



Washington State
Board of Pilotage Commissioners

2012 ANNUAL REPORT

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BOARD OF PILOTAGE COMMISSIONERS

RCW 88.16.035(1)(f)

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The following reports and manuals are the source documents for preparation of this annual report and are on file at the office of the Board of Pilotage Commissioners, 2901 Third Avenue, First Floor, Seattle, WA 98121.

- Puget Sound Pilots and Subsidiary Special-Purpose Consolidated Financial Statements & Independent Auditor’s Report (Modified Accrual Basis); 2012/2011
- Port of Grays Harbor Audited Financial Information, Pilotage Services Department, Statement of Revenues & Expenses; 2012
- By-laws and Operating Rules (Puget Sound District)
- Oil Tanker Movement Reports (Puget Sound District)
- LOA Zone Reports (Puget Sound District)
- Earned Revenue Reports (Puget Sound District)
- Quarterly Pilotage Reports (Grays Harbor District)
- Pilotage Activity Reports (Grays Harbor District)

1 FOREWORD

Piloting Activity in Washington State

The Puget Sound Pilots made a total of 7,637 vessel moves, resulting in 7,769 piloting assignments in 2012. This is an increase in vessel moves and assignments from the previous year. The average number of full-time pilots decreased to 51.9 in 2012. The average annual number of assignments per pilot was 149 or approximately 12 assignments per month in 2012 as compared to assignments of 148 annually and 12 per month in 2011.

The Grays Harbor Pilots had a total of 177 piloting assignments in 2012, resulting from 82 vessels arrivals. In comparison, there were 72 vessel arrivals generating 155 piloting assignments in 2011. The Port of Grays Harbor employed two full-time pilots.

2012 Tariff Hearings

The Board of Pilotage Commissioners is required by RCW 88.16.035(1)(e) to annually fix pilotage tariffs.

WAC 363-116-300: Pilotage Rates for the Puget Sound Pilotage District – 11/15/12.

The Board's decision reflected an increase to the tariff of 3% across-the-board except in the transportation charges and the training surcharge categories, and including the Transportation Charges portion of the British Columbia Direct Transit Charge, and with the expectation the Portable Piloting Units be purchased.

WAC 363-116-185: Pilotage Rates for the Grays Harbor Pilotage District – 10/24/12.

The Board adopted an effective overall increase to the tariff of 4.3%.

Legislation

SB 6171 was enacted during the 2012 Legislative Session. It provided an increase in the size limitations for certain vessels applying for exemptions from pilotage requirements.

Information Bulletin

Information Bulletin 12-01, outlining how Washington State's laws, rules or documents are used and/or affect the Board of Pilotage Commissioners, was adopted June 21, 2012.

1 FOREWORD (cont'd)

Rule-Making

The following rules were adopted, amended or repealed:

WAC 363-11: Practice and Procedure – Board of Pilotage Commissioners.

WAC 363-116-0751: Qualifications for pilot applicants taking examinations on or after 7/1/08.

WAC 363-116-076: Examination for pilot applicants.

WAC 363-116-077: Simulator evaluation for pilot applicants.

WAC 363-116-078: Training Program.

WAC 363-116-080: Licensing of pilots.

WAC 363-116-083: Written examination protest and appeal procedures.

WAC 363-116-084: Simulator evaluation review and appeal procedures.

WAC 363-116-200: Duties of Pilots.

WAC 363-116-360: Exempt Vessels.

Setting the Number of Pilots

The Board will, from time to time, set the number of pilots to be licensed in each pilotage district that is best calculated to optimize the operation of a safe, fully regulated, efficient, and competent pilotage service. (WAC 363-116-065)

	Oct 12, 2006	April 8, 2010	Sept 30, 2010	Aug 9, 2012	
Puget Sound	57	54	52	53	
Grays Harbor	The number of pilots will increase from 2 to 3 upon the next candidate becoming successfully licensed.				

2 BOARD MEMBERS & EXPENSES

COMMISSIONERS

	<u>Initial Appointment</u>	<u>Term Expires</u>
<u>CHAIR</u>		
Captain Harry Dudley	11/1/1999	N/A
<u>REPRESENTING THE PUBLIC AT LARGE</u>		
Charles Adams	9/29/2009	12/26/2012
Captain Edmund I. Kiley	1/14/2010	12/26/2013
<u>REPRESENTING AMERICAN SHIPPING</u>		
Craig Lee - BP Shipping (USA)	1/25/2002	1/24/2012
Phil Morrell - Totem Ocean Trailer Express (TOTE)	1/25/2012	12/26/2015
<u>REPRESENTING FOREIGN SHIPPING</u>		
Doug Coburn - General Steamship Corp	5/5/2010	1/13/2012
Captain J. Grant Stewart - Westwood Shipping Lines (WSL)	3/16/2012	12/26/2012
<u>REPRESENTING THE PILOTS</u>		
Captain Pat Hannigan - Puget Sound Pilotage District	1/11/2005	12/26/2012
Captain Don Mayer - Puget Sound Pilotage District	12/27/2011	12/26/2015
<u>REPRESENTING WA. STATE DEPARTMENT OF ECOLOGY</u>		
Norm Davis - Spill Prevention, Preparedness & Response	4/15/2005	N/A
<u>REPRESENTING THE MARINE WATER ENVIRONMENT</u>		
Elsie Hulsizer	9/1/2007	12/26/2014
<u>LEGAL COUNSEL</u>		
Guy Bowman	8/1/2008	N/A
<u>STAFF</u>		
Peggy Larson, Executive Director	12/8/1982	N/A
Shawna Erickson, Sr. Project Director	1/27/2010	N/A

The Board is comprised of the Assistant Secretary, Ferries Division, Department of Transportation or his/her designee; the Director of the Department of Ecology, or his/her designee; and seven members appointed by the governor. Each appointed member's term is for four years.

2 BOARD MEMBERS & EXPENSES (cont'd)

ANNUAL EXPENSES

BOARD OPERATING EXPENSES

Salaries and Benefits	\$ 167,230
Goods and Services	130,715
Trainee Stipends	263,141
Travel	10,248
TOTAL EXPENDITURES	<u>\$ 571,334</u>

The Board of Pilotage Commissioners is a non-appropriated agency whose operating revenue is derived exclusively from pilot license fees and other ancillary fees as authorized in Chapter 88.16.RCW. The Board receives no General Fund appropriation. The Board's biennial budget is reviewed by the State Legislature but legislative spending authority is not required.

Pilot trainee stipends are funded by a tariff surcharge specified in WAC 363-116-300 and paid to each trainee at a monthly rate of \$6,000 if the stipulations found in WAC 363-116-078(10) are met.

3 LICENSED PILOTS PUGET SOUND DISTRICT

at 12/31/12 or retirement

PILOT	Lic #	Years Licensed
ANACKER, D. Scott	183	0.8
ANTHONY, Michael	184	0.4
ARNOLD, John	147	17.1
BLAKE, Michael	163	6.5
BOUMA, Blair	181	1.4
BRUSCO, David	180	2.8
BUJACICH, Jack	164	6.5
CARLSON, Ivan	165	6.5
COE, Frantz (Andy)	142	20.7
EMERSON, Larry	126	25.0
ENGSTROM, Carl	133	22.9
ENGSTROM, Fred	185	0.1
ENGSTROM, Victor	162	7.7
GIESE, Peter	143	20.2
GROBSCHMIT, David	169	56.0
HANNIGAN, Patrick	108	30.6
HANNUKSELA, James	175	4.1
HARRIS, John	123	25.0
HENSHAW, Brian	155	12.4
HURT, Gary	158	11.6
JACOBS, Thomas	131	23.0
JUSTICE, Verne	128	23.9
KALVOY, Jostein	170	5.6
KEARNS, James	182	1.0
KELLY, Patrick	167	6.4
KLAPPERICH, Eric	172	4.9
KNOWLES, Burton	150	16.7
LARSON, Christopher	151	16.2
MACKENZIE, Delmar	124	25.0
MARMOL, Edmund	171	5.3

at 12/31/12 or retirement

PILOT	Lic #	Years Licensed
MAYER, Donald	121	26.4
McCURDY, Richard	141	20.7
<i>MENDENHALL, Michael (Ret.)</i>	92	35.5
MICHELSON, Bruce	136	22.5
MORENO, Stephan	178	3.1
MORK, Stuart	159	11.5
NEWMAN, Alec	125	25.0
<i>NIEDERHAUSER, John (Ret.)</i>	132	22.0
SANDERS, David	152	15.7
SCOGGINS, John	161	7.9
SCRAGG, John	181	2.5
SEMLER, Joseph	156	12.2
SEMLER, Stephen	174	4.6
SEYMOUR, Lawrence	177	3.5
SHAFFER, Daniel	116	27.5
SHAFFER, James	145	20.2
SHULER, Mark	154	14.8
SLIKER, William	166	6.5
SORIANO, Donald	122	26.1
THORESON, George	176	4.1
vonBRANDENFELS, Eric	148	17.1
WARD, John K.	168	6.3
WARD, Jonathan E.	160	9.3
WILDES, Gordon	173	4.9
WOOD, Micheal	134	22.8

