



Washington State
Board of Pilotage Commissioners

2013 ANNUAL REPORT

2013 ANNUAL REPORT

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); 2013/2012
- Port of Grays Harbor Audited Financial Information, Pilotage Services Department, Statement of Revenues & Expenses; 2013
- 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 7,702 vessel moves, resulting in 7,819 piloting assignments in 2013. This is an increase in vessel moves and assignments from the previous year. The average number of full-time pilots increased to 53.1 in 2013. The average annual number of assignments per pilot was 147 or approximately 12 assignments per month in 2013 as compared to assignments of 149 annually and 12 per month in 2012.

The Grays Harbor Pilots had a total of 246 piloting assignments in 2013, resulting from 103 vessels arrivals. In comparison, there were 82 vessel arrivals generating 177 piloting assignments in 2012. The Port of Grays Harbor employed two full-time pilots.

2013 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 – 12/13/13.

The Board's decision reflected no changes to the current tariff except for an 8% increase to the *Boarding Charge* from \$49 to \$53.

WAC 363-116-185: Pilotage Rates for the Grays Harbor Pilotage District – 10/15/13.

The Board adopted an effective overall increase of 3.5%.

Legislation

There was no proposed or adopted legislation during the 2013 Legislative Session that pertained to the Pilotage Act.

Statement of Policy

One Statement of Policy was adopted by the Board this year that is available on our web site at www.pilotage.wa.gov

June 19, 2013: Interpretation of the phrase "...person not holding a license as a pilot..." and the phrase "...pilot rates payable..." as used in RCW 88.16.130.

1 FOREWORD (cont'd)

Rule-Making

The following rule was adopted, amended or repealed:

WAC 363-116-078: Training Program.

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	May 14, 2013
Puget Sound	57	54	52	53	54
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	12/26/2016
Captain Edmund I. Kiley	1/14/2010	12/26/2013
<u>REPRESENTING AMERICAN SHIPPING</u>		
Phil Morrell - Totem Ocean Trailer Express (TOTE)	1/25/2012	12/26/2015
<u>REPRESENTING FOREIGN SHIPPING</u>		
Captain J. Grant Stewart - Westwood Shipping Lines (WSL)	3/16/2012	12/26/2016
<u>REPRESENTING THE PILOTS</u>		
Captain Pat Hannigan - Puget Sound Pilotage District	1/11/2005	1/10/2013
Captain Edmund Marmol - Puget Sound Pilotage District	4/24/2013	12/26/2016
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	\$ 164,982
Goods and Services	147,267
Trainee Stipends	327,643
Travel	10,944
TOTAL EXPENDITURES	<u>\$ 650,836</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 12/31/13 or retirement

PILOT	Lic #	Years Licensed
ANACKER, D. Scott	183	1.8
ANTHONY, Michael	184	1.4
ARNOLD, John	147	18.1
BLAKE, Michael	163	7.5
BOUMA, Blair	181	2.4
BROUILLARD, Dan	188	0.4
BRUSCO, David	180	3.8
BUJACICH, Jack	164	7.5
CARLEY, Warren (Bud)	186	1.0
CARLSON, Ivan	165	7.5
COE, Frantz (Andy)	142	21.7
CORYELL, Tom	189	0.05
EMERSON, Larry	126	26.0
<i>ENGSTROM, Carl (Ret.)</i>	<i>133</i>	<i>23.0</i>
ENGSTROM, Fred	185	1.1
ENGSTROM, Victor	162	8.7
GIESE, Peter	143	21.2
GROBSCHMIT, David	169	6.6
<i>HANNIGAN, Patrick (Ret.)</i>	<i>108</i>	<i>30.7</i>
HANNUKSELA, James	175	5.1
HARRIS, John	123	26.0
HENSHAW, Brian	155	13.4
HURT, Gary	158	12.6
<i>JACOBS, Thomas (Ret.)</i>	<i>131</i>	<i>23.9</i>
JUSTICE, Verne	128	24.9
KALVOY, Jostein	170	6.6
KEARNS, James	182	2.0
KELLY, Patrick	167	7.4
KLAPPERICH, Eric	172	5.9
KNOWLES, Burton	150	17.7
LARSON, Christopher	151	17.2

at 12/31/13 or retirement

PILOT	Lic #	Years Licensed
LOWERY, William (Bill)	187	0.9
MACKENZIE, Delmar	124	26.0
MARMOL, Edmund	171	6.3
MAYER, Donald	121	27.4
McCURDY, Richard	141	21.7
MICHELSON, Bruce	136	23.5
MORENO, Stephan	178	4.1
MORK, Stuart	159	12.5
NEWMAN, Alec	125	26.0
SANDERS, David	152	16.7
SCOGGINS, John	161	8.9
SCRAGG, John	181	3.5
SEMLER, Joseph	156	13.2
SEMLER, Stephen	174	5.6
SEYMOUR, Lawrence	177	4.5
SHAFFER, Daniel	116	28.5
SHAFFER, James	145	21.2
SHULER, Mark	154	15.8
SLIKER, William	166	7.5
SORIANO, Donald	122	27.1
THORESON, George	176	5.1
vonBRANDENFELS, Eric	148	18.1
WARD, John K.	168	7.3
WARD, Jonathan E.	160	10.3
WILDES, Gordon	173	5.9
WOOD, Micheal	134	23.8

