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**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 DAN JORDAN
ON BEHALF OF PUGET SOUND PILOTS**

MARCH 3, 2023

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Exhibit No.	Description	Page Referenced
DJ-04	Financial Report	3
DJ-05	Insurance Schedule	4

1 I. IDENTIFICATION OF WITNESS

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

3 A: My name is Captain Dan Jordan. I am the Administrative Pilot for the Columbia River
4 Pilots.

5
6 Q: Does your prior testimony accurately describe your educational background,
7 professional experience and qualifications?
8

9 A: Yes.

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 Bar 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 Bar Pilots in its Comparability to
21 Other West Coast Pilotage Grounds.

22 Q: From an overview perspective, please describe the general character of pilotage
23 work for members of the Columbia River Bar Pilots during their 15-day on watch work
24 cycle.

25 A: Our on-watch/off-watch work cycle is 15 days on followed by 15 days off.
26

1 **Q: Please describe the components that make up the workload of the average Columbia**
2 **River Bar Pilot during a pilot's 15-day on-watch period.**

3 **A:** During each duty day, a pilot performs work related to each pilotage assignment that
4 consists of preparation time, travel time from the office or the pilot's residence to the job, time on
5 the vessel from boarding through the master-pilot exchange through the entirety of the transit,
6 disembarking the vessel and then travel time back to the office or to the pilot's residence. On our
7 pilotage ground, the average assignment time totals 3.5 hours. In addition, during the period of
8 time that the pilot is No. 1 – meaning the pilot is the next to be performing a pilotage assignment
9 – that pilot is responsible for monitoring dispatch, the weather and before deciding any issues
10 that may arise before that pilot departs for his or her assignment and the next pilot in rotation
11 assumes the responsibility as the No. 1 pilot.
12
13
14

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

18 **A:** Yes.
19

20 **Q: What is your opinion regarding the comparability of the workloads between your**
21 **pilotage ground and those of the Puget Sound Pilots, San Francisco Bar Pilots and**
22 **Columbia River Pilots?**
23

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

1
2
3 **Q: With respect to callback assignments performed when a pilot is off-watch, what is**
4 **your opinion regarding the comparability of PSP's callback workload compared to other**
5 **pilotage grounds on the West Coast.**

6 A: Based on the data provided by our group, the Columbia River Pilots and the San
7 Francisco Bar Pilots, where callback levels are less than 5% of total assignments annually, the
8 off-watch work levels of the Puget Sound Pilots are excessive with the levels in some months
9 approaching 20% of total assignments in that month.
10

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

12
13 **Q: Have the Columbia River Pilots completed the preparation of the biennial financial**
14 **disclosure regarding your pilot group's net income in 2021 and 2022 that must be filed with**
15 **the Oregon Board of Maritime Pilots no later than May 31, 2023?**

16 A: Yes. A copy of our 2021 financial report is Exh. DJ-04. With the administrative fee
17 earned by each pilot, average net income per pilot was \$467,000 for 2022. In 2023, we project
18 pilot net income to fall within a range of \$510,000 to \$530,000.
19

20
21 **Q: Was the tariff funding the Columbia and Willamette River pilotage ground adjusted**
22 **by an annual cost-of-living adjustment as of September 1, 2022?**

23 A: Yes. The annual CPI adjustment effective on September 1, 2022 was 8.33%. However, as
24 a component of our rate settlement agreement with the Columbia River Steamship Operators
25 Association that was approved by the Oregon Board of Maritime Pilots in March 2021, the
26

1 COLA is adjusted upward annually for the five-year minimum life of the agreement by an extra
2 0.5% per year. As a result, the total cost-of-living adjustment to our tariff was 8.83% as of
3 September 1, 2022.

4
5 **Q: Based upon that COLA, which will be in effect through August 31, 2023, and your**
6 **projections of vessel traffic in 2023, do you have a projection of the regarding the net**
7 **income that the average Columbia River Bar Pilot will earn in calendar year 2023?**

8
9 A: Yes. We believe that pilot net income will be approximately \$510,000 - \$530,000 in
10 2023. This projection also takes into account what we already know about the CPI adjustment
11 maintained by the Department of Labor for July 1, 2022 through January 31, 2023, which
12 accounts for seven of the 12 months that will make up the next cost of-living adjustment for our
13 pilotage tariff. We expect the COLA that takes effect on September 1, 2023 to be within the
14 range of 6.0% to 7.0%.

15
16
17 C. **A Pilotage Tariff Should Fund Multiple Insurances Including Medical Insurance,**
18 **General Liability Insurance, License Defense and Loss of Income Insurance and the**
19 **Substantial Annual Cost of Legal Counsel in the Highly Regulated Pilotage**
Environment.

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

22 A: Yes. We have maintained these insurance coverages for years, all of which are funded in
23 our tariff. A table listing each type of coverage, current annual premium an overview of the
24 coverage limits is attached as Exh. DJ-05.

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.
6

7

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9 **III. CONCLUSION.**

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

12 **A:** Yes.

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