

PMSA DATA REQUEST NO. 453: Regarding your testimony at Exh. WTB-04T 10:4–21, regarding PSP’s request to reconsider medical insurance expenses, please respond to all of the following:

- 1) Under what business form do you consider the individual pilot members of the unincorporated business association Puget Sound Pilots to be “working owner/operators” as described at Exh. WTB-04T 10:20?
- 2) Admit that individual pilot members of Puget Sound Pilots are “working owner/operators” of their own individual closely held corporations or other business entities that are the recipients of pilotage revenue distributions. If denied, please describe your understanding of the relationship between members of PSP and their individual corporations.
- 3) Admit that individual pilots’ business expenses, including medical insurance, can be paid from the compensation received by their individual corporation through a distribution from PSP. If denied, please describe the basis for denial.
- 4) Admit individual pilots are not members of a union or provided benefits under a collective bargaining agreement.
- 5) Admit that individual pilots are not partners in a partnership.
- 6) Admit that Puget Sound Pilots is not an employer of its individual member pilots.
- 7) Admit that Puget Sound Pilots is not a partnership.
- 8) Describe whether or not Puget Sound Pilots is a sponsor of a health insurance plan for its individual pilot members.
- 9) Admit that individual pilots do not rely on Puget Sound Pilots for the provision of employer-sponsored health insurance.
- 10) Describe whether Puget Sound Pilots guarantees, pays for, or provides any minimum essential health insurance coverage for its member pilots.
- 11) Admit that Puget Sound Pilots is not required to sponsor coverage for its individual member pilots and is not penalized for any failure to provide coverage for individual member pilots.
- 12) Admit that individual member pilots of PSP have the right and opportunity to select their own medical insurance providers and levels of medical insurance coverage independent of PSP management. If denied, please describe the basis for the denial.
- 13) Please provide a list of entities on whose behalf you have prepared regulated industry filings where the entity provided medical insurance benefits to members of an unincorporated association that also operated within their own individual corporations.
- 14) Please provide a list of entities on whose behalf you have prepared regulated industry filings where the entity provided medical insurance benefits to individuals who were neither employees nor partners.

RESPONSE:

- 1) PMSA is taking my comment out of context. Working owner is an individual who has ownership of the entity and actively works at managing the business or physically performs services for the entity.
- 2) Admit.
- 3) Admit.
- 4) Admit.
- 5) Admit. Puget Sound Pilots is an unincorporated entity that files a partnership income tax return.
- 6) Admit.
- 7) Admit.
- 8) Puget Sound Pilots provides health insurance coverage through the Masters, Mates and Pilots Health and Benefit Plan.
- 9) Admit.
- 10) PSP is not sure what is being asked here.
- 11) Admit.
- 12) Admit.
- 13) Puget Sound Pilots TP-190976.
- 14) None to my knowledge.

PMSA DATA REQUEST NO. 454: Regarding Exh. WTB-04T 11:1–12 regarding medical insurance expenses, please provide the documentation from an insurance provider relied upon for your testimony regarding “premiums required by the insurance provider.”

RESPONSE:

See PMSA DR 454 & 455 attachments which include:

- MM&P Health and Benefits Plan Contribution Rates letters, effective 10/01/2021, 10/01/2022, and 10/01/2023
- Pilot Medical Rates Letters for 10/01/2021 and 10/01/2022
- Medical Insurance Rate Comparison excel workbook

PMSA DATA REQUEST NO. 456: Regarding Exh. WTB-04T 11:14–20 regarding expenses tied to the number of licensed pilots, please provide the number of licensed pilots as of January 1, 2023, and identify which and how many pilots are actually piloting while licensed and which and how many pilots are not piloting but burning comp days while licensed.

REPOSE:

See attached list of licensed Pilots as of December 15, 2022, as published by the State of Washington Board of Pilotage Commissioners.

PMSA DATA REQUEST NO. 457: Regarding Exh. WTB-04T 13:17–23 and Exh. WTB-05 “Insurance” tab, excluding the description of the office policies which was already provided in response to UTC Staff Data Request 29, please describe the “several insurance policies” referenced in this testimony, including in the description of each policy the type of insurance provided, the underwriter or carrier, the premiums, and coverage provided.

RESPONSE:

PSP provided insurance summaries, including information on coverage, policy number, carriers, summary, limit of liability/insured value, policy period and premiums, for all periods since the inaugural general rate case as attachments in its response to Staff DR 29.

PMSA DATA REQUEST NO. 458: Regarding Exh. WTB-04T 14:5, please update the most recent diesel price paid by PSP by date and price.

RESPONSE:

See invoices from PetroCard – Port Angeles Marina Fuel Dock in attached pdf, DR 458 Fuel Invoices.

PMSA DATA REQUEST NO. 459: Regarding Exh. WTB-04T 14:19–20, which states that “[o]verall, dispatcher salary expense was decreased by \$28,000 with the hiring of the fourth dispatcher,” please clarify this testimony (i.e. does this mean that dispatcher overtime hours from the test year mentioned were in excess of the costs of hiring an extra dispatcher by \$28,000 in 2022?).

RESPONSE:

See the table within the payroll tab of Exh. WTB-05 which shows what the pro forma adjustment would be with and without a fourth dispatcher.

