of pilots and making decisions as to when to hold an examination and admit applicants to the training program, the board may consider factors which include, but are not limited to, the following:

- (a) Policy of the state to ensure safety of persons, vessels, property and the environment by providing competent, efficient and regulated pilotage for vessels;
- (b) The importance of the maritime industry to the state balanced by the potential hazards presented by the navigation of vessels requiring pilots;
- (c) The lead time necessary to select and train new pilots;
- (d) Regional maritime economic outlook, including without limitation: Current economic trends in the industry, fluctuations in the number of calls, the types of assignments, the size of vessels, the cyclical nature of the traffic and whether traffic is increasing or decreasing and the need to minimize shipping delays;
- (e) Workload, assignment preparation and rest needs of pilots;
- (f) Trends in size of piloted vessels;
- (g) Time lost to injury and illness;
- (h) Anticipated retirements;
- (i) Administrative responsibilities, continuing education, and training requirements consistent with the policy of chapter [88.16](#) RCW; and
- (j) Surface transportation and travel time consumed in pilots getting to and from assignments.

- I. Timeline

4/12/2024	BPC refers Target Assignment Level setting to the Pilot Safety Committee (PSC)
5/2024 – 6/2024	PSC TAL meetings
5/16/2024 – BPC Meeting	BPC approves Number of Pilots (NOP) process
06/03/2024	BPC posts NOP data packet to website
6/20/2024 – BPC Meeting	PSC Recommends TAL to BPC Deadline for Parties of Interest (POI) to identify themselves
7/10/2024	POI proposals due to BPC by 4pm via email
7/18/2024 – BPC Meeting	POI proposal presentations and public comment
8/7/2024	POI rebuttals due to BPC by 4pm via email
8/15/2024 – BPC Meeting	BPC deliberates and determines Number of Pilots
8/23/2024	BPC Final Decision document posted to website and distributed to POIs

II. Parties of Interest (POI)

A stakeholder interested in submitting a proposal must identify themselves as a Party of Interest by contacting Jaimie Bever in writing at BeverJ@wsdot.wa.gov no later than 4:00pm, June 20, 2024.

III. POI Proposal Submittals

a. Format

- i. Electronic files only via email to Jaimie Bever at BeverJ@wsdot.wa.gov by 4:00pm PDT, July 10, 2024.

b. Parameters

- i. Submittals must address the factors listed in WAC 363-116-065, including the high percentage of callback assignments as it relates to rest needs of pilots.
- ii. Submittals must utilize monthly PSP pilotage data and activity reports to support arguments.
- iii. BPC will provide PSP pilotage assignment data and activity reports 2019 -2023, as well as BPC summaries of that data and BPC training and licensing data related to number of pilots.
- iv. Pilotage assignment data prior to 2019 should not be referenced due to rest rule changes in 2018.

c. Late Submittals

- i. Late submittals will NOT be accepted or considered by the BPC.

d. Data Resources

- i. BPC staff develops dashboards and other graphics. Additional data visualizations will not be developed for POI unless directed by the Board.

e. Rebuttals

- i. Electronic files only via email to Jaimie Bever at BeverJ@wsdot.wa.gov by 4:00pm PDT, August 7, 2024.
- ii. Rebuttals must NOT introduce new topics, or topics not included in the original submission.

f. Public Comment

- i. There will be an opportunity for public comment on this agenda item at each meeting until the process is complete.

IV. Record Keeping

- a. Website – A record of the submissions and official documents will be available on the BPC website at <https://pilotage.wa.gov/rcw-wac.html>.

V. Documentation Regarding BPC Decision

- a. BPC Program Analyst Bettina Maki will prepare final documentation for BPC decision.
- b. BPC will provide a final decision document, which will contain rationale for the decision reached. This document will be posted to the online record no later than 4:00pm August 23, 2024.



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 8, 2024, 1:00 PM

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

Regrets: Jaimie Bever (BPC), Ivan Carlson (PSP), Jason Hamilton (BPC)

1. Review of Minutes of previous meeting on October 12, 2023

The minutes were approved with minor corrections.

2. Noncompliant Pilot Transfer Arrangements

Pilots' reports of noncompliant transfer arrangements from the 4th quarter of 2023 were reviewed and discussed, as well as the Jotform data summary of the reports. The data summary will be shared with the Board.

Scott Anacker mentioned the results of the annual IMPA pilot ladder safety survey in October – the reported rate of noncompliance was similar to the previous year at approximately 17%. He recommended reading the report of the survey, which is available here:

<https://www.iims.org.uk/download/683/>.

Mike Moore asked if the information about unsafe pilot transfer arrangements is reaching the people who can make changes? For example, when pilots are boarding, they will inform the captain, but this is not so much an option when they encounter an unsafe arrangement while disembarking an outbound vessel. Scott Anacker explained that PSP does send letters in more egregious cases (multiple areas of noncompliance) and/or will notify the next port.

John Scragg mentioned the letter that BPC sent to pilots in December 2023 supporting their decision to not board a vessel with an unsafe transfer arrangement. He wondered if that letter should be sent to vessel Agents as well. Mike Moore agreed that notifying the Agents would be effective – he offered to forward the BPC letter to PMSA's Ocean Shippers mailing list. He is certain that shippers want to provide compliant boarding arrangements to avoid potential delays. Bettina pointed out that two previous letters about pilot transfer arrangements have been sent to Agents, but perhaps the letters were not clear enough about the connection between unsafe boarding arrangements and delays (from pilots refusing to board using an unsafe arrangement).

