

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,  
Complainant,  
v.  
PUGET SOUND PILOTS,  
Respondent.**

**Docket TP-220513**

**REBUTTAL TESTIMONY OF  
CAPTAIN JEREMY NIELSEN  
ON BEHALF OF PUGET SOUND PILOTS**

**MARCH 3, 2023**

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1 I. IDENTIFICATION OF WITNESS

2 Q: Please state your name and position for the record.

3 A: My name is Captain Jeremy Nielsen. I am the president of the Columbia River Pilots.

4  
5 Q: Does your prior testimony accurately describe your educational background,  
6 professional experience and qualifications?  
7

8 A: Yes.  
9

10 II. PURPOSE OF TESTIMONY

11 Q: What is the purpose of your testimony?

12 A: The purpose of my testimony is to supplement my previous testimony regarding the  
13 workload of the Columbia River Pilots and our net incomes earned in 2022 and projected for  
14 2023 and to rebut testimony from the PMSA questioning the comparability of the Puget Sound  
15 Pilots to other major pilotage grounds on the West Coast and objecting to a pilotage tariff  
16 funding medical insurance for pilots and their families, license defense and loss of income  
17 insurance.  
18

19  
20 A. The Workload of the Columbia River Pilots in its Comparability to Other West  
21 Coast Pilotage Grounds.

22 Q: From an overview perspective, please describe the general character of pilotage  
23 work for members of the Columbia River Pilots during their 14-day on watch work cycle.

24 A: COLRIP's work rotation consists of a "wheel" with 28 slots. Each slot is filled by one or  
25 more pilots. Each day at 0800, the pilot or pilots assigned to that day's slot will go on duty from  
26 the time-off board and one or more pilots will leave the work board, going to the bottom of the

1 time-off board. Once on the time-off board, pilots will stay in their relative position until they  
2 return to duty. Pilots report as being available for duty no later than 1100 on the day prior to  
3 returning from time off.

4 The first day on duty, pilots are placed at the top of the harbor board and are eligible for  
5 assignments at 0800 or after. On the harbor board, pilots cover all jobs except transits, upriver  
6 work, and relief work below the Vancouver Lower anchorage. However, if no other pilots are  
7 available, pilots on the harbor board may be assigned to cover any job. Three pilots are on the  
8 harbor board at all times, normally working two days on the harbor board before moving to the  
9 bottom of the trip board at 0800 on their third day on duty. Harbor board pilots will receive 12  
10 hours off duty following completion of duty time after their final assignment from the harbor  
11 board.  
12

13 Having moved to the Portland trip board, pilots cover all transits to Astoria from points  
14 upriver from Astoria. Upon completing an assignment to Astoria, the pilot is placed on the  
15 Astoria board for a transit upriver. Upon completing an assignment in the lower river, or at one  
16 of the upriver ports—Longview, Kalama, Vancouver or Portland—the pilot returns to the  
17 Portland board.  
18

19 Pilots may be dispatched from the Portland board for upriver work as well. These jobs  
20 are rare.  
21

22 An individual pilot's dispatch frequency depends on several factors, but the main ones  
23 are vessel schedules and COLRIP's internal fatigue rules.

24 Technically, the on-duty / off-duty periods are each 14 days. However, a pilot on the last  
25 on-duty day of a work rotation can be dispatched as late as 1700 hours, and may work to as late  
26 as 0800 on the 15<sup>th</sup> day, or technically the first off-duty day.

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**Q: Please describe the components that make up the workload of the average Columbia River Pilot during a pilot's 14-day on watch period.**

**A:** During each duty day, a pilot performs work related to each pilotage assignment that consists of preparation time, travel time from the office or the pilot's residence to the job, time on the vessel from boarding through the master-pilot exchange through the entirety of the transit, disembarking the vessel and then travel time back to the office or to the pilot's residence. On our pilotage ground, for 2022, the average assignment time for transits (arrivals and departures) is 9.75 hours (for 2,998 transits), and the average assignment time for all non-transit piloting jobs is 6.71 hours (for 1,587 jobs). Combined, the average assignment time for all piloting jobs is 8.74 hours (for 4,585 jobs). Additionally, and not included in the averages given, 1,255 cars were dispatched for repositioning pilots, which if included would further increase assignment times.