12/31/2012	53
Number of retirements in 2013:	3
Number of new pilots in 2013:	4
Number of pilots as of 12/31/13:	54

at 12/31/13

GRAYS HARBOR DISTRICT

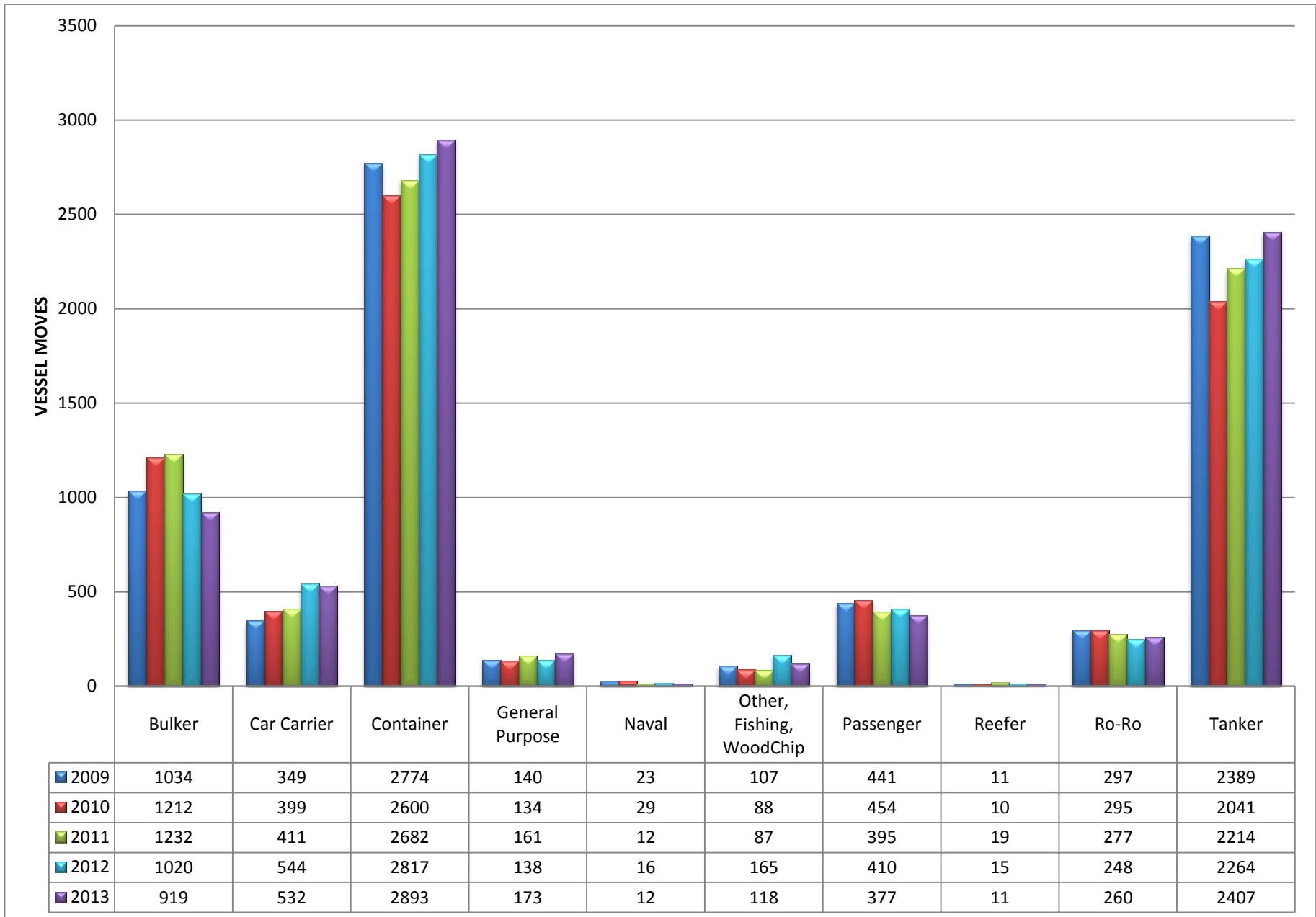
PILOT	Lic #	Years Licensed
D'Angelo, Robert	15	20.8
Cooke, Stephen	16	8.5

No changes to pilot roster in 2013

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.

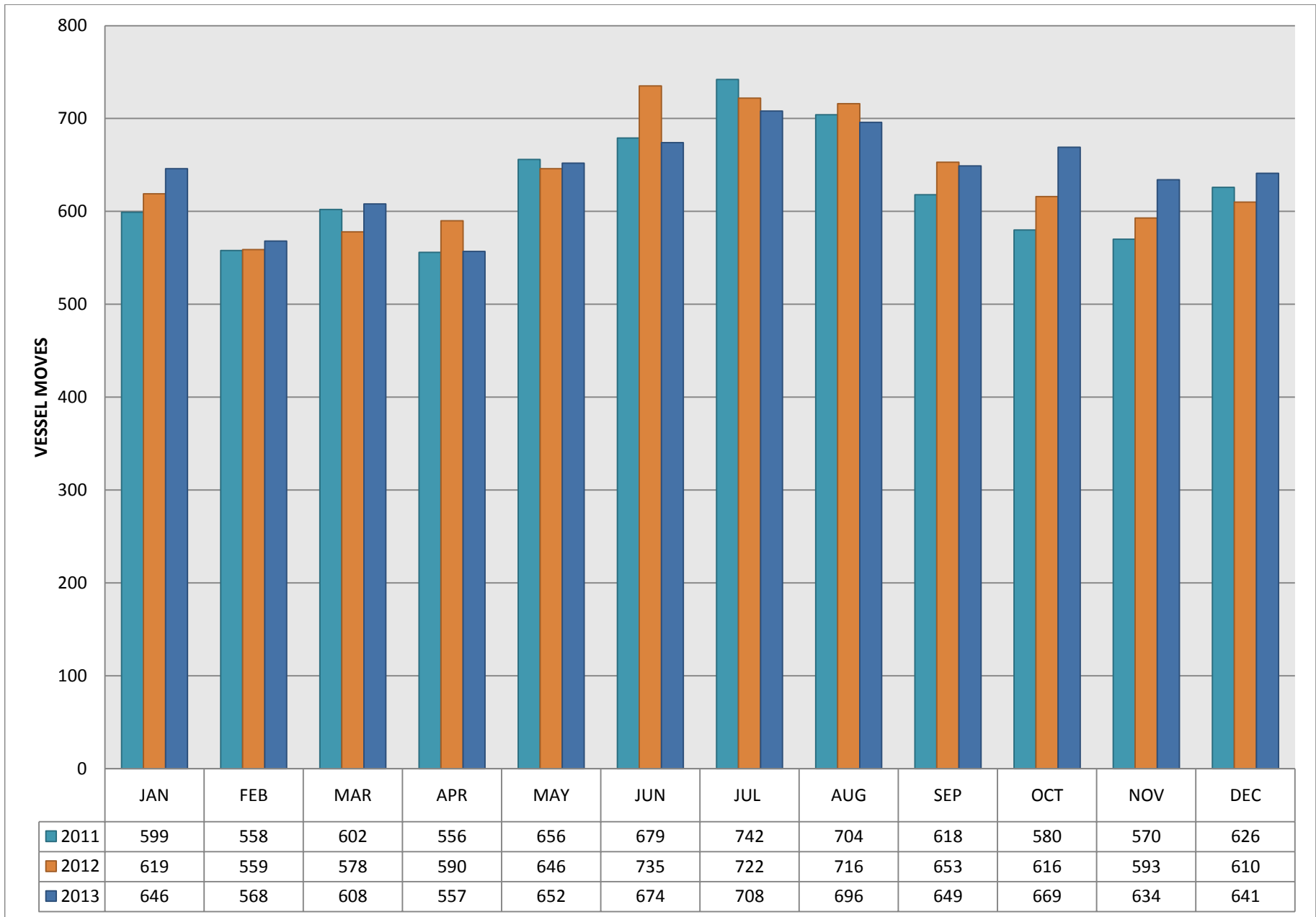
4 COMPARATIVE VESSEL TRAFFIC INFORMATION