12/31/2011	51
<i>Number of retirements in 2012:</i>	2
Number of new pilots in 2012:	4
Number of pilots as of 12/31/12:	53

GRAYS HARBOR DISTRICT

at 12/31/12

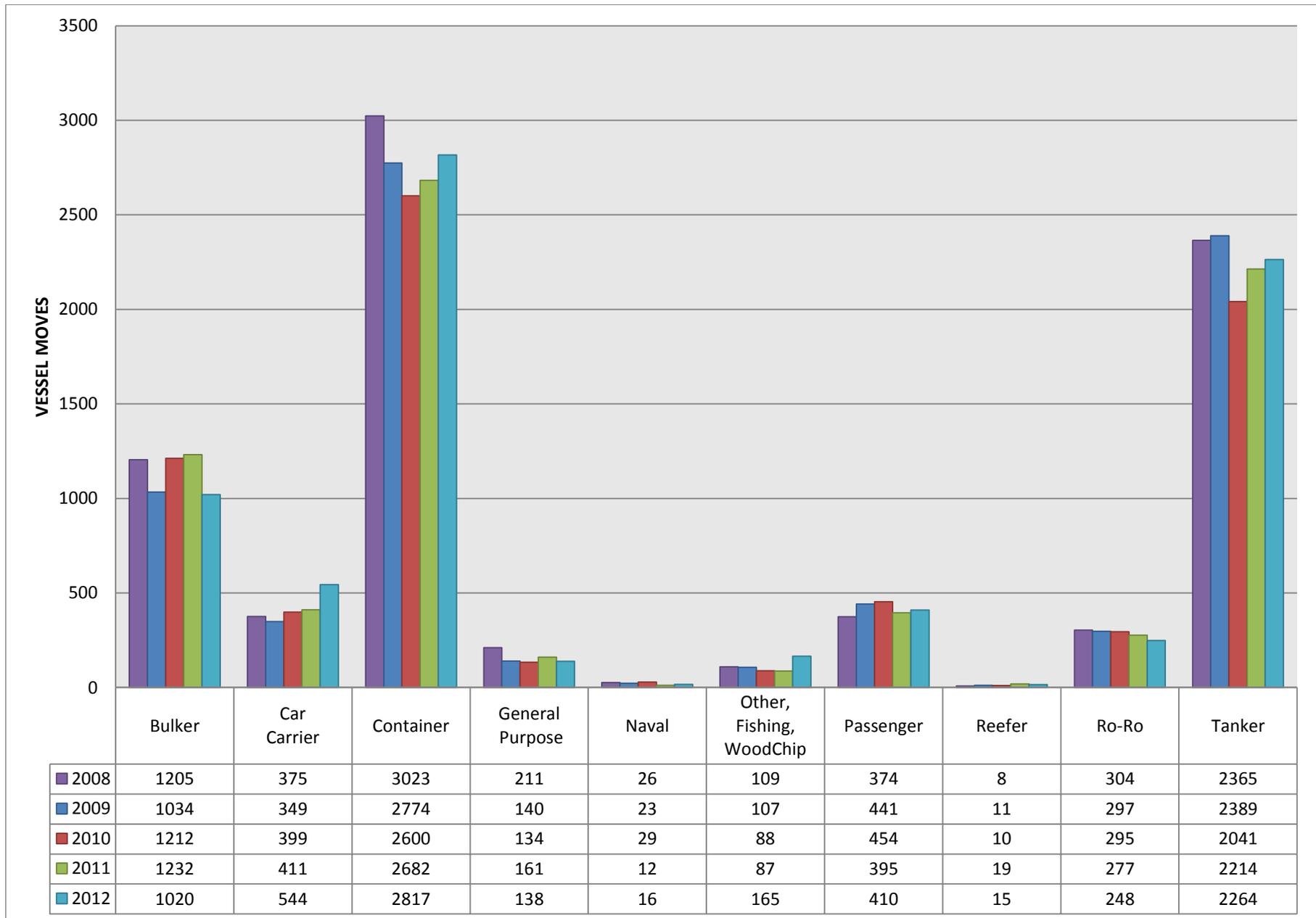
PILOT	Lic #	Years Licensed
D'Angelo, Robert	15	19.8
Cooke, Stephen	16	7.5

No changes to pilot roster in 2012

The Board issues licenses to pilots after qualifying for and passing a written examination, simulator evaluation, and successfully completing a training program established by the Board. Licenses are renewed annually after passing a physical examination and paying a license fee.

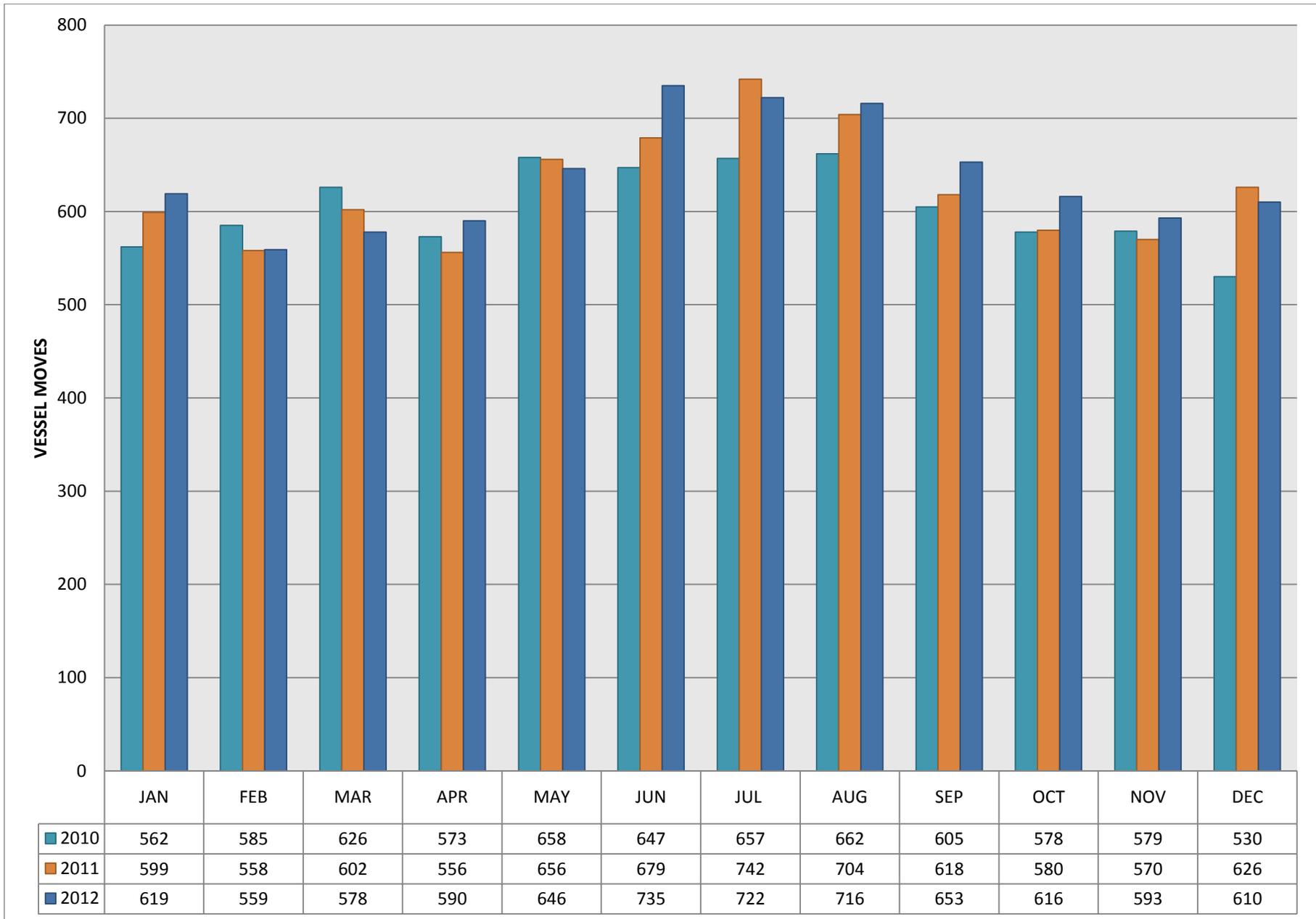
4 COMPARATIVE VESSEL TRAFFIC INFORMATION