**Q: Have you had the opportunity to review the testimony of Captains Ivan Carlson, Anne McIntyre and Dan Jordan regarding the average workloads of the Puget Sound Pilots, San Francisco Bar Pilots and Columbia River Bar Pilots?**

**A:** Yes.

**Q: What is your opinion regarding the comparability of the workloads between your pilotage ground and those of the Puget Sound Pilots, San Francisco Bar Pilots and Columbia River Bar Pilots?**

1 **A:** In my opinion, taking into account the types of assignments and their duration on these  
2 four different pilotage grounds, I believe the workloads of all four groups during their on-watch  
3 work cycle are comparable in terms of the level of pilotage work being performed while on duty.  
4  
5

6 **Q: With respect to callback assignments performed when a pilot is off-watch, what is**  
7 **your opinion regarding the comparability of PSP's callback workload compared to other**  
8 **pilotage grounds on the West Coast?**

9 **A:** Based on the data provided by our group, the Columbia River Bar Pilots and the San  
10 Francisco Bar Pilots, where callback levels are less than 5% of total assignments annually, the  
11 off-watch work levels of the Puget Sound Pilots are excessive. Capt. Carlson testified that in the  
12 first three months of 2022, the percentage of callbacks to total assignments reached over 18%,  
13 and even higher levels have been experienced. (Exh. IC-01T-06-29-22, p. 17.) COLRIP has not  
14 had to rely on off-duty pilots to this extent during my tenure.  
15  
16

17 **B. Updated Net Income Information for 2022 and Projected for 2023.**

18 **Q: Have the Columbia River Pilots completed the preparation of the biennial financial**  
19 **disclosure regarding your pilot group's net income in 2021 and 2022 that must be filed with**  
20 **the Oregon Board of Maritime Pilots no later than May 31, 2023?**

21 **A:** No, not fully. A draft report for 2021 has been prepared. The 2022 report is still in  
22 process. The 2021 draft, which is Exh. JN-04, shows that the average net income for a  
23 Columbia River Pilot in 2021 was \$489,247. I anticipate that the average net income in 2022  
24 will be between \$500,000 and \$540,000.  
25  
26

1 **Q: Was the tariff funding the Columbia and Willamette River pilotage ground adjusted**  
2 **by an annual cost-of-living adjustment as of September 1, 2022?**

3 A: Yes. The annual CPI adjustment effective on September 1, 2022 was 8.33%. However, as  
4 a component of our rate settlement agreement with the Columbia River Steamship Operators  
5 Association that was approved by the Oregon Board of Maritime Pilots in July 2021, the COLA  
6 is adjusted upward annually for the five-year minimum life of the agreement by an extra 0.5%  
7 per year. As a result, the total cost-of-living adjustment to our tariff was 8.83% as of September  
8 1, 2022.  
9

10  
11 **Q: Based upon that COLA, which will be in effect through August 31, 2023, and your**  
12 **projections of vessel traffic in 2023, do you have a projection of the regarding the net**  
13 **income that the average Columbia River Pilot will earn in calendar year 2023?**

14 A: Yes. We anticipate that 2023 pilot net income will be lower than 2022 at approximately  
15 \$500,000 to \$525,000,, as a result of a small decline in vessel traffic. This projection takes into  
16 account that the CPI for all items, all urban consumers, Western region maintained by the  
17 Department of Labor for July 1, 2022 through January 31, 2023, which accounts for seven of the  
18 12 months that will make up the next cost of-living adjustment for our pilotage tariff, is about  
19 7%. We expect the COLA that takes effect on September 1, 2023 to be within the range of 6.5%  
20 to 7.5%.  
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1 **C. A Pilotage Tariff Should Fund Multiple Insurances Including Medical Insurance,**  
2 **General Liability Insurance, License Defense and Loss of Income Insurance and the**  
3 **Substantial Annual Cost of Legal Counsel in the Highly Regulated Pilotage**  
4 **Environment.**

5 **Q: Do the Columbia River Pilots maintain general liability insurance coverages for**  
6 **your pilot group as well as license defense and loss of income insurances?**

7 **A:** Yes. We have maintained these insurance coverages for years. Excluding fire and  
8 various forms of commercial property coverages, current annual premium for general liability,  
9 auto liability, excess liability, and license insurance and loss of income exceeds \$250,000, as  
10 follows:

Type	Carrier	Coverage Limit	Premium
Commercial General Liability	Liberty Mutual	\$1 million/occurrence \$2 million/aggregate	\$ 3,659.00
Automobile	Hartford	\$1 million/occurrence (16 autos)	\$ 45,222.00
Excess Liability (umbrella over multiple policies)	RSUI	\$5 million	\$ 15,825.00
License Insurance	Various (subscription policy)	Multiple, including license defense (\$1m), legal liability (\$10m), loss of income (up to \$400,000)	\$188,657.00



1 **Q: Are the medical insurance benefits provided to Columbia River Pilots and their**  
2 **families funded in the tariff approved by the Oregon Board of Maritime Pilots?**

3 **A:** Yes. Medical insurance benefits are funded through the tariff for our pilotage ground and  
4 are included as a component of target gross income approved by the Oregon Board of Maritime  
5 Pilots. This component of target gross income is adjusted for inflation through an annual COLA.  
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7 **III. CONCLUSION.**

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9 **Q: Does this conclude your testimony?**

10 **A:** Yes.  
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