WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF RESPONSE TO DATA REQUEST

DATE PREPARED: June 23, 2020 WITNESS: Scott Sevall DOCKET: TP-190976 RESPONDER: Scott Sevall REQUESTER: PMSA TELEPHONE: (360) 664-1230

DATA REQUEST NO. 22:

At Exh. SS-1T pp. 6-7 you state that "[t]he share of net income that each pilot receives is the pilot's compensation for performing pilotage service and is referred to as DNI in Staff's testimony." Given that the PSP By-laws provide for pooled compensation amongst its membership independent of actual pilotage services performed, please provide copies of any documents relied upon for making the statement that compensation is tendered to pilots in exchange for the performance of pilotage services.

RESPONSE:

While I cannot give a legal opinion, my understanding is that the Puget Sound Pilotage District tariff establishes the rates for pilotage service. RCW 81.116.020. Insofar as any ultimate distribution to pilots is derived through the rates for pilotage service, Staff understands the distribution to be similar or analogous to compensation for a pilot's service, even if that compensation is not directly proportional to the amount of pilotage service provided by an individual pilot.

I do not have copies of relevant 10K forms but did review such forms during a site visit. Each pilot receives a disbursement and thus is compensated. How the revenue is disbursed to the members after the rendering of pilotage services I believe to be beyond the reach of the Commission. The fact remains that each pilot receives payment from the revenue pool, so they are compensated in the form of a distribution from the revenue pool.

See Board of Pilotage Commissioners 2018 Annual Report, page 30, titled "Tariff Revenue, Expenses, and Compensation to Pilots" which is attached to this response as DR 22 Attachment A.