PUGET SOUND DISTRICT VESSEL MOVES BY TYPE 2008-2012



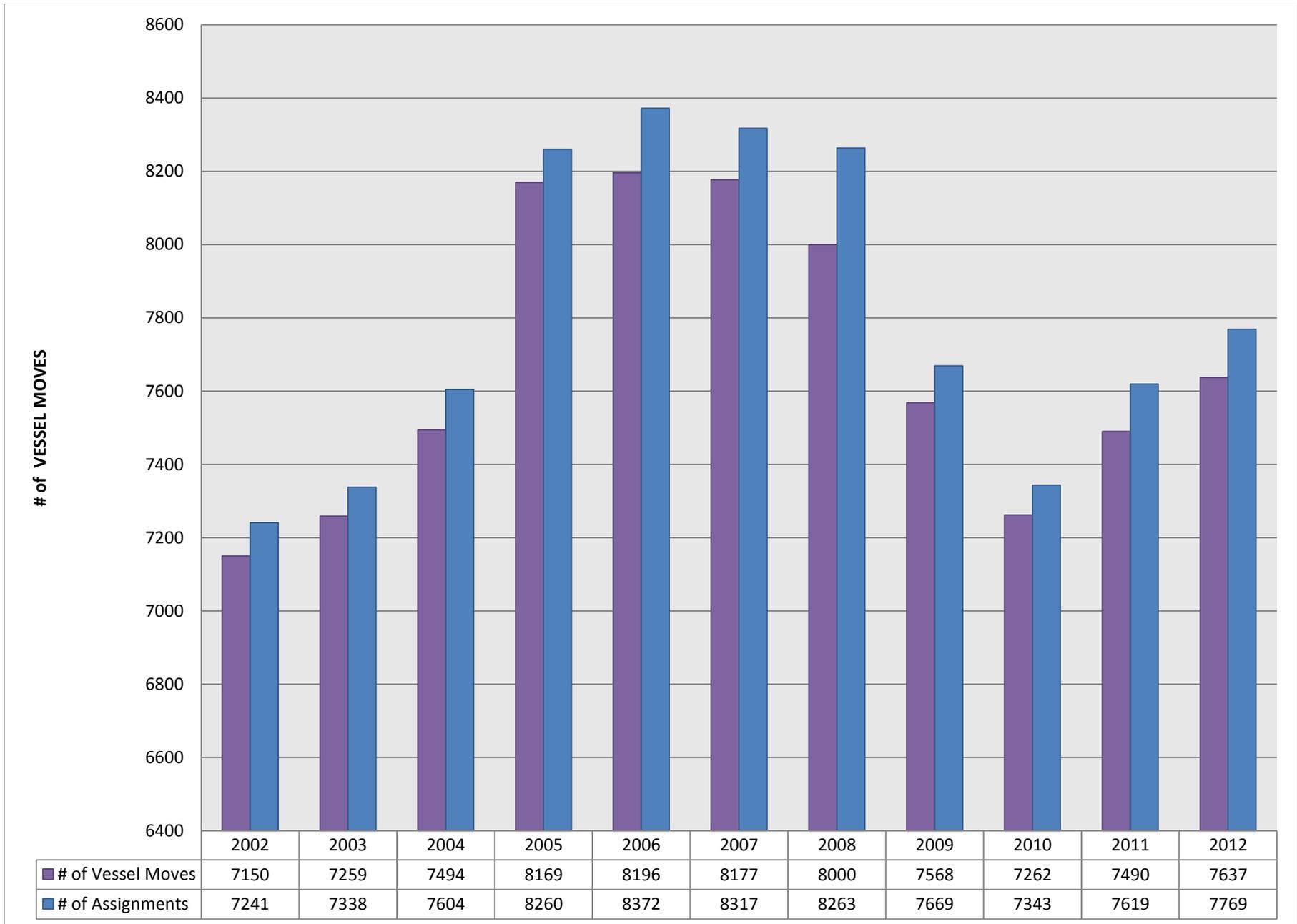
4 COMPARATIVE VESSEL TRAFFIC INFORMATION

PUGET SOUND DISTRICT 2010 - 2012
 NUMBER OF VESSEL MOVES
 (cancellations not included)
 BY MONTH AND YEAR



04 COMPARATIVE VESSEL TRAFFIC INFORMATION

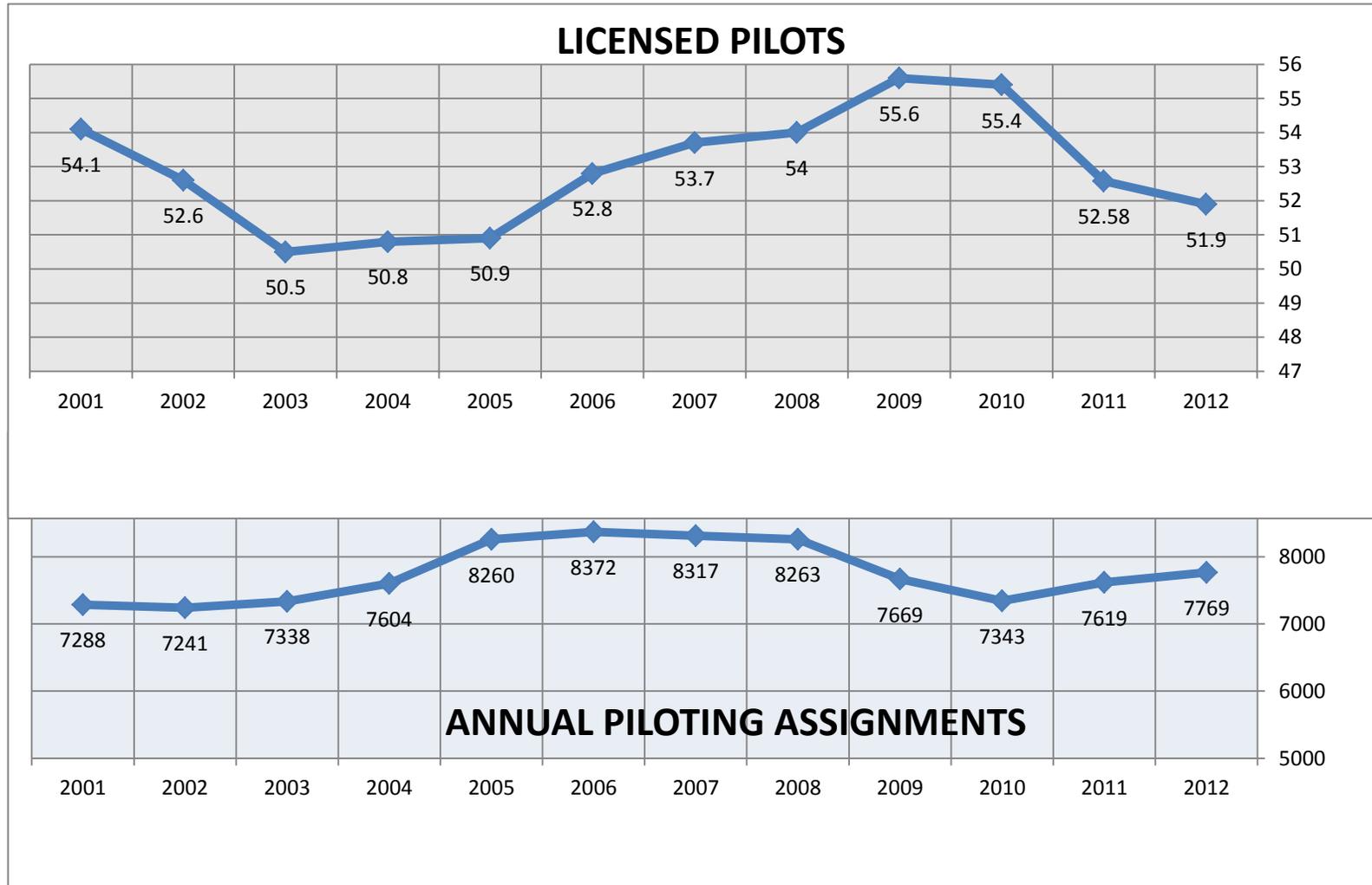
PUGET SOUND DISTRICT
 VESSEL MOVES vs. ASSIGNMENTS 2002-2012
 (Difference = Cancellation of Assignment)