PUGET SOUND DISTRICT
VESSEL MOVES BY TYPE
2009-2013



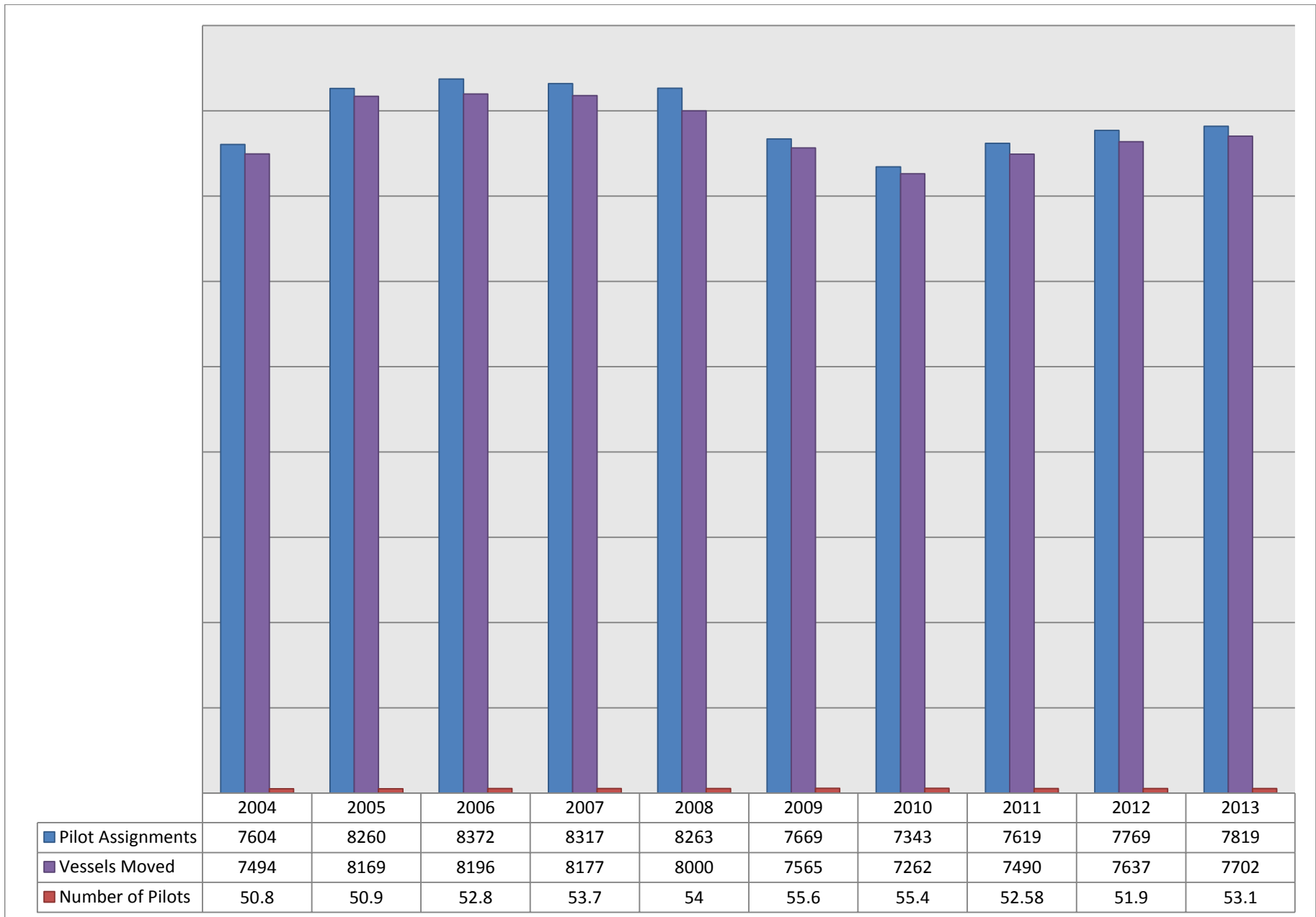
4 COMPARATIVE VESSEL TRAFFIC INFORMATION

PUGET SOUND DISTRICT 2011 - 2013
 NUMBER OF VESSEL MOVES
 (cancellations not included)
 BY MONTH AND YEAR