Comparison for # of Dispatchers		
PF without 4th Dispatcher	PF with 4th Dispatcher	diff
174,859.11	128,309.80	(46,549.31)
177,455.87	128,170.88	(49,284.99)
191,048.78	128,769.31	(62,279.47)
	130,051.66	130,051.66
543,363.75	515,301.66	(28,062.09)

PMSA DATA REQUEST NO. 460: Regarding Exh. WTB-04T, and the response to UTC Staff Data Request 36a which included “significant redactions of pilot names and addresses,” please clarify whether PSP requests that the tariff be revised to include the calculation of transportation expenses to and from pilots’ individual residences or whether PSP is presenting the calculation of transportation to and from the PSP offices consistent with the current tariff methodology.

RESPONSE:

PSP is not seeking a change in the current tariff methodology; PSP is requesting that the transportation expense charge be increased to cover necessary transportation charges for the rate year.

PMSA DATA REQUEST NO. 461: Further regarding DR 460 above, if the methodology is intended to include calculation of expenses to and from individual pilot residences, please identify where is this additional and new income is represented in the WTB-05 pro forma?

RESPONSE:

The increase requested for the transportation expense charge is represented in PSP's pro forma adjustment 25.

PMSA DATA REQUEST NO. 462: Further regarding Exh. WTB-04T, and the response to UTC Staff Data Request 36a, please identify all, if any, PSP transportation reimbursements are with transportation vendors that are owned or operated, directly or indirectly, by member pilots or members of their families, and for all such identified vendors, please provide documentation of any PSP evaluation of such vendor contracts to ensure that they are reasonable and do not result in inflated transportation expenses.

RESPONSE:

Greencar Club is a transportation vendor used by PSP that is a quasi-Co-Op of pilots that initially contributed personal funds to purchase a few cars. No pilots have ever received any kind of “reimbursement” from the Greencar Club or any kind of buy in or buy out. Greencar Club is an LLC, created for liability protection, and is a licensed and insured transportation vendor that invoices PSP for transportation costs that are incurred by pilots. Greencar is a non-profit and all revenues are put back into the ~~corporation~~ company for all operating costs, maintenance, and purchases of additional or replacement vehicles.

PMSA DATA REQUEST NO. 463: Regarding Exh. WTB-04T 16, regarding the explanation of “how the PSP transportation charge, to the ratepayer, works,” please confirm that the “Transportation” tab at WTB-05 includes the expense of repositioning pilots.

RESPONSE:

The transportation tab at WTB-05 includes the expense of repositioning pilots.

PMSA DATA REQUEST NO. 464: Regarding Exh. WTB-04T 17:17–19, please describe how a charge for sponsorship or membership under this tab is different than for a charge for sponsorship under any other circumstance, including whether or not individual pilots could join on their own the organizations listed.

RESPONSE:

While individual pilots can join any of the listed organizations on their own, PSP has determined that PSP membership in organizations and sponsorships of events held by organizations that advance professional opportunities in the maritime industry for women and people of color provides tangible benefits for PSP and Washington’s state pilotage system. PSP acknowledges that maritime professional pathways and career opportunities have historically been limited to underrepresented groups in the United States and PSP, as a state-regulated organization, understands the particular importance of supporting these pathways and career opportunities. Charges for sponsorship or membership under this tab are therefore fundamentally different because of the acute and urgent nature of diversity challenges in the maritime industry, generally, and marine pilotage, specifically.

PMSA DATA REQUEST NO. 466: Regarding Exh. WTB-04T 18:7–12, please explain and describe specifically what calculation factors are included in a TDNI of \$12,456,386, including the DNI and the number of pilots used. For the DNI used, please explain whether it includes the expense of the retirement plan, and if so how.

RESPONSE:

The second sentence referenced here that states, “This adjustment reflects a requested increase to TDNI of \$12,456,386 ...” should have been “This adjustment reflects a requested revenue requirement increase of \$12,456,386 ...” as the \$12,456,386 amount represents the total increase requested for the revenue requirement for this case.

PMSA DATA REQUEST NO. 467: Given Exh. WTB-04T 2:8, 2:24–26 (footnote 1), explains that “[s]ome expense accounts have been combined for simplicity,” but the footnote is not an explanation of which accounts were combined into which others, please explain which Exh. WTB-05 Expense tabs included expense account combinations and which expense tabs did not.

RESPONSE:

For all accounts combined for simplicity on the pro forma statement of operations, the per books amount is linked from each account on the 12-month P&L tab for the test year ending 12/31/2021. These accounts are:

Computer Maintenance – Accounts 50500-007 and 50500-009

Dues – Accounts 50900-009, 50910-009, and 50920-009

Employee Health & Welfare – Accounts 51000-006 and 51000-007

Employee Pension – Accounts 51100-006 and 51100-007

Depreciation – Accounts 51320-009, 51330-007, 51340-006, 51380-007, and 51400-008

Education – Accounts 51440-006 and 51440-007

Food and Lodging – Accounts 51500-007 and 51550-007

Insurance – Accounts 51600-006, 51600-007, 51600-008, and 51610-006

Pilot Pension – Accounts 52220-009 and 52230-009

Postage and Printing – Accounts 52