4 COMPARATIVE VESSEL TRAFFIC INFORMATION

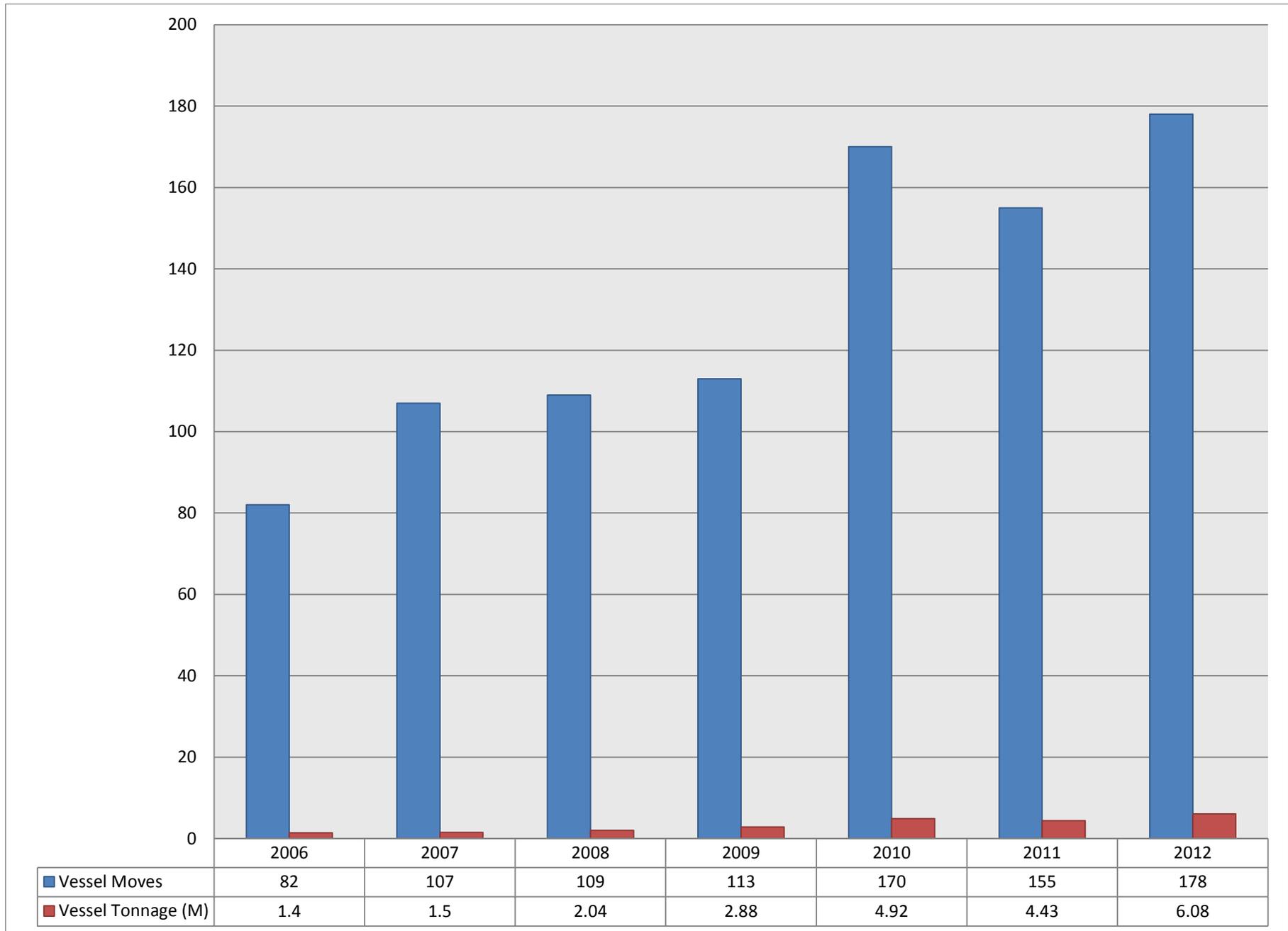
PUGET SOUND DISTRICT
Number of Pilots
shown with
Number of Assignments
2001-2012

PUGET SOUND DISTRICT



4 COMPARATIVE VESSEL TRAFFIC INFORMATION

GRAYS HARBOR DISTRICT 2006-2012
VESSEL MOVES and TOTAL TONNAGE



5 ANNUAL EARNINGS OF INDIVIDUAL PILOTS AND TRAINEE STIPENDS PAID

PUGET SOUND PILOTAGE DISTRICT

	2012 Total	Avg. Per Pilot (51.9 Full-time)
Pilotage Tariff Revenue	\$ 31,658,445	\$ 609,989
Other Income / (Expense)	18,785	362
Retirement Payments to Retired Puget Sound Pilots <i>(Note 1)</i>	(2,695,219)	(51,931)
Operating Expenses of Puget Sound Pilots	(8,592,917)	(165,567)
Group Medical Insurance Plan for Pilots <i>(shown below)</i>	1,547,037	29,808
Available Revenue Pool for Distribution	\$ 21,936,131	\$ 422,661
Income Allocation of Pooled Tariff Revenue	\$ 18,731,627	\$ 361,002
Individual Business Expense <i>(Note 2)</i>	646,939	12,468
Transportation Allowances and Reimbursements	991,743	19,109
Tariff Revenue Paid to Pilots	20,370,309	392,579
Individual Pilot Medical Insurance <i>(Note 2)</i> (group plan paid by PSP)	1,547,037	29,808
Tariff Revenue Paid to Pilots + Medical Benefit	\$ 21,917,346	\$ 422,299
		(rounding)
Undistributed Other Revenue	18,785	362
Available Revenue Pool for Distribution	\$ 21,936,131	\$ 422,661

Notes:

1. Amounts necessary for payment of benefits under the Puget Sound Pilots Trust Contract of 1952, the Puget Sound Pilots Retirement Agreement of 1978 and the Amended Retirement Program of Puget Sound Pilots are deducted and paid to the designated beneficiaries prior to distribution of income to current pilots.
2. Individual Business Expense includes the provision paid for disability insurance, annual physical exam, Anacortes subsistence and lodging, and business communication costs. Medical insurance premiums previously reported in this category (IBE) are now paid by the Association (noted above).

Remarks:

Not shown above is "extra compensation as a separate category" per RCW 88.16.035. The expenses and payments reported above do not include additional deferred compensation programs or retirement benefits, if any, provided by the pilot organization.

TRAINEE STIPENDS PAID

During all or part of the year there were eight pilot trainees working on their respective training programs. Not all were eligible to take the stipend every month during the twelve month period. The collective amount paid during 2012 was \$263,141.

Pilot trainees may choose whether to take a stipend during their training program. As a condition of receiving such stipend, agreement is made to forego any other full- or part-time employment which then prevents full participation in the training program. If the additional stipulations found in WAC 363-116-078(10) are met each calendar month, the stipend is paid at \$6,000 per month. The stipend is funded through a training surcharge in the tariff.