Bettina also shared what she had learned about the “Other” category in the ladder report data summary: Checking the “Other” category allows the pilot completing the report to type a free text description in addition to selecting noncompliance categories from drop-down lists. Most of the time pilots are using this text box to provide additional details of the situation, not to indicate that none of the available categories applies. She also described some improvements that Matt Hannuksela has made to the data summary.

3. Rest Rule Exceptions

For Q4 Grays Harbor had zero (0) rest exceptions.

For Q4 Puget Sound had five (5) rest exceptions. There were two violations of the 10 hour rest rule due to pilots getting on the pilot boat too early at the station, and there were three assignment combinations that exceeded 13 hours duration.

4. Outreach & Education for Recreational Fishing Vessels

Bettina has found a contact in the Communications division of the Department of Fish and Wildlife and is reaching out to see if the two agencies can collaborate on some boater education efforts. Previously BPC has reached out to the Enforcement division of WDFW, but that hasn't been particularly effective. It might yield more results to work with their Communication division on education around boater safety. WDFW does a lot of communication and outreach – in addition to their annual fishing regulations “pamphlet” (152 pages) they have also developed the “Fish Washington” app, which might offer a way to provide safety messaging to boaters in Puget Sound.

5. Wrap up/Next Steps/Future Topics

The next PSC meeting will be scheduled in early May instead of early April to avoid any conflicts with BPC's Pilot Exam.

Andrew Drennen asked if the PSC has any additional responsibilities associated with BPC's KPI reporting. Sheri Tonn recommended the committee review the finalized KPI report that will debut in April. Mike Moore reminded the committee to also focus on efficiency and suggested following up on pilotage delays and data analysis of pilot availability and variations in demand for pilots. Charlie Costanzo offered to review the PSP efficiency measures that have been put into practice.

Sheri Tonn suggested it is time for another joint letter on ladder safety from BPC and another west coast district, perhaps San Francisco. Andrew Drennen agreed and also suggested that BPC produce and distribute another safety bulletin, perhaps addressing the topic of ladder certificates and markings/plaques that identify compliant ladders, because there have been an increasing number of reports of counterfeit ladders and ladders that are simply old and in poor condition.

The meeting adjourned at 10:45.

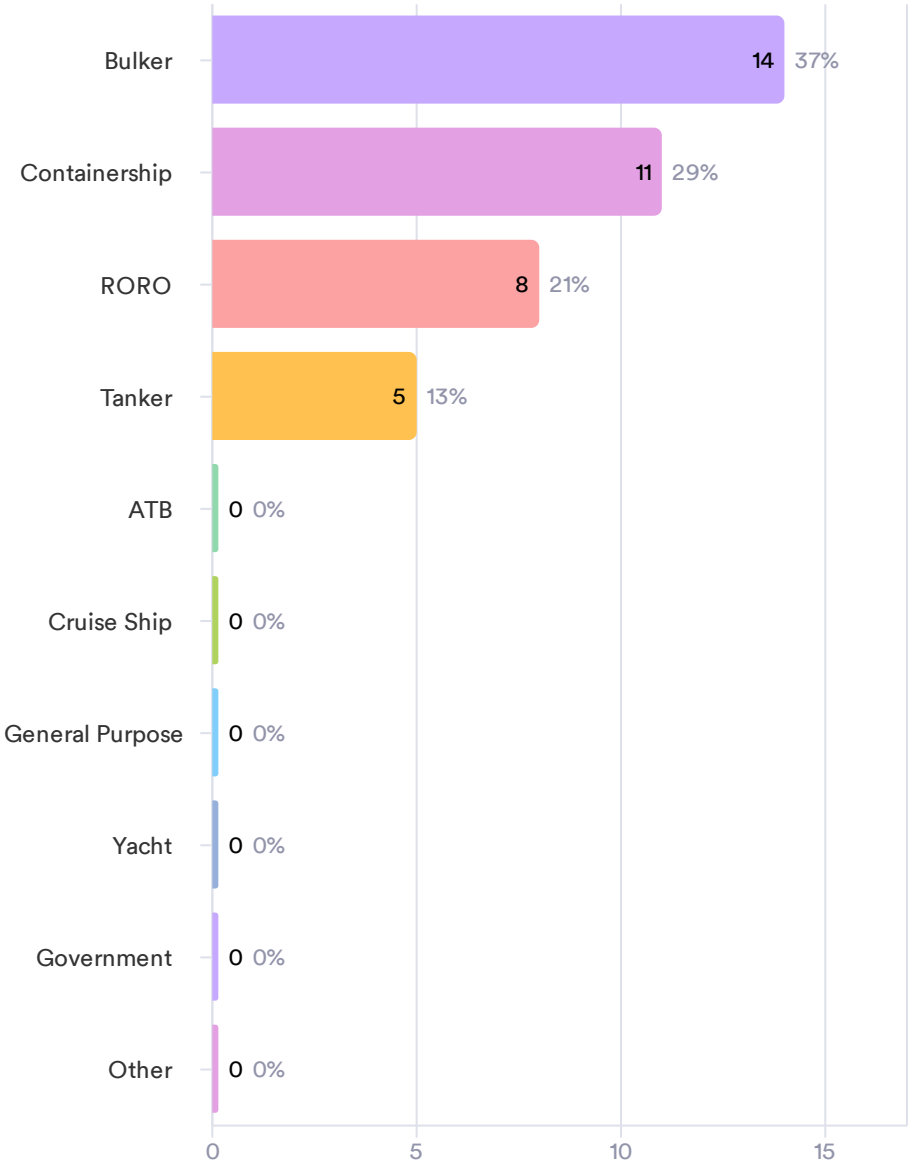
Pilot Ladder Safety Summary

Washington State (PS & GH 1/1/24 - 3/31/24)