4 COMPARATIVE VESSEL TRAFFIC INFORMATION

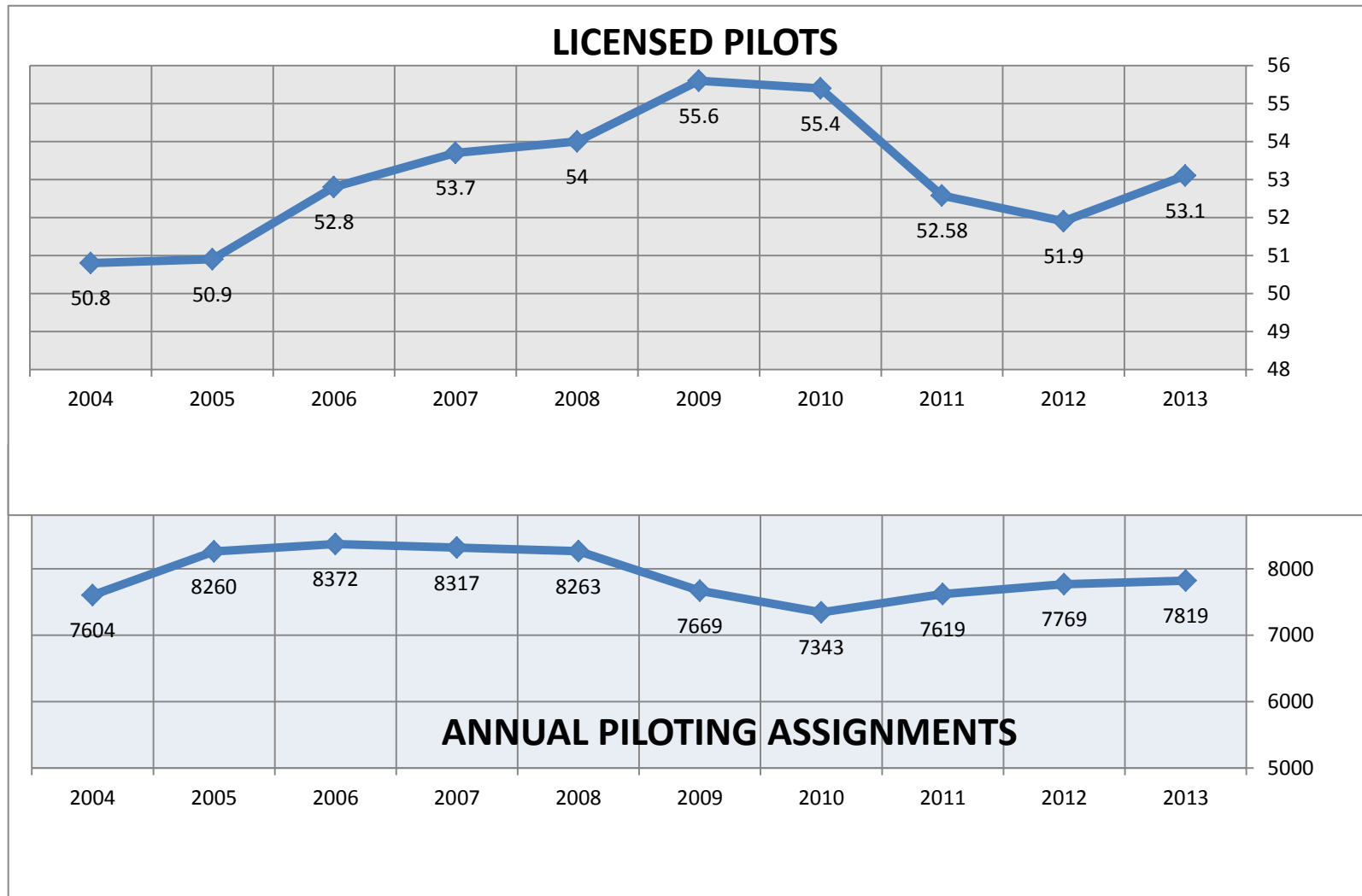
PUGET SOUND DISTRICT 2004 - 2013
Pilot Assignments, Vessel Moves, Number of Pilots



4 COMPARATIVE VESSEL TRAFFIC INFORMATION

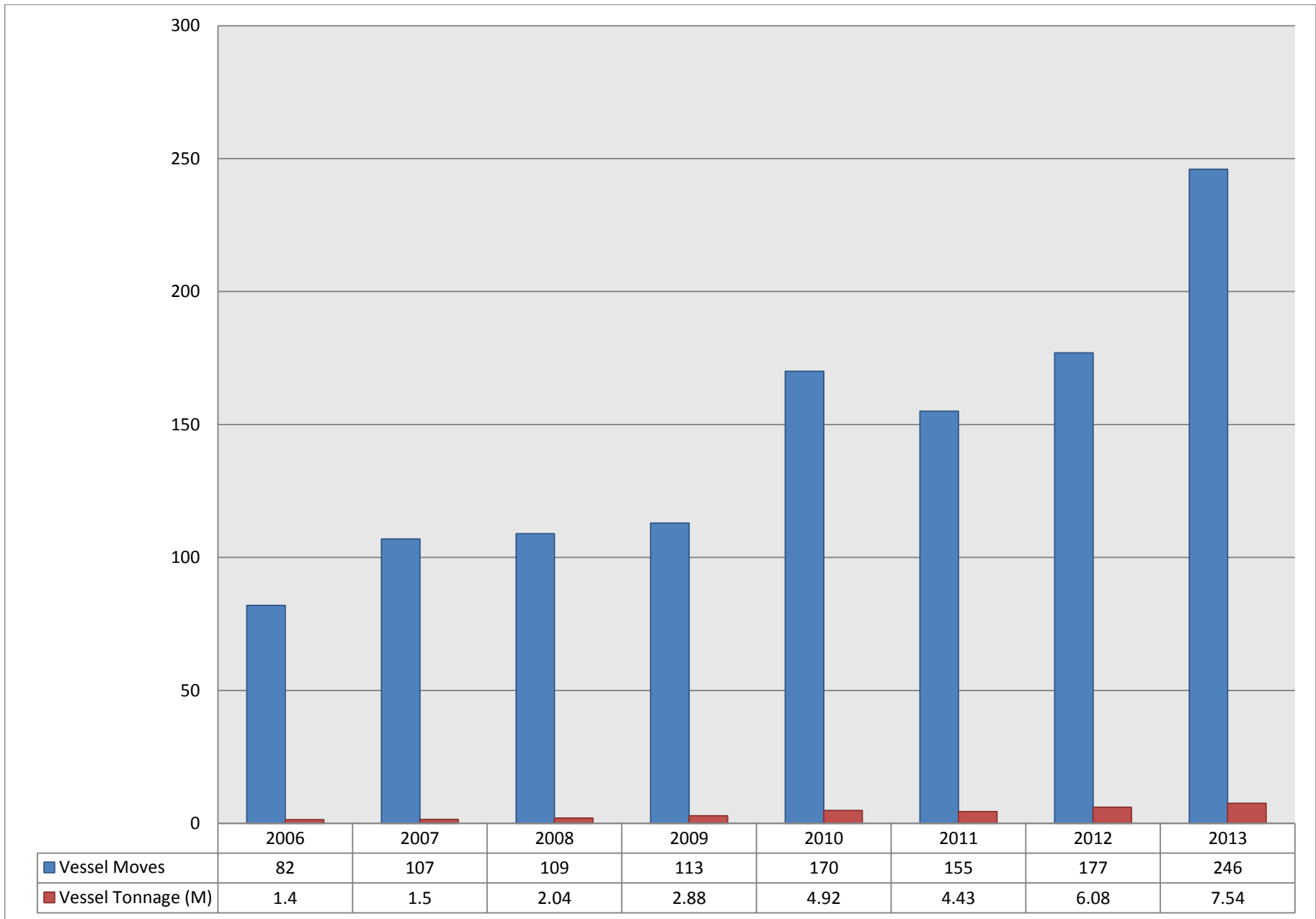
PUGET SOUND DISTRICT 2004-2013
Number of Pilots
shown with
Number of Assignments