5 ANNUAL EARNINGS OF INDIVIDUAL PILOTS AND TRAINEE STIPENDS PAID (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

	2012 Total	Per Pilot (2 Full time)
Tariff Generated Pilotage Revenue	\$ 1,038,387	\$ 519,194
Other Pilot Services Department Revenue	1,200	600
Transfer funds to Puget Sound Pilots Association for payments to Grays Harbor Pilot Retirees with service credit prior to 2001 <i>(Note 3)</i>	(49,560)	(24,780)
Operating Expenses - Port of Grays Harbor Pilot Services	(289,645)	(144,823)
Gain retained by Port of Grays Harbor <i>(Note 4)</i>	(49,402)	(24,701)
Net Pilotage Revenue	<u>\$ 650,980</u>	<u>\$ 325,490</u>
Pilot Wages	\$ 491,938	\$ 245,969
Employer Provided Benefits <i>(Note 5)</i>	91,940	45,970
Gain Sharing	49,402	24,701
Travel Allowance and Reimbursements	17,700	8,850
Compensation to Pilots	<u>\$ 650,980</u>	<u>\$ 325,490</u>

Notes:

- 3. As part of an agreement with the Commission, Puget Sound Pilots distributes retirement benefits to the retirees of the Grays Harbor Bar Pilots. The cost is offset in part by a 2001 Puget Sound District tariff increase and the pension charge per assignment included in the Grays Harbor tariff. The Port transfers those funds to the Puget Sound Pilots to distribute to Grays Harbor pilot retirees with service credit prior to 2001.*
- 4. Port of Grays Harbor absorbs or retains any loss or income from the piloting division of their operations.*
- 5. Employer Provided Benefits includes health, life, medical, and disability insurance, federal and state taxes, and retirement funding paid by the employer.*

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS

PUGET SOUND PILOTAGE DISTRICT

2012

TOTAL TARIFF GENERATED REVENUE \$ 31,658,445

SUMMARIZED EXPENSES

Payments to Retired Pilots/Widows - Puget Sound District	\$ 2,695,219
Pilot Medical Insurance - Puget Sound District	1,547,037
Seattle Operating/Administrative Expenses	<u>4,525,153</u>
Total Seattle Expenses	\$ 8,767,409
Port Angeles Station Operating Expenses	527,680
Pilot Boat Operating Expenses	<u>1,993,047</u>
Total PSP Operating/Administrative Expenses	\$ 11,288,136
Transportation Fees Paid Directly to Pilots	<u>991,743</u>
Total Deductions from Revenue	<u>12,279,879</u>
Balance of Revenue Pool to Distribute	\$ 19,378,566
Other Income / (Expense)	<u>18,785</u>
NET INCOME FROM POOLED OPERATIONS	\$ <u>19,397,351</u>

SEATTLE OFFICE OPERATING EXPENSES

Attorney fees	\$ 28,043
Comp day expense	603,785
Computer maintenance	216,595
Computer programming	7,041
Conferences	3,561
Consulting services	96,568
CPA fees	72,656
Depreciation	172,897
Drug testing	6,770
Dues	143,150
Employee benefits	279,626
Employee salaries	746,246
Equipment leases	1,077
Insurance	205,032
Interest	12,820
License fees - pilots	351,000
Lobbyist	113,478
Office maintenance & repair	7,136
Office supplies	34,824
Payments to Retired Pilots/Widows - Grays Harbor District	109,739
Pilot training	296,007
Printing & publications	23,086
Rent & parking	104,566
Taxes on payroll	51,398
Taxes, other	1,060
Taxes on revenue	605,237
Travel, entertainment, promotion	187,145
Telephone & communications	42,314
Uncollectable accounts receivable	2,296
Seattle Office Total	\$ <u>4,525,153</u>

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)

PUGET SOUND PILOTAGE DISTRICT (cont'd)

PORT ANGELES STATION OPERATING EXPENSES

	<u>2012</u>
Depreciation	\$ 54,069
Food	95,184
Insurance	20,303
Interest	202
Lodging - Port Angeles	161
Maintenance and repairs	41,122
Rent, tideland lease	3,893
Reposition pilots	244,011
Supplies	26,288
Taxes on property	12,619
Telephone & communications	9,549
Training	
Utilities	20,279
Port Angeles Total	<u>\$ 527,680</u>

PILOT BOAT OPERATING EXPENSES

Depreciation	\$ 28
Employee benefits	213,048
Employee salaries	802,040
Fuel of "Juan de Fuca"	222,781
Fuel of "Puget Sound"	245,321
Insurance	86,232
Interest	324
Maintenance & operation of "Juan de Fuca"	220,285
Maintenance & operation of "Puget Sound"	134,084
Taxes on payroll	63,179
Taxes on property	5,725
Pilot Boat Operations Total	<u>\$ 1,993,047</u>

Note (previous page) :

5. Funds derived from the application of the Grays Harbor Pilotage District tariff (Pension Charge), for the purposes of offsetting a proportionate share of pension expenses, are remitted to Puget Sound Pilots for payment to retirees of the Grays Harbor Pilotage District. Puget Sound Pilots reports the revenue and expenses in their annual audited Financial Statements.

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)

PUGET SOUND PILOTAGE DISTRICT (cont'd)

SCHEDULE OF EMPLOYEES

<u>Employee</u>	<u>Position</u>
M. Arkins	AR Clerk
T. Burnell	Dispatcher/Clerk
J. Clark	Relief Deckhand/Engineer
A. Dreyer	Boat Operator
M. Gregson	Deckhand/Engineer
C. Harthorne	Accountant/Dispatcher/Clerk
K. Houston	Dispatcher/Clerk
P. Jacobsen	Deckhand/Engineer
M. Juskevich	Boat Operator
J. Melvin	Deckhand
P. Moore	Accountant/Dispatcher/Clerk
J. Rushton	Deckhand/Engineer
R. Shelton	Maintenance/Utility
D. Shideler	Lead Boat Operator
W. Tabler	Executive Director/General Counsel
B. Valentine	Dispatcher/Clerk
R. Welch	Boat Operator

Duty Arrangements: Office staff - 8 or 10 hour days, boatmen - 12 hour days.

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

PERSONNEL EMPLOYED

Captain R. D'Angelo Full-time Pilot
Captain S. Cooke Full-time Pilot

	<u>2012</u>
Tariff Generated Revenue	\$ 1,038,387
Miscellaneous Revenues	1,200
TOTAL REVENUE	\$ <u>1,039,587</u>

GRAYS HARBOR DISTRICT EXPENSES

Advertising	\$ 45
Benefits	91,940
Pilot launch services	153,516
Depreciation	25,134
Dues & license fees	13,000
Insurance	1,911
Legal services	2,518
Miscellaneous other expenses	249
Pension contribution to PSP for GH Retirees	49,560
Port Administrative Services	48,074
Repair/Maintenance	6,936
Supplies	2,094
Taxes	17,521
Telephone	2,625
Training	7,500
Travel/Lodging/Meals	8,523
Wages	491,938
Gain Sharing Distribution	49,402
Incremental Duty Pay	
Travel Allowance	17,700
GRAYS HARBOR DISTRICT TOTAL EXPENSES	\$ <u>990,186</u>
 GRAYS HARBOR DISTRICT OPERATING INCOME	 \$ <u>49,402</u>

7 PILOTAGE TARIFFS

PUGET SOUND PILOTAGE DISTRICT

WAC 363-116-300 Pilotage rates for the Puget Sound Pilotage District.

Effective 0001 hours January 1, 2012 through 2400 hours December 31, 2012.

CLASSIFICATION	RATE
Ship length overall (LOA)	
Charges:	
Per LOA rate schedule in this section.	
Boarding charge:	\$48.00
Per each boarding/deboarding at the Port Angeles pilot station.	
Harbor shift - Live ship (Seattle Port)	LOA Zone I
Harbor shift - Live ship (other than Seattle Port)	LOA Zone I
Harbor shift - Dead ship	Double LOA Zone I
Towing charge - Dead ship:	Double LOA Zone
LOA of tug + LOA of tow + beam of tow	

Any tow exceeding seven hours, two pilots are mandatory. Harbor shifts shall constitute and be limited to those services in moving vessels from dock to dock, from anchorage to dock, from dock to anchorage, or from anchorage to anchorage in the same port after all other applicable tariff charges for pilotage services have been recognized as payable.

Compass Adjustment	\$349.00
Radio Direction Finder Calibration	\$349.00
Launching Vessels	\$524.00
Trial Trips, 6 hours or less (minimum \$984.00)	\$164.00 per hour
Trial Trips, over 6 hours (two pilots)	\$328.00 per hour
Shilshole Bay – Salmon Bay	\$205.00
Salmon Bay – Lake Union	\$159.00
Lake Union–Lake Washington (plus LOA zone from Webster Point)	\$205.00
Cancellation Charge	LOA Zone I
Cancellation Charge – Port Angeles:	LOA Zone II
(When a pilot is ordered and vessel proceeds to a port outside the Puget Sound pilotage district without stopping for a pilot or when a pilot order is canceled less than twelve hours prior to the original ETA.)	

