

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND PILOTS,

Respondent.

Docket TP-190976

EXHIBIT TO
REBUTTAL TESTIMONY OF
Weldon T. Burton
6.19.20 PMSA Response to PSP DR 160
ON BEHALF OF PUGET SOUND PILOTS, INC.
July 13, 2020

PACIFIC MERCHANT SHIPPING ASSOCIATION
RESPONSES TO PUGET SOUND PILOTS' DATA REQUEST NOS. 120-164

DATE PREPARED:	June 19, 2020	WITNESS:	Capt. Michael Moore, Vice
DOCKET:	TP-190976		President, PMSA
REQUESTER:	Puget Sound Pilots	RESPONDER:	Pacific Merchant Shipping Association, Capt. Michael Moore

PSP DATA REQUEST NO. 160:

Identify by exhibit or document and page where PSP's pro-forma adjustments included increases for medical, license fees, and disability insurance in an amount of \$467,000.

PMSA RESPONSE TO PSP DATA REQUEST NO. 160:

Thank you for providing us an opportunity to clarify this testimony regarding PSP's total over-inflation of benefits by an amount of approximately \$467,500.

The costs of these benefits are not included in PSP's pro-forma adjustments, however the revenues for these pilots are projected in PSP's proposal, thus they have an over-inflation of benefits. PSP would presumably apply these benefits to new additional pilots but, as noted, such increases were not reflected in Mr. Burton's pro forma year 1, 2 or 3. This leaves the reader to conclude that either Mr. Burton anticipated no change in the number of pilots through 3 years, which would be inconsistent with WTB-05, where Mr. Burton mathematically describes PSP's desired tariff increase outcome as based on 61.6 pilots (\$501,334.72) - or that the benefit payouts by PSP for increasing the number of pilots from 51 to 61.6 would not account for the additional pilots' medical, disability insurance and license fees benefits.

These inconsistencies result in excessive "distributive revenue" totals for each year based on the fact that the PSP proposal is based on an aspirational number of pilots. These benefits can only be provided to actual pilots and therefore any additional revenues after expenses based on the provision of these benefits to pilots which do not in fact exist would be distributed to pilots as they would be able to keep the proceeds that result from an over-inflation of benefits.