PUGET SOUND DISTRICT



4 COMPARATIVE VESSEL TRAFFIC INFORMATION

GRAYS HARBOR DISTRICT 2006-2013
VESSEL MOVES and TOTAL TONNAGE



5 ANNUAL EARNINGS OF INDIVIDUAL PILOTS AND TRAINEE STIPENDS PAID

PUGET SOUND PILOTAGE DISTRICT

	2013 Total	Avg. Per Pilot (53.1 Full-time)
Pilotage Tariff Revenue	\$ 32,797,816	\$ 617,428
Other Income / (Expense)	18,337	345
Retirement Payments to Retired Puget Sound Pilots <i>(Note 1)</i>	(3,044,158)	(57,329)
Operating Expenses of Puget Sound Pilots	(8,869,083)	(167,026)
Group Medical Insurance Plan for Pilots <i>(shown below)</i>	1,529,975	28,813
Available Revenue Pool for Distribution	\$ 22,432,887	\$ 422,232
Income Allocation of Pooled Tariff Revenue	\$ 19,213,681	\$ 361,625
Individual Business Expense Allowance <i>(Note 2)</i>	534,078	10,052
Transportation Allowances and Reimbursements	1,136,816	21,409
Tariff Revenue Paid to Pilots	20,884,575	393,086
Individual Pilot Medical Insurance <i>(Note 2)</i> (group plan paid by PSP)	1,529,975	28,813
Tariff Revenue Paid to Pilots + Medical Benefit	\$ 22,414,538	\$ 421,887
		(rounding)
Undistributed Other Income	18,337	345
Available Revenue Pool for Distribution	\$ 22,432,875	\$ 422,232

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 ten 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 2013 was \$277,320.

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

	2014 Total	Per Pilot (2 Full time)
Tariff Generated Pilotage Revenue	\$ 1,378,082	\$ 689,041
Other Pilot Services Department Revenue	1,201	601
Transfer funds to Puget Sound Pilots Association for payments to Grays Harbor Pilot Retirees with service credit prior to 2001 <i>(Note 3)</i>	(86,838)	(43,419)
Operating Expenses - Port of Grays Harbor Pilot Services <i>(Note 4)</i>	(477,159)	(238,580)
Gain retained by Port of Grays Harbor <i>(Note 5)</i>	(60,837)	(30,419)
Net Pilotage Revenue	\$ 754,449	\$ 377,225
Pilot Wages	\$ 516,534	\$ 258,267
Incremental Duty Pay	16,320	8,160
Employer Provided Benefits <i>(Note 6)</i>	131,179	65,590
Gain Sharing	65,816	32,908
Travel Allowance and Reimbursements	24,600	12,300
Compensation to Pilots	\$ 754,449	\$ 377,225

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. During all or part of the year there were two pilot trainees working on their respective training programs. Neither were eligible to take the stipend every month during the twelve month period. The collective amount paid during 2013 was \$50,323.

5. Port of Grays Harbor absorbs or retains any loss or income from the piloting division of their operations.

6. Employer Provided Benefits includes health, life, medical, and disability insurance, federal and state taxes, and retirement funding paid by the employer.

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. Payment for the stipend for Grays Harbor trainees has funding built into their tariff.

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS

PUGET SOUND PILOTAGE DISTRICT

2013

TOTAL TARIFF GENERATED REVENUE \$ 32,797,816

SUMMARIZED EXPENSES

Payments to Retired Pilots/Widows - Puget Sound District	\$ 3,044,158
Pilot Medical Insurance - Puget Sound District	1,529,975
Seattle Operating/Administrative Expenses	4,753,864
Total Seattle Expenses	\$ 9,327,997
Port Angeles Station Operating Expenses	516,048
Pilot Boat Operating Expenses	2,069,196
Total PSP Operating/Administrative Expenses	11,913,241
Transportation Fees Paid Directly to Pilots	1,136,816
Total Deductions from Revenue	13,050,057
Balance of Revenue Pool to Distribute	\$ 19,747,759
Other Income / (Expense)	18,337
NET INCOME FROM POOLED OPERATIONS	\$ <u>19,766,096</u>