Waterway and Bridge Charges:

Ships up to 90' beam:

A charge of \$258.00 shall be in addition to bridge charges for any vessel movements both inbound and outbound required to transit south of Spokane Street in Seattle, south of Eleventh Street in any of the Tacoma waterways, in Port Gamble, or in the Snohomish River. Any vessel movements required to transit through bridges shall have an additional charge of \$123.00 per bridge.

Ships 90' beam and/or over:

A charge of \$350.00 shall be in addition to bridge charges for any vessel movements both inbound and outbound required to transit south of Spokane Street in Seattle and south of Eleventh Street in any of the Tacoma waterways. Any vessel movements required to transit through bridges shall have an additional charge of \$244.00 per bridge.

(The above charges shall not apply to transit of vessels from Shilshole Bay to the limits of Lake Washington.)

Two or three pilots required:

In a case where two or three pilots are employed for a single vessel waterway or bridge transit, the second and/or third pilot charge shall include the bridge and waterway charge in addition to the harbor shift rate.

Docking Delay After Anchoring:

Applicable harbor shift rate to apply, plus \$266.00 per hour standby. No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$266.00 for every hour or fraction thereof.

Sailing Delay:

No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$266.00 for every hour or fraction thereof. The assessment of the standby charge shall not exceed a period of twelve hours in any twenty-four-hour period.

Slowdown:

When a vessel chooses not to maintain its normal speed capabilities for reasons determined by the vessel and not the pilot, and when the difference in arrival time is one hour, or greater, from the predicted arrival time had the vessel maintained its normal speed capabilities, a charge of \$266.00 per hour, and each fraction thereof, will be assessed for the resultant difference in arrival time.

Delayed Arrival – Port Angeles:

When a pilot is ordered for an arriving inbound vessel at Port Angeles and the vessel does not arrive within two hours of its ETA, or its ETA is amended less than six hours prior to the original ETA, a charge of \$266.00 for each hour delay, or fraction thereof, shall be assessed in addition to all other appropriate charges.

When a pilot is ordered for an arriving inbound vessel at Port Angeles and the ETA is delayed to six hours or more beyond the original ETA, a cancellation charge shall be assessed, in addition to all other appropriate charges, if the ETA was not amended at least twelve hours prior to the original ETA.

Tonnage Charges:

0 to 20,000 gross tons:

Additional charge to LOA zone mileage of \$0.0082 a gross ton for all gross tonnage up to 20,000 gross tons.

20,000 to 50,000 gross tons:

Additional charge to LOA zone mileage of \$0.0846 a gross ton for all gross tonnage in excess of 20,000 gross tons up to 50,000 gross tons.

50,000 gross tons and up:

In excess of 50,000 gross tons, the charge shall be \$0.1012 per gross ton.

For vessels where a certificate of international gross tonnage is required, the appropriate international gross tonnage shall apply.

Transportation to Vessels on Puget Sound:

March Point or Anacortes	\$195.00
Bangor	190.00
Bellingham	225.00
Bremerton	167.50
Cherry Point	260.00
Dupont	120.00
Edmonds	42.50
Everett	72.50
Ferndale	247.50
Manchester	162.50
Mukilteo	65.00
Olympia	155.00
Point Wells	42.50
Port Gamble	230.00
Port Townsend (Indian Island)	277.50
Seattle	18.75
Tacoma	87.50

- (a) Intraharbor transportation for the Port Angeles port area: Transportation between Port Angeles pilot station and Port Angeles harbor docks - \$15.00.
- (b) Interport shifts: Transportation paid to and from both points.
- (c) Intraharbor shifts: Transportation to be paid both ways. If intraharbor shift is canceled on or before scheduled reporting time, transportation paid one way only.
- (d) Cancellation: Transportation both ways unless notice of cancellation is received prior to scheduled reporting time in which case transportation need only be paid one way.
- (e) Any new facilities or other seldom used terminals, not covered above, shall be based on mileage x \$2.00 per mile.

Delinquent Payment Charge:

1 1/2% per month after 30 days from first billing.

Nonuse of Pilots:

Ships taking and discharging pilots without using their services through all Puget Sound and adjacent inland waters shall pay full pilotage charges on the LOA zone mileage basis from Port Angeles to destination, from place of departure to Port Angeles, or for entire distance between two ports on Puget Sound and adjacent inland waters.

British Columbia Direct Transit Charge:

In the event that a pilot consents to board or disembark a vessel at a British Columbia port, which consent shall not unreasonably be withheld, the following additional charges shall apply in addition to the normal LOA, tonnage and other charges provided in this tariff that apply to the portion of the transit in U.S. waters:

Direct Transit Charge	\$2,107.00
Sailing Delay Charge. Shall be levied for each hour or fraction thereof that the vessel departure is delayed beyond its scheduled departure from a British Columbia port, provided that no charge will be levied for delays of one hour or less and further provided that the charge shall not exceed a period of 12 hours in any 24 hour period.	\$283.00 per hour
Slow Down Charge. Shall be levied for each hour or fraction thereof that a vessel's arrival at a U.S. or BC port is delayed when a vessel chooses not to maintain its normal safe speed capabilities for reasons determined by the vessel and not the pilot, and when the difference in arrival time is one hour, or greater from the arrival time had the vessel maintained its normal safe speed capabilities.	\$283.00 per hour
Cancellation Charge. Shall be levied when a pilot arrives at a vessel for departure from a British Columbia port and the job is canceled. The charge is in addition to the applicable direct transit charge, standby, transportation and expenses.	\$525.00
Transportation Charge Vancouver Area. Vessels departing or arriving at ports in the Vancouver -Victoria - New Westminster Range of British Columbia.	\$499.00
Transportation Charge Outports. Vessels departing or arriving at British Columbia ports other than those in the Vancouver -Victoria - New Westminster Range.	\$630.00

Training Surcharge:

On January 1, 2011, a surcharge of \$15.00 for each pilot trainee then receiving a stipend pursuant to the training program provided in [WAC 363-116-078](#) shall be added to each pilotage assignment.

LOA Rate Schedule:

The following rate schedule is based upon distances furnished by National Oceanic and Atmospheric Administration, computed to the nearest half-mile and includes retirement fund contributions.

LOA (Length Overall)	ZONE I Intra Harbor	ZONE II 0-30 Miles	ZONE III 31-50 Miles	ZONE IV 51-75 Miles	ZONE V 76-100 Miles	ZONE VI 101 Miles & Over
UP to 449	255	396	675	1,006	1,354	1,757
450 - 459	266	403	679	1,021	1,376	1,766
460 - 469	268	407	690	1,038	1,395	1,774
470 - 479	277	419	698	1,059	1,399	1,777
480 - 489	285	426	701	1,078	1,408	1,785
490 - 499	289	432	712	1,098	1,424	1,794
500 - 509	304	440	722	1,110	1,436	1,805
510 - 519	306	448	729	1,127	1,451	1,812
520 - 529	310	464	740	1,132	1,464	1,826

530 - 539	319	470	749	1,145	1,487	1,847
540 - 549	324	476	766	1,157	1,510	1,864
550 - 559	331	492	771	1,174	1,522	1,882
560 - 569	343	512	786	1,185	1,536	1,899
570 - 579	350	516	789	1,190	1,552	1,912
580 - 589	365	524	808	1,199	1,561	1,931
590 - 599	382	536	813	1,205	1,584	1,954
600 - 609	396	552	824	1,209	1,604	1,963
610 - 619	418	557	838	1,214	1,619	1,981
620 - 629	434	564	846	1,229	1,638	2,004
630 - 639	454	574	855	1,232	1,652	2,021
640 - 649	472	587	864	1,234	1,666	2,036
650 - 659	505	597	880	1,244	1,686	2,057
660 - 669	515	605	887	1,251	1,705	2,073
670 - 679	534	620	896	1,274	1,724	2,086
680 - 689	541	630	908	1,284	1,739	2,106
690 - 699	557	640	922	1,307	1,757	2,150
700 - 719	582	661	939	1,324	1,791	2,174
720 - 739	616	679	963	1,342	1,826	2,210
740 - 759	640	712	982	1,354	1,864	2,250
760 - 779	665	734	1,006	1,376	1,899	2,279
780 - 799	698	767	1,021	1,395	1,931	2,320
800 - 819	726	789	1,041	1,402	1,963	2,355
820 - 839	749	818	1,065	1,424	2,004	2,382
840 - 859	781	851	1,086	1,441	2,034	2,423
860 - 879	810	880	1,105	1,478	2,073	2,458
880 - 899	838	905	1,127	1,512	2,106	2,494
900 - 919	863	935	1,146	1,551	2,150	2,528
920 - 939	890	963	1,174	1,584	2,172	2,563
940 - 959	922	988	1,191	1,619	2,210	2,594
960 - 979	943	1,017	1,212	1,652	2,250	2,633
980 - 999	974	1,041	1,233	1,686	2,279	2,667
1000 - 1019	1,034	1,108	1,288	1,776	2,387	2,782
1020 - 1039	1,062	1,141	1,328	1,826	2,459	2,863
1040 - 1059	1,094	1,169	1,367	1,882	2,529	2,948
1060 - 1079	1,127	1,210	1,407	1,938	2,608	3,035
1080 - 1099	1,161	1,244	1,448	1,994	2,684	3,127
1100 - 1119	1,194	1,282	1,492	2,056	2,765	3,221