Pilot Ladder Safety Report

Vessel Type:

38 Responses



Vessel Name:

38 Responses

Data	Responses
American Endurance	2
CL Shaoyang	2
Hao Yue	1
Ren Jian 20	1
Ever Shine	1
MSC Julie	1
MSC Savona	1
Liberty Passion	1
One Modern	1
Helios Ray	1
Green Lake	1
Louisiana	1
Midnight Sun	1
Liberty Bride	1

Pilot Ladder Safety Report

Flag State:

38 Responses

Data	Responses
USA	8
PAN	6
LBR	5
HKG	4
CHN	3
MHL	3
BHS	3
SGP	2
GBR	1
PRT	1
LIB	1
Other entries	1

Classification Society:

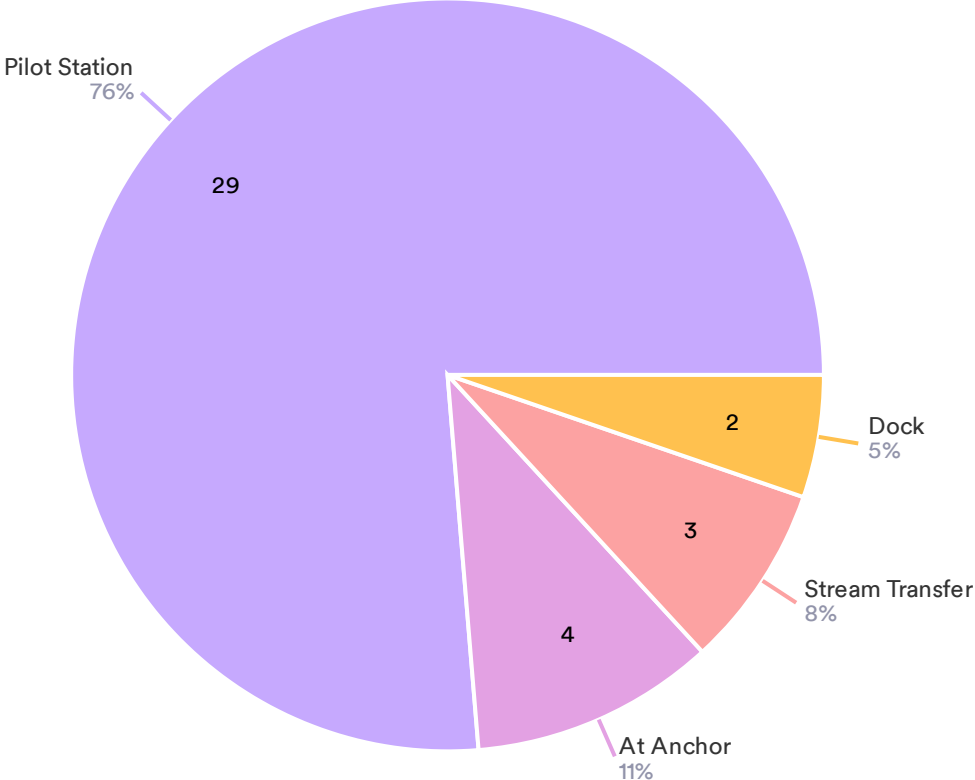
16 Responses

Data	Responses
ABS	5
DNV	2
NKK	2
BV	2
CCS	2
NK	2
DNV-GL	1

Pilot Ladder Safety Report

Geographic Location:

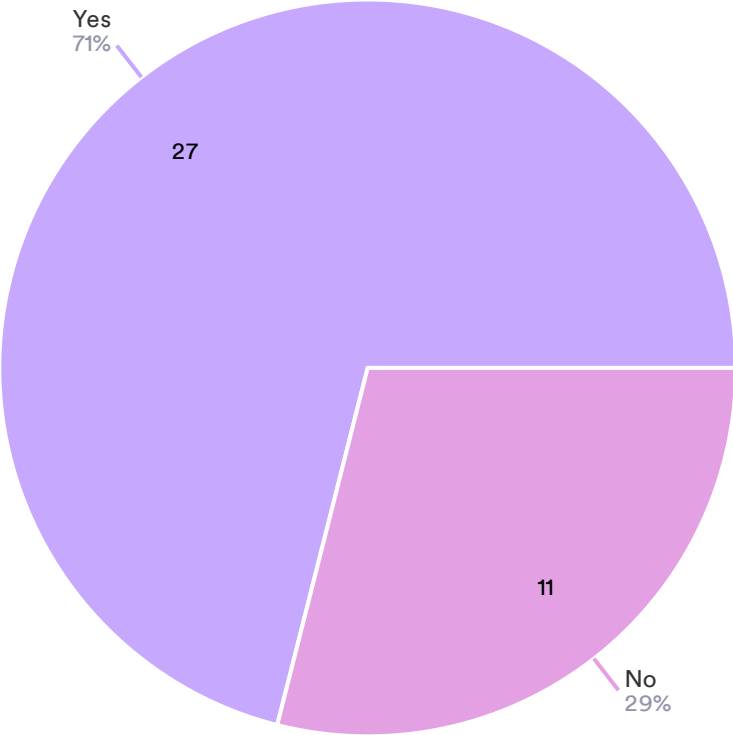
38 Responses



Pilot Station At Anchor Stream Transfer Dock

Master Notified:

38 Responses

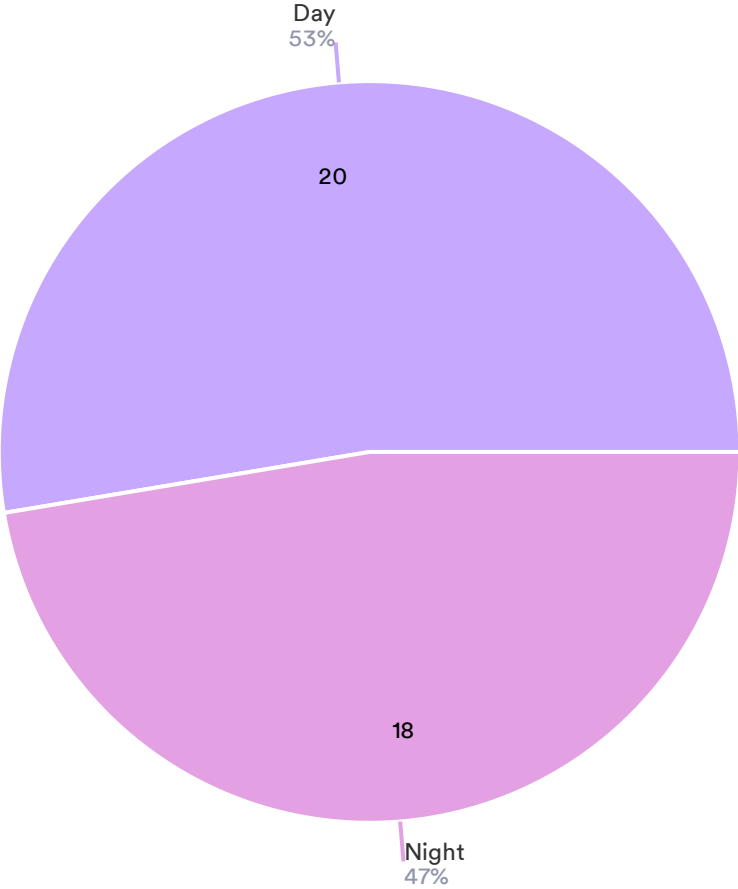


Yes No

Pilot Ladder Safety Report

Day/Night:

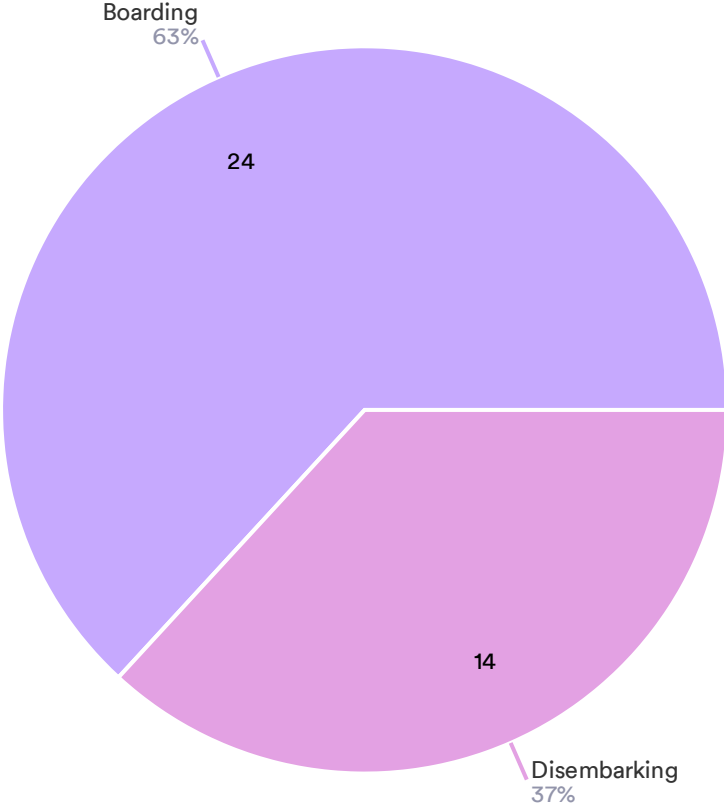
38 Responses



● Day ● Night

Boarding/Disembarking:

38 Responses

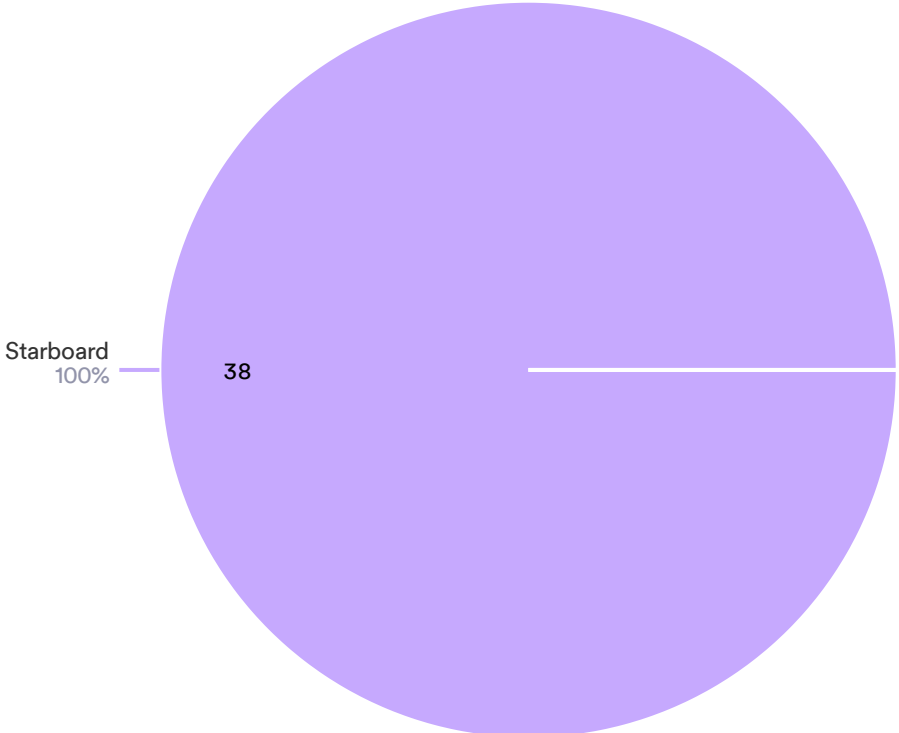


● Boarding ● Disembarking

Pilot Ladder Safety Report

Port/Starboard:

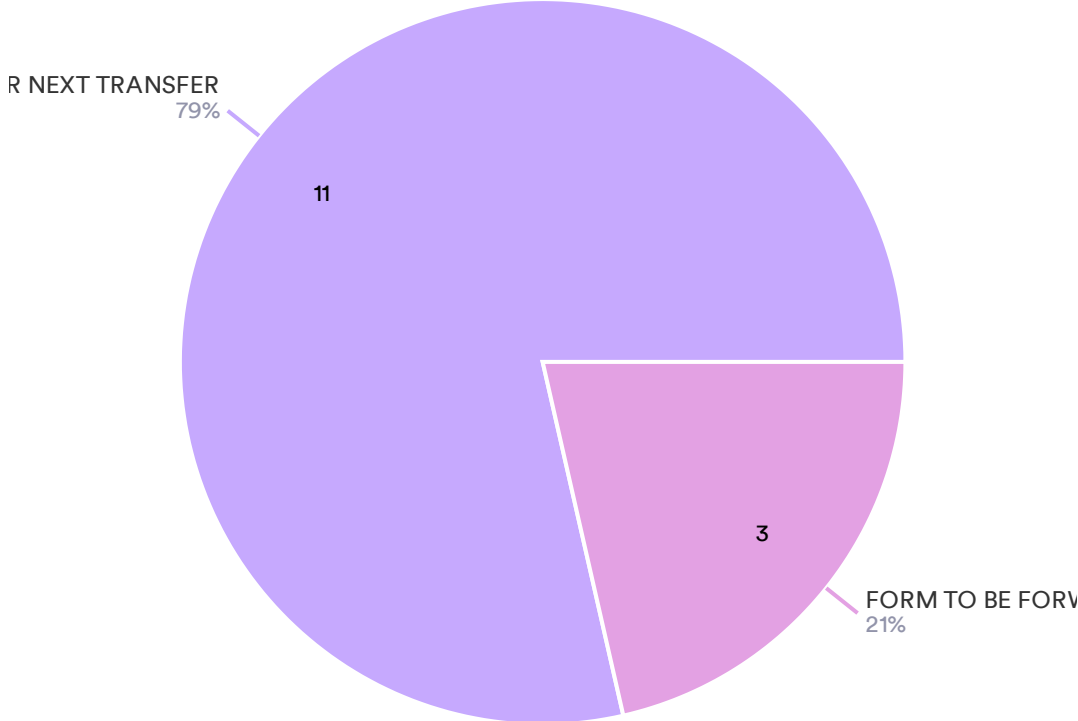
38 Responses



● Starboard

Notification:

14 Responses

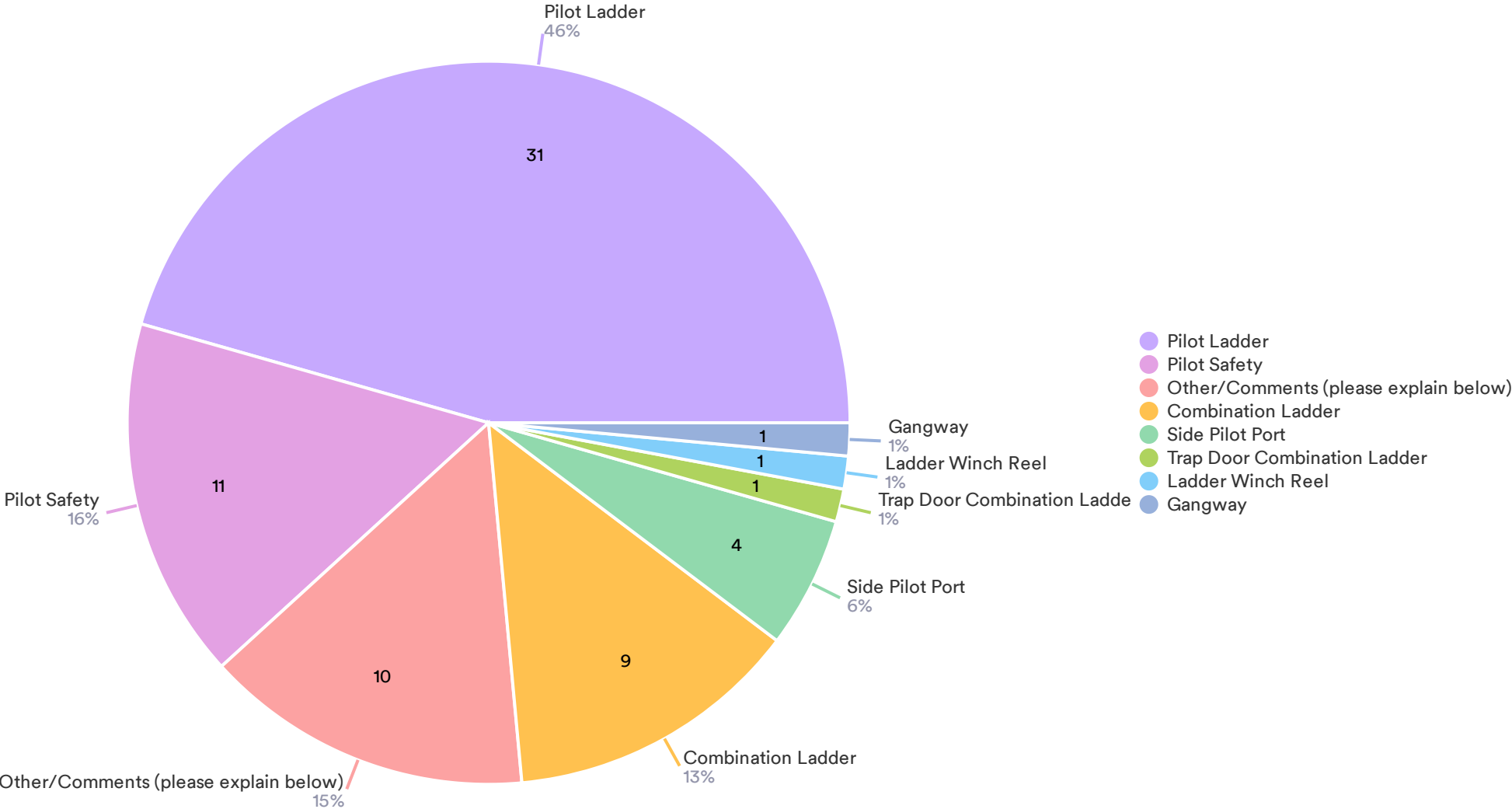


● MUST BE CORRECTED PRIOR TO SAILING OR NEXT TRANSFER
● FORM TO BE FORWARDED TO NEXT PORT

Pilot Ladder Safety Report

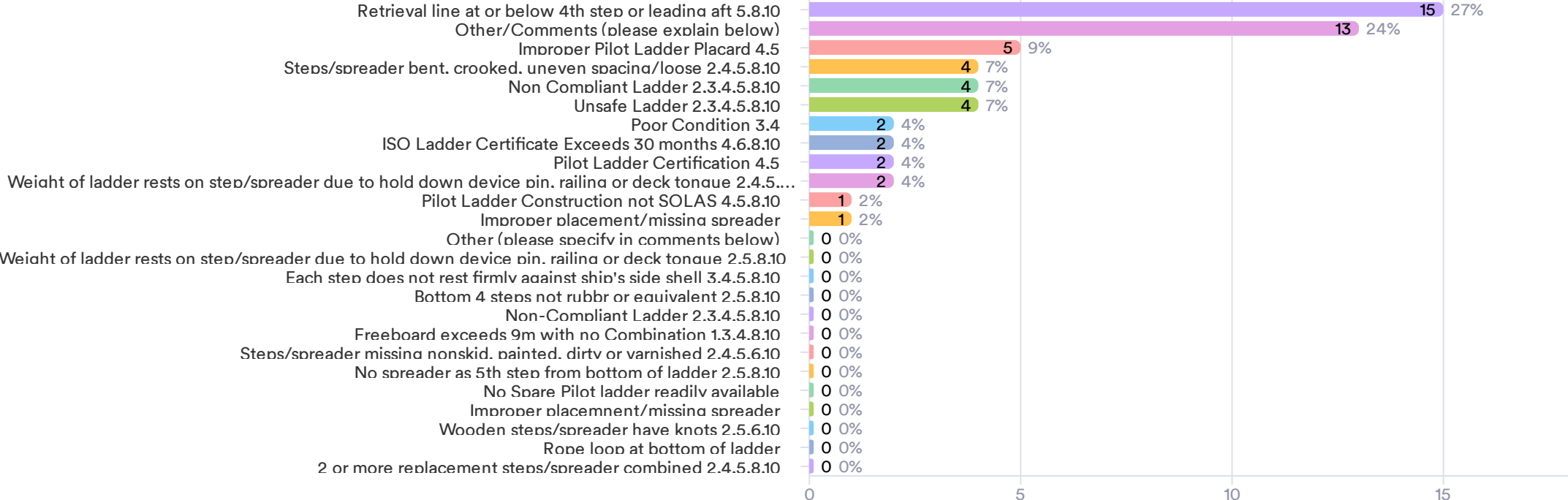
Non-Compliance:

68 Responses

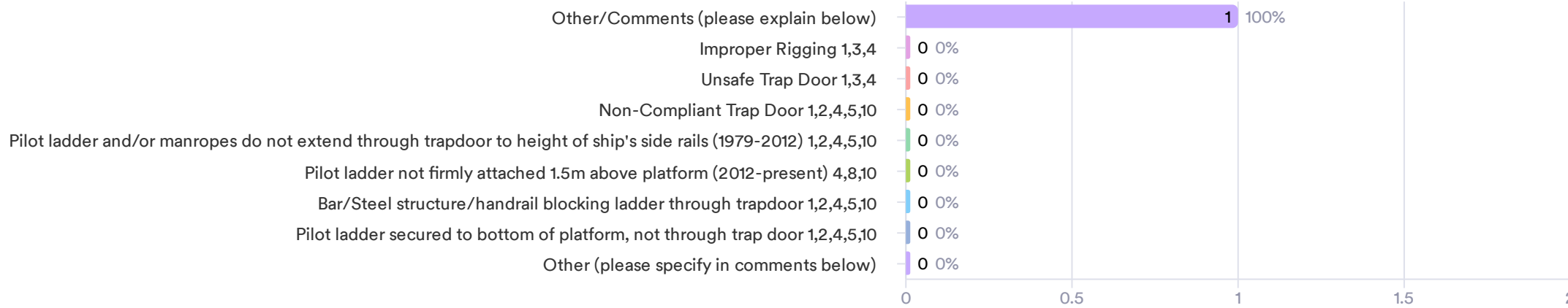


Pilot Ladder Safety Report

Pilot Ladder:

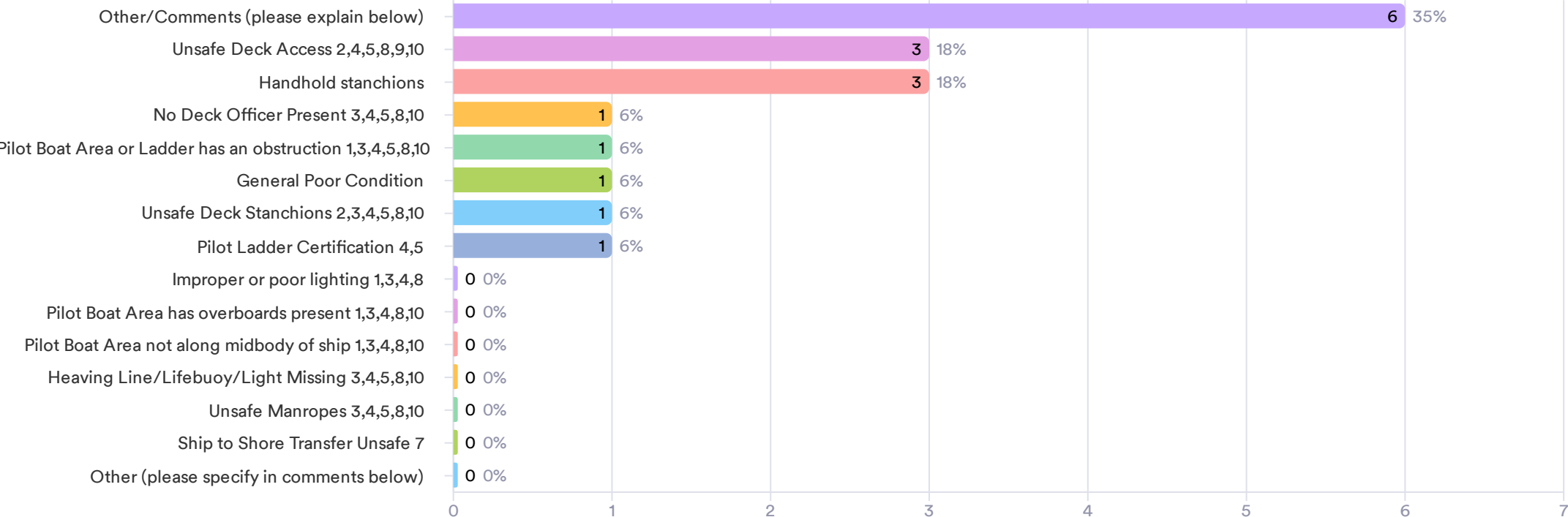


Trap Door Combination Ladder:

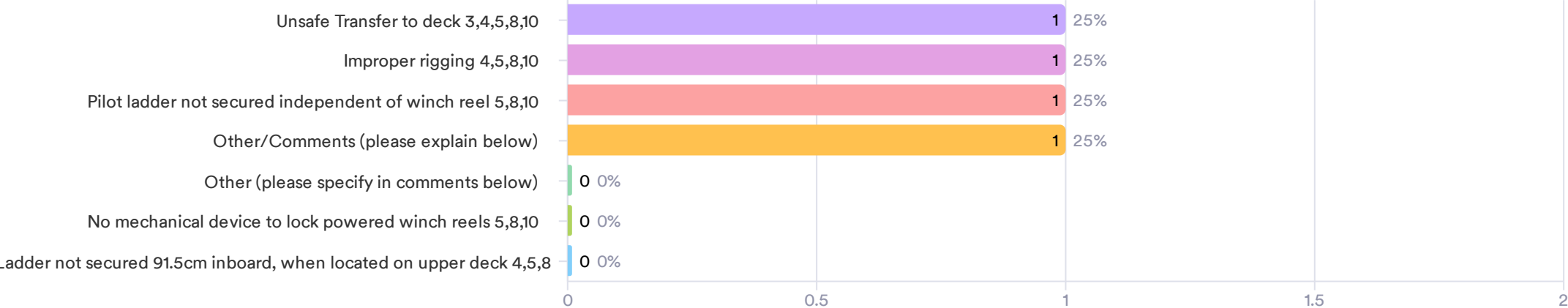


Pilot Ladder Safety Report

Pilot Safety:

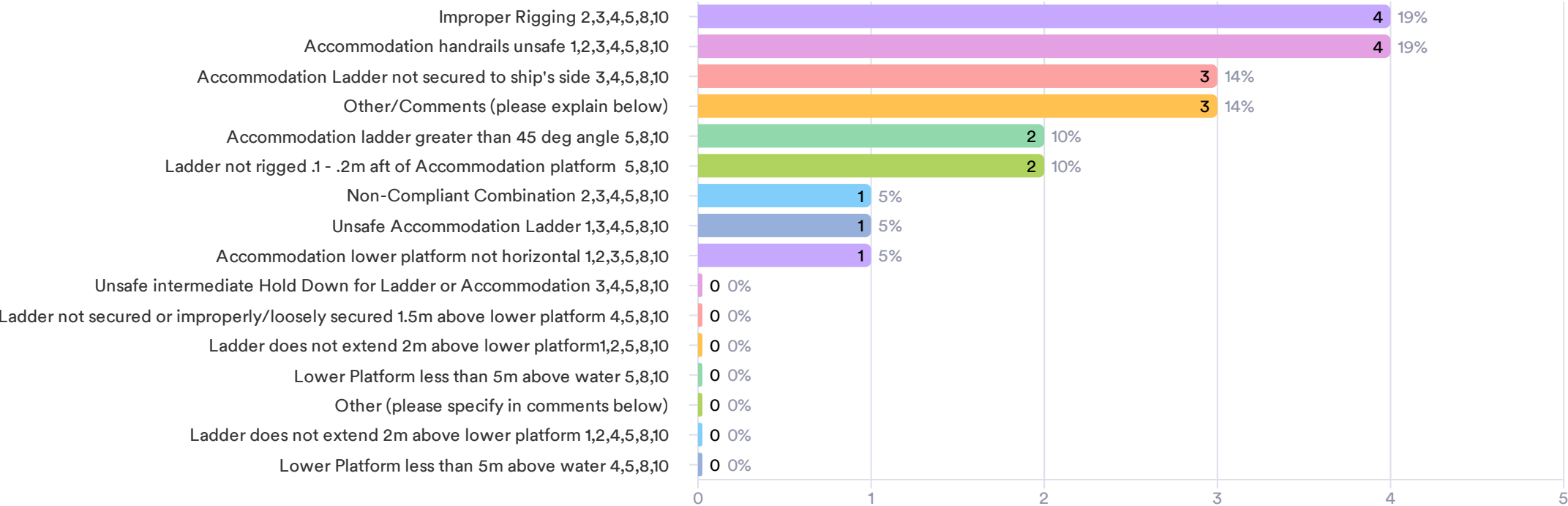


Ladder Winch Reel:

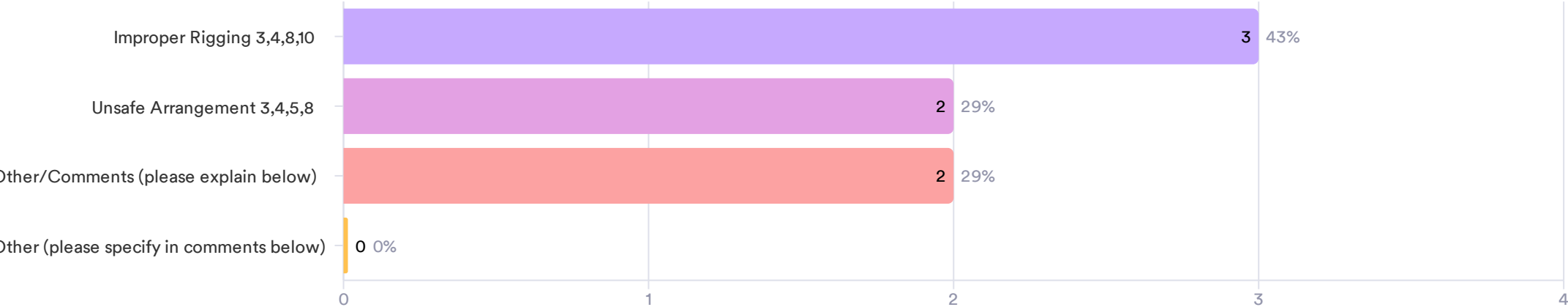


Pilot Ladder Safety Report

Combination Ladder:



Side Pilot Port:



From: [Irwin, Nhi \(ECY\)](#)
To: [Bever, Jaimie \(WSF-Pilotage\)](#); [Tonn, Sheri](#)
Cc: [Flittner, Brittany \(ECY\)](#); [Thompson, Sara \(ECY\)](#); [Kennard, Haley \(ECY\)](#)
Subject: Modeling Analysis Recomputing Error Issue
Date: Friday, May 3, 2024 12:20:58 PM
Attachments: [image003.png](#)
Importance: High

Hi Jaimie,

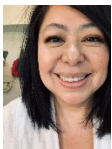
I am emailing you to provide information about a computing error we discovered that relates to the Tug Escort analysis report and Emergency Response Towing Vessel analysis report we published in September 2023.

In early February of 2024, while we were producing some new filtered results using the model, at the request of the Oil Transportation Safety Committee (OTSC), we discovered the results were inconsistent with the expectations as outlined in the report. We noted this in the results we provided to the OTSC, and sent them new results to help inform the discussion of rulemaking options.

We investigated the differences in our analysis due to the computing error and found the impacts were negligible and did not change our analysis or the conclusions of either report. The analysis remains accurate and the information from both reports are valid for their intended purpose.

Ecology has published a correction statement for this computing error. You can access the statement through our risk modeling website ([LINK](#)).

Please reach out to me if you have any additional questions or concerns.



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