SEATTLE OFFICE OPERATING / ADMINISTRATIVE EXPENSES

Attorney fees	\$ 11,578
Comp day expense	760,596
Computer maintenance	203,166
Computer programming	3,541
Conferences	24,063
Consulting services	155,342
CPA fees	67,249
Depreciation	87,706
Drug testing	7,007
Dues	150,739
Employee benefits	333,115
Employee salaries	693,674
Equipment leases	1,565
Insurance	220,120
Interest	7,277
License fees - pilots	357,500
Lobbyist	121,007
Office maintenance & repair	9,700
Office supplies	38,459
Payments to Retired Pilots/Widows - Grays Harbor District	109,739
Pilot training	419,487
Printing & publications	25,108
Rent & parking	107,692
Taxes on payroll	50,754
Taxes, other	1,169
Taxes on revenue	575,613
Travel, entertainment, promotion	165,956
Telephone & communications	44,942
Uncollectable accounts receivable	
Seattle Office Total	\$ <u>4,753,864</u>

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)

PUGET SOUND PILOTAGE DISTRICT (cont'd)

PORT ANGELES STATION OPERATING EXPENSES

	<u>2013</u>
Depreciation	\$ 54,552
Food	92,548
Insurance	14,347
Interest	-
Lodging - Port Angeles	-
Maintenance and repairs	35,878
Rent, tideland lease	3,685
Reposition pilots	246,945
Supplies	23,682
Taxes on property	13,191
Telephone & communications	10,945
Training	-
Utilities	20,275
Port Angeles Total	<u>\$ 516,048</u>

PILOT BOAT OPERATING EXPENSES

Depreciation	\$ 28
Employee benefits	219,482
Employee salaries	800,699
Fuel of "Juan de Fuca"	219,873
Fuel of "Puget Sound"	205,993
Insurance	115,380
Interest	
Maintenance & operation of "Juan de Fuca"	133,265
Maintenance & operation of "Puget Sound"	306,756
Taxes on payroll	62,674
Taxes on property	5,046
Pilot Boat Operations Total	<u>\$ 2,069,196</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>2013</u>
Tariff Generated Revenue	\$ 1,378,082
Miscellaneous Revenues	1,201
TOTAL REVENUE	\$ <u>1,379,283</u>

GRAYS HARBOR DISTRICT EXPENSES

Advertising	\$ 58
Benefits	131,179
Pilot launch services	250,391
Depreciation	25,213
Dues & license fees	13,000
Insurance	1,892
Legal services	514
Miscellaneous other expenses	555
Pension contribution to PSP for GH retirees	86,838
Pilot trainee stipend	50,323
Port administrative services	61,044
Repair/maintenance	26,302
Supplies	17,576
Taxes	21,229
Telephone	3,692
Training	1,105
Travel/lodging/meals	4,265
Wages	516,534
Gain sharing distribution	65,816
Incremental duty pay	16,320
Travel allowance	24,600
GRAYS HARBOR DISTRICT TOTAL EXPENSES	\$ <u>1,318,446</u>
 GRAYS HARBOR DISTRICT OPERATING INCOME	 \$ <u>60,837</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, 2013, through 2400 hours December 31, 2013.

CLASSIFICATION	RATE
Ship length overall (LOA)	
Charges:	
Per LOA rate schedule in this section.	
Boarding charge:	\$49.00
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	\$359.00
Radio Direction Finder Calibration	\$359.00
Launching Vessels	\$540.00
Trial Trips, 6 hours or less (minimum \$1,014.00)	\$169.00 per hour
Trial Trips, over 6 hours (two pilots)	\$338.00 per hour
Shilshole Bay – Salmon Bay	\$211.00
Salmon Bay – Lake Union	\$164.00
Lake Union – Lake Washington (plus LOA zone from Webster Point)	\$211.00
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 \$266.00 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 \$127.00 per bridge.

Ships 90' beam and/or over:

A charge of \$361.00 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 \$251.00 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 \$274.00 per hour standby. No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$274.00 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 \$274.00 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 \$274.00 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 \$274.00 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 \$0.0084 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 \$0.0871 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 \$0.1042 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.	\$514.00
Transportation Charge Outports. Vessels departing or arriving at British Columbia ports other than those in the Vancouver-Victoria-New Westminster Range.	\$649.00

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	263	408	695	1,036	1,395	1,810
450 - 459	274	415	699	1,052	1,417	1,819
460 - 469	276	419	711	1,069	1,437	1,827
470 - 479	285	432	719	1,091	1,441	1,830
480 - 489	294	439	722	1,110	1,450	1,839
490 - 499	298	445	733	1,131	1,467	1,848
500 - 509	313	453	744	1,143	1,479	1,859
510 - 519	315	461	751	1,161	1,495	1,866
520 - 529	319	478	762	1,166	1,508	1,881
530 - 539	329	484	771	1,179	1,532	1,902
540 - 549	334	490	789	1,192	1,555	1,920
550 - 559	341	507	794	1,209	1,568	1,938
560 - 569	353	527	810	1,221	1,582	1,956
570 - 579	361	528	813	1,226	1,599	1,969
580 - 589	376	540	832	1,235	1,608	1,989
590 - 599	393	552	837	1,241	1,632	2,013
600 - 609	408	538	849	1,245	1,652	2,022
610 - 619	431	574	863	1,250	1,668	2,040
620 - 629	447	581	871	1,266	1,687	2,064
630 - 639	468	591	881	1,269	1,702	2,082
640 - 649	486	605	890	1,271	1,716	2,097
650 - 659	520	615	906	1,281	1,737	2,119
660 - 669	530	623	914	1,289	1,756	2,135
670 - 679	550	639	923	1,312	1,776	2,149
680 - 689	557	649	935	1,323	1,791	2,169
690 - 699	574	659	950	1,346	1,810	2,215
700 - 719	599	681	967	1,364	1,845	2,239
720 - 739	634	699	992	1,382	1,881	2,276
740 - 759	659	733	1,011	1,395	1,920	2,318
760 - 779	685	756	1,036	1,417	1,956	2,347
780 - 799	719	790	1,052	1,437	1,989	2,390
800 - 819	748	813	1,072	1,444	2,022	2,426
820 - 839	771	843	1,097	1,467	2,064	2,453
840 - 859	804	877	1,119	1,484	2,095	2,496
860 - 879	834	906	1,138	1,522	2,135	2,532
880 - 899	863	932	1,161	1,557	2,169	2,569