1120 - 1139	1,231	1,323	1,538	2,116	2,848	3,317
1140 - 1159	1,266	1,360	1,582	2,179	2,934	3,418
1160 - 1179	1,304	1,399	1,632	2,245	3,021	3,518
1180 - 1199	1,344	1,442	1,679	2,312	3,113	3,625
1200 - 1219	1,385	1,485	1,728	2,382	3,206	3,732
1220 - 1239	1,424	1,530	1,779	2,453	3,300	3,844
1240 - 1259	1,467	1,575	1,831	2,526	3,400	3,958
1260 - 1279	1,510	1,621	1,887	2,602	3,503	4,077
1280 - 1299	1,555	1,671	1,945	2,680	3,605	4,200
1300 - 1319	1,603	1,718	2,001	2,759	3,714	4,324
1320 - 1339	1,651	1,771	2,063	2,842	3,824	4,455
1340 - 1359	1,698	1,824	2,124	2,926	3,939	4,589
1360 - 1379	1,750	1,877	2,187	3,016	4,055	4,724
1380 - 1399	1,801	1,933	2,254	3,104	4,178	4,868
1400 - 1419	1,856	1,992	2,319	3,196	4,302	5,013
1420 - 1439	1,911	2,052	2,389	3,293	4,433	5,163
1440 - 1459	1,970	2,114	2,462	3,391	4,565	5,317
1460 - 1479	2,025	2,175	2,534	3,492	4,702	5,474
1480 - 1499	2,087	2,240	2,609	3,596	4,841	5,639
1500 Over	2,150	2,308	2,686	3,706	4,985	5,807

7 PILOTAGE TARIFFS (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

WAC 363-116-185 Pilotage Rates for the Grays Harbor Pilotage District.

Effective 0001 hours January 1, 2012, through 2400 hours December 31, 2012.

CLASSIFICATION

RATE

Charges for piloting of vessels in the inland waters and tributaries of Grays Harbor shall consist of the following:

Draft and Tonnage Charges:

Each vessel shall be charged according to its draft and tonnage for each vessel movement inbound to the Grays Harbor pilotage district, and for each movement outbound from the district.

Draft	\$96.79 per meter or \$29.49 per foot
Tonnage	\$0.277 per net registered ton
Minimum Net Registered Tonnage	\$970.00
Extra Vessel (in case of tow)	\$543.00

Provided that, due to unique circumstances in the Grays Harbor pilotage district, vessels that call, and load or discharge cargo, at Port of Grays Harbor Terminal No. 2 shall be charged \$5,377.00 per movement for each vessel movement inbound to the district for vessels that go directly to Terminal No. 2, or that go to anchor and then go directly to Terminal No. 2, or because Terminal No. 2 is not available upon arrival that go to layberth at Terminal No. 4 (without loading or discharging cargo) and then go directly to Terminal No. 2, and for each vessel movement outbound from the district from Terminal No. 2, and that this charge shall be in lieu of only the draft and tonnage charges listed above.

Boarding Charge:

Per each boarding/deboarding from a boat or helicopter	\$1,000.00
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Harbor Shifts:

For each shift from dock to dock, dock to anchorage, anchorage to dock, or anchorage to anchorage	\$676.00
Delays per hour	\$159.00
Cancellation charge (pilot only)	\$265.00
Cancellation charge (boat or helicopter only)	\$795.00

Two Pilots Required:

When two pilots are employed for a single vessel transit, the second pilot charge shall include the harbor shift charge of \$676.00 and in addition, when a bridge is transited the bridge transit charge of \$291.00 shall apply.

Pension Charge:

Charge per pilotage assignment, including cancellations	\$280.00
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Travel Allowance:

Transportation charge per assignment	\$100.00
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Pilot when traveling to an outlying port to join a vessel or returning through an outlying port from a vessel which has been piloted to sea shall be paid \$931.00 for each day or fraction thereof, and the travel expense incurred.

Bridge Transit:

Charge for each bridge transited	\$291.00
Additional surcharge for each bridge transited for vessels in excess of 27.5 meters in beam	\$805.00

Miscellaneous:

The balance of amounts due for pilotage rates not paid within 30 days of invoice will be assessed at 1½ % per month late charge.

8 INCIDENT REPORTS & MARINE SAFETY OCCURRENCES

PUGET SOUND PILOTAGE DISTRICT

INCIDENT REPORTS

Nine Incident Reports were filed in the Puget Sound Pilotage District in the year 2012.

DATE	VESSEL	PILOT	LOCATION	BOARD DECISION
26-Jan-2012	Hyundai Jakarta	Grobschmit, D	Tacoma, Blair Waterway	Incident w/damage; no pilot error
28-Feb-2012	North Star	Giese, P	Tacoma, Hylebos Waterway	Incident w/low un- quantified damage; no pilot error
9-Apr-2012	MT Energy Century Sanders, D		Rosario Straits, Southbound	Incident w/damage; no pilot error
16-Jul-2012	Portland Bay	Anacker, S	Seattle, Duwamish River	Incident w/damage; pilot error; pilot to develop a Lessons Learned report in addition to further Duwamish River training trips as specified by TEC
11-Aug-2012	Ever Uranus	Shaffer, D	Tacoma, Blair Waterway	Incident w/damage; no pilot error
25-Aug-2012	Manoa	Moreno, S	Seattle, East Waterway	Incident w/damage; no pilot error
19-Oct-2012	Tolomaru Bay	Brusco, D Carley, W (trainee)	Apple Cove Point, traffic lanes	Incident w/no apparent damage; no pilot error
24-Nov-2012	Alaskan Frontier	Engstrom, V	Ferndale, Cherry Point	Incident w/damage; no pilot error
4-Dec-2012	Polar Resolution	Soriano, D	Ferndale, Cherry Point	Incident w/damage; no pilot error

GRAYS HARBOR PILOTAGE DISTRICT

INCIDENT REPORTS

No Incident Reports were filed in the Grays Harbor Pilotage District.

8 INCIDENT REPORTS & MARINE SAFETY OCCURRENCES

(cont.)

PUGET SOUND AND GRAYS HARBOR DISTRICTS

MARINE SAFETY OCCURRENCES

Thirty-one MSO reports were filed in the Puget Sound District, three of which were reported as a near-miss:

- Twenty-six vessel equipment malfunctions or failures;
- one issue involving a spring line and the dock;
- one where neither the pilot nor the Coast Guard could make contact with a pleasure boat crossing crossing the traffic lanes;
- one involving a tug operator in training;
- one situation requiring an additional pilot dispatched to vessel due to medical issue; and,
- one assignment to move a vessel off the dock to anchorage due to impending extreme low tide.

Two MSO reports in the Grays Harbor District, both reporting an equipment malfunction; neither were reported as a near-miss.

A state licensed pilot involved in a near-miss occurrence shall complete the board required Pilot's Report of Marine Safety Occurrence form and file it with the board as soon as possible. A near-miss occurrence is where a pilot successfully takes action of a non-routine nature to avoid a collision with another vessel, structure or aid to navigation, to avoid a grounding of the vessel or to avoid causing damages to the environment. A report of Marine Safety Occurrence may be voluntarily submitted on an out-of-the-ordinary occurrence or concern for navigational safety that is encountered or observed during the course of piloting a vessel.

9 PETITIONS FOR VESSEL EXEMPTION

PUGET SOUND DISTRICT

During some or all of the months of 2012, the following foreign flag vessels were granted an exemption from the requirement to have a licensed pilot on board while operating exclusively in the waters of the Puget Sound Pilotage District and lower British Columbia.