900 - 919	889	963	1,180	1,598	2,215	2,604
920 - 939	917	992	1,209	1,632	2,237	2,640
940 - 959	950	1,018	1,227	1,668	2,276	2,672
960 - 979	971	1,048	1,248	1,702	2,318	2,712
980 - 999	1,003	1,072	1,270	1,737	2,347	2,747
1000 - 1019	1,065	1,141	1,327	1,829	2,459	2,865
1020 - 1039	1,094	1,175	1,368	1,881	2,533	2,949
1040 - 1059	1,127	1,204	1,408	1,938	2,605	3,036
1060 - 1079	1,161	1,246	1,449	1,996	2,686	3,126
1080 - 1099	1,196	1,281	1,491	2,054	2,765	3,221
1100 - 1119	1,230	1,320	1,537	2,118	2,848	3,318
1120 - 1139	1,268	1,363	1,584	2,179	2,933	3,417
1140 - 1159	1,304	1,401	1,629	2,244	3,022	3,521
1160 - 1179	1,343	1,441	1,681	2,312	3,112	3,624
1180 - 1199	1,384	1,485	1,729	2,381	3,206	3,734
1200 - 1219	1,427	1,530	1,780	2,453	3,302	3,844
1220 - 1239	1,467	1,576	1,832	2,527	3,399	3,959
1240 - 1259	1,511	1,622	1,886	2,602	3,502	4,077
1260 - 1279	1,555	1,670	1,944	2,680	3,608	4,199
1280 - 1299	1,602	1,721	2,003	2,760	3,713	4,326
1300 - 1319	1,651	1,770	2,061	2,842	3,825	4,454
1320 - 1339	1,701	1,824	2,125	2,927	3,939	4,589
1340 - 1359	1,749	1,879	2,188	3,014	4,057	4,727
1360 - 1379	1,803	1,933	2,253	3,106	4,177	4,866
1380 - 1399	1,855	1,991	2,322	3,197	4,303	5,014
1400 - 1419	1,912	2,052	2,389	3,292	4,431	5,163
1420 - 1439	1,968	2,114	2,461	3,392	4,566	5,318
1440 - 1459	2,029	2,177	2,536	3,493	4,702	5,477
1460 - 1479	2,086	2,240	2,610	3,597	4,843	5,638
1480 - 1499	2,150	2,307	2,687	3,704	4,986	5,808
1500 - Over	2,215	2,377	2,767	3,817	5,135	5,981

7 PILOTAGE TARIFFS (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

WAC 363-116-100

Pilotage Rate for the Grays Harbor District

Effective 0001 hours January 1, 2013, through 2400 hours December 31, 2013

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	\$100.66 per meter, or \$30.68 per foot
Tonnage	\$0.288 per net registered ton
Minimum Net Registered Tonnage	\$1,009.00
Extra Vessel (in case of tow)	\$565.00

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 \$5,592.00 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	\$703.00
Delays per hour	\$165.00
Cancellation charge (pilot only)	\$276.00
Cancellation charge (boat or helicopter only)	\$827.00

Two Pilots Required:

When two pilots are employed for a single vessel transit, the second pilot charge shall include the harbor shift charge of \$703.00 and in addition, when a bridge is transited the bridge transit charge of \$303.00 shall apply.

Pension Charge:

Charge per pilotage assignment, including cancellations	\$353.00
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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	\$303.00
Additional surcharge for each bridge transited for vessels in excess of 27.5 meters in beam	\$829.00

Miscellaneous:

The balance of amounts due for pilotage rates not paid within 30 days of invoice will be assessed at 1 1/2% per month late charge.

8 INCIDENT REPORTS & MARINE SAFETY OCCURRENCES

PUGET SOUND PILOTAGE DISTRICT

INCIDENT REPORTS

Seven Incident Reports were filed in the Puget Sound Pilotage District in the year 2013.

DATE	VESSEL	PILOT	LOCATION	BOARD DECISION
10-Mar-2013	Dimitrus L	Mork, S	Tacoma Temco Dock	Incident w/no damage; no injury; no pilot error
20-Mar-2013	Pride / Barge 650-7	Shaffer, J	Cherry Point BP Refinery, North Pier	Incident w/damage; no pilot error
10-Sep-2013	Polar Discovery	Engstrom, V	Ferndale, Phillips 66 Dock	Incident w/possible but inconclusive damage; no pilot error
23-Sep-2013	Sun Ruby	Mayer, D; Emerson, L; Coryell, T (trainee)	Seattle, Duwamish Waterway, just north of Spokane St Bridge	Incident w/undetermined damage; no pilot error
28-Oct-2013	S S Kodiak	Emerson, L	0.5 miles east of the east end of Ediz Hook	Incident w/no injury or damage; no pilot error
2-Nov-2013	Zim Los Angeles	Engstrom, V; Bujacich, J	Tacoma, Blair WW, Washington United Terminal	Incident w/damage, w/pilot error; Notation- wharf protection is substandard, damage could have been averted with better engineered protection of wharf face; No action in accordance with RCW 88.16.100
1-Dec-2013	CMA CGM Dalila	Emerson, L	Port Angeles; Near Ediz Hook Light	Incident w/o damage, injury, or pilot error

GRAYS HARBOR PILOTAGE DISTRICT

INCIDENT REPORTS

Two Incident Reports were filed in the Grays Harbor Pilotage District.

31-Mar-2013	Dresden	D'Angelo, R	Grays Harbor, Terminal 4	Incident w/damage; no pilot error
5-Dec-2013	CSAV Rio Illapel	D'Angelo, R Surface, D (trainee)	Aberdeen, Terminal 2	Incident w/damage and pilot error; pilot to develop a Lessons Learned report in addition to taking one Puget Sound waterway trip specified by TEC

8 INCIDENT REPORTS & MARINE SAFETY OCCURRENCES

(cont.)