<u>VESSEL NAME</u>	<u>LENGTH OVERALL</u>	<u>GROSS TONNAGE</u>	<u>APPROVED OPERATOR</u>	<u>COUNTRY OF REGISTRY</u>
AFTER EIGHT	151 FT	498 GT	Lindsay	Isle of Man
ALUMERCIA	124 FT	377 GT	Mestrom	Netherlands Antilles
ANGEL WINGS	130 FT	333GT	Gossweiler	Cayman Islands
ANNASTAR	164 FT	492 GT	Catania / Loveall	Cayman Islands
ARCADIA	117 FT	308 GT	Pizzaruso	Cayman Islands
ARROWHEAD	115 FT	193 GT	Pierre	Marshall Islands
CASINO ROYALE	164 FT	491 GT	Cook	Marshall Islands
CIELO MARE	106 FT	247 GT	Angulo / Laws	Marshall Islands
CV-9	131 FT	322 GT	Lee	Marshall Islands
DRUMBEAT	159 FT	361 GT	Personnic	Cayman Islands
EL MIRAR II	98 FT	204 GT	Wangelin	British Virgin Islands
ESTANCIA	112 FT	208 GT	McDowell / Jones	Cayman Islands
ETHEREAL	190 FT	494 GT	Barry	Cayman Islands
EVVIVA	164 FT	492 GT	Trailer / Bengé	British Virgin Islands
FLIPPER	105 FT	178 GT	Johnson	Cayman Islands
FORTRUS	111 FT	284 GT	Newson	Cayman Islands
GOLDEN BOY II	115 FT	236 GT	Campbell	Marshall Islands
ICE BEAR	171 FT	614 GT	Butler	Cayman Islands
INDIGO	105 FT	224 GT	Hubbard	Marshall Islands
ISLANDER	85 FT	155 GT	Puijman	Cayman Islands
JANICE OF WYOMING	130 FT	198 GT	Wilson	Cayman Islands
KURIOSO	58 FT	57 GT	Soland	Switzerland
LATITUDE	146 FT	494 GT	Higgo	Cayman Islands
LEGACY	164 FT	492 GT	Piesch	Cayman Islands
MARAMA	124 FT	456 GT	Lloyd	Cook Islands
MEA CULPA	130 FT	302 GT	Hein	Cayman Islands
MERIDIAN	161 FT	474 GT	Galleymore	Cayman Islands
MICHAELA ROSE	141 FT	525 GT	Noorman	United Kingdom
MONARCH	151 FT	499 GT	Heys / Johnson	Cayman Islands
PACIFIC TIME	76 FT	114 GT	Comber	Australia
ROCHADE	156 FT	492 GT	Martin	Cayman Islands
SIN OR SWIM	116 FT	248 GT	Du Plessis	St. Vincent & the Grenadines
SIRIUS	78 FT	114 GT	Carter	Marshall Islands
SPELLBOUND	84 FT	82 GT	Cregan	Cayman Islands
TAMSEN	72 FT	463 GT	Zamir	Cayman Islands
VANGO	164 FT	490 GT	Hagerman	Cayman Islands
VICTORIA CLIPPER	127 FT	431 GT	Various	Netherlands Antilles
VICTORIA CLIPPER IV	131 FT	478 GT	Various	Bahamas
WABI-SABI	164 FT	492 GT	Judges	Cayman Islands
WESTPORT 40M	130 FT	333 GT	Catania	Cayman Islands
ZENJI	183 FT	499 GT	Quinlan	Cayman Islands

Certain foreign flag vessels may petition for a three-month or one-year exemption from pilotage requirements if the vessel meets the qualifications and remits payment as set forth in RCW 88-16 -070 and WAC 363-116-360.

10 PILOT EXAMINATIONS & TRAINING PROGRAMS

PUGET SOUND PILOTAGE DISTRICT

An exam for entry into a pilot training program for either the Puget Sound District or Grays Harbor District was held in the fall of 2012. Information regarding pre-examination requirements can be found in RCW 88.16.090 and WAC 363-116-076; in addition, applicants must meet specific sea service requirements as master, while holding a minimum license as master of steam or motor vessels of not more than 1600GRT or 3000GT (ITC) as shown in the chart below.

Vessel Type	Minimum Size	Waters	Minimum Time
Cargo or tank	5000 GRT or 10,000 GT (ITC)	Ocean or near coastal	1 year
Cargo or tank	700 GRT or 1400 GT (ITC)	Ocean or near coastal	2 years
Cargo or tank	1600 GRT or 3000 GT (ITC)	Inland	2 years
Passenger or ferry	1600 GRT or 3000 GT (ITC)	Ocean, near coastal or inland	2 years
Towing	150 GRT or 300 GT (ITC)	Ocean, near coastal or inland	2 years

Of the 31 qualified applicants, there were 2 women and 29 men. The number of qualified applicants from each category is shown below:

- 7 Cargo or tank vessels not less than 5000 GRT or 10,000 GT (ITC) on Ocean or near coastal waters.
- 2 Cargo or tank vessels not less than 700 GRT or 1400 GRT (ITC) on Ocean or near coastal waters.
- 0 Cargo or tank vessels not less than 1600 GRT or 3000 GT (ITC) on inland waters.
- 7 Passenger or ferry vessels of not less than 1600 GRT or 3000 GT (ITC) on Ocean, near coastal or inland waters.
- 11 Towing vessels of 150 GRT or 300 GT (ITC) on Ocean, near coastal or inland waters.
- 2 Active member of an organized professional pilot association or a government employed pilot during which periods the pilot was actively engaged in piloting while holding a minimum license as a master of steam or motor vessels of not more than 1600 GRT or 3000 GT (ITC) upon oceans, near coastal waters or inland waters.
- 1 Commanding officer or master of US government vessels of not less than 3000 displacement tons.
- 1 Special Purpose vessels of not less than 1600 GRT or 3000 GT (ITC) while holding a minimum license as a master of steam or motor vessels of not more than 1600 GRT or 3000 GT (ITC) with documentation per WAC 363-116-0751 (2) (c).

The final ranked list of candidates had not been determined at December 31, 2012.

10 PILOT EXAMINATIONS & TRAINING PROGRAMS (cont.)

PUGET SOUND PILOTAGE DISTRICT

The remaining two candidates from the exam held in the fall of 2008 were called into training and at December 31, 2012, there are four continuing to train. During 2012, four trainees were licensed. After successfully completing his program, the Board deemed one trainee qualified for issuance of a license, but delayed licensing until there is a need for another pilot in the Puget Sound District. A post-training program was developed for this situation and he will remain unlicensed until a pilot position becomes available.*

Status of Successful 2008 Exam Applicants as of 12/31/2012:

1. Stephan Moreno (T-019)	Licensed (#178):	12/10/09
2. John Scragg (T-020)	Licensed (#180):	07/08/10
3. David Brusco (T-021)	Licensed (#179):	03/11/10
4. James Caspers (T-022)	Training program ended:	09/29/10
5. D. Scott Anacker (T-023)	Licensed (#183):	03/27/12
6. Blair Bouma (T-024)	Licensed (#181):	07/28/11
7. James Kearns (T-025)	Licensed (#182):	01/12/12
8. Michael Anthony (T-026)	Licensed (#184):	07/24/12
9. Robert D'Angelo	Declined invitation to train for Puget Sound District	
10. Fred Engstrom (T-027)	Licensed (#185):	11/15/12
11. Warren Carley (T-028)	Qualified, licensing delayed:	12/11/12*
12. William Lowery (T-029)	Entered training program:	12/01/11
13. Thomas Coryell (T-030)	Entered training program:	05/01/12
14. Daniel Brouillard (T-031)	Entered training program:	05/01/12

GRAYS HARBOR PILOTAGE DISTRICT

The last pilot exam held exclusively for the Grays Harbor District was held in 1992. The waiting list for entry into a training program for this district from that exam has been exhausted. Applicants taking the exam given in 2012 were given a choice to be called into training for either the Puget Sound District or Grays Harbor District; the final ranked list of candidates had not been determined at December 31, 2012.

When the board determines the demand for pilots requires entry of an applicant into the training program, it shall issue a training license to that applicant, but under no circumstances may an applicant be issued a training license more than four years after taking the written entry examination. Chapter 88.16.090(4) RCW.