PUGET SOUND AND GRAYS HARBOR DISTRICTS

MARINE SAFETY OCCURRENCES

Thirty-six MSO reports were filed in the Puget Sound District:

- * Thirty vessel equipment malfunctions or failures, four of which were classified as a near-miss;
- * one issue where the draft of the ship was greater than the water depth at the dock;
- * two where neither the pilot nor the Coast Guard could make contact with a fishing vessel, one of which was classified as a near-miss; and,
- * three involving tug equipment malfunctions.

Four MSO reports were filed in the Grays Harbor District:

- * one reporting an equipment malfunction;
- * one communication situation with gill netters;
- * two situations causing evasive actions to avoid close quarters with a buoy or fishing vessel, both of which were classified 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 2013, 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>
5011 HARMONY	164 FT	492 GT	Clemens	Cayman Islands
A2	150 FT	458 GT	Pexton	Cayman Islands
ADELA	180 FT	169 GT	Perkins	Cayman Islands
AFTER EIGHT	151 FT	498 GT	Lindsay	Isle of Man
AMERICAN PRIDE	123 FT	298 GT	Thomas	Marshall Islands
ANNASTAR	164 FT	492 GT	Catania / Loveall	Cayman Islands
ANTARES	130 FT	298 GT	Smith	Marshall Islands
ARCADIA	117 FT	308 GT	Pizzarusso	Cayman Islands
ARROWHEAD	115 FT	193 GT	Pierre	Marshall Islands
AVEDAN	76 FT	93 GT	Gardner	British Virgin Islands
BLUE STAR	145 FT	430 GT	Thornburn / Harrison	Cayman Islands
CASINO ROYALE	164 FT	491 GT	Cook	Marshall Islands
CIELO MARE	106 FT	247 GT	Angulo / Laws	Marshall Islands
CRACKER BAY	147 FT	491 GT	Taylor	Cayman Islands
CV-9	131 FT	322 GT	Lee	Marshall Islands
EVVIVA	164 FT	492 GT	Trailer / Benge	Cayman Islands
FORTRUS	111 FT	284 GT	Newson	Cayman Islands
FRUITION	130 FT	333 GT	Various	Cayman Islands
GOLDEN BOY II	115 FT	236 GT	Campbell	Marshall Islands
ICE BEAR	171 FT	614 GT	Butler	Cayman Islands
ISLANDER	85 FT	155 GT	Puijman / Hayes	Cayman Islands
KAHU	122 FT	201 GT	Adams	New Zealand
KURIOSO	58 FT	57 GT	Soland	Switzerland
LAST SAMURAI	65 FT	60 GT	MacClure	Australia
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
POLAR BEAR	93 FT	216 GT	Milton	New Zealand
RENEGADE	57 FT	69 GT	Luckerath	Republic of Panama
REST ASSURED	87 FT	153 GT	Chabala / Slattery	Cayman Islands
SIN OR SWIM	116 FT	248 GT	Du Plessis	St. Vincent & the Grenadines
SIRIUS	78 FT	114 GT	Carter	Marshall Islands
SPIRIT OF ULYSSES	76 FT	94 GT	Maybin	United Kingdom
TAMSEN	72 FT	463 GT	Zamir	Cayman Islands
TRITON	163 FT	527 GT	Johns	Marshall Islands
VICTORIA CLIPPER	127 FT	431 GT	Various	Netherlands Antilles
VICTORIA CLIPPER IV	131 FT	478 GT	Various	Bahamas
WESTPORT 40M	130 FT	333 GT	Catania	Cayman Islands
ZENITH	135 FT	461 GT	Steenbohm	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 the Grays Harbor District was held in the fall of 2012. A waiting list of the top sixteen candidates was established from that exam and at December 31, 2013, six had been called into the program for the Puget Sound District and two for the program in the Grays Harbor District.

Status of Successful 2012 Exam Applicants as of 12/31/2013:

1. Scott Coleman	(T-033)	Entered PS training program:	06/01/13
2. Jamie Galvin	(T-034)	Entered PS training program:	06/01/13
3. Eric Lichty	(T-035)	Entered PS training program:	06/01/13
4. Brian Jensen	(T-037)	Entered PS training program:	10/01/13
5. Brad Lowe	(T-038)	Entered PS training program:	10/01/13
6. Jim Carstensen	(T-039)	Entered PS training program:	11/01/13
7. Ryan White	(T-032)	Entered GH training program:	05/01/13
8. Neil Kelleher			
9. Dave Henderson			
10. Al Furst			
11. Christopher Rounds			
12. Philip Hunter			
13. Rodney Myers			
14. David Surface	(T-036)	Entered GH training program:	08/01/13
15. Lee Vestal			
16. Keith Kridler			

Status of Successful 2008 Exam Applicants as of 12/31/2013:

1. Stephan Moreno	(T-019)	Licensed PS (#178):	12/10/09
2. John Scragg	(T-020)	Licensed PS (#180):	07/08/10
3. David Brusco	(T-021)	Licensed PS (#179):	03/11/10
4. James Caspers	(T-022)	PS training program ended:	09/29/10
5. D. Scott Anacker	(T-023)	Licensed PS (#183):	03/27/12
6. Blair Bouma	(T-024)	Licensed PS (#181):	07/28/11
7. James Kearns	(T-025)	Licensed PS (#182):	01/12/12
8. Michael Anthony	(T-026)	Licensed PS (#184):	07/24/12
9. Robert D'Angelo		Declined invitation; remains a pilot in GH District	
10. Fred Engstrom	(T-027)	Licensed PS (#185):	11/15/12
11. Warren Carley	(T-028)	Licensed PS (#186):	01/10/13
12. William Lowery	(T-029)	Licensed PS (#187)	02/11/13
13. Thomas Coryell	(T-030)	Licensed PS (#189)	12/13/13
14. Daniel Brouillard	(T-031)	Licensed PS (#188)	07/31/13

GRAYS HARBOR PILOTAGE DISTRICT

The exam held in 2012 gave the applicants the opportunity to be invited to train in either district. Two successful applicants chose to train in the Grays Harbor District and their status is incorporated with the list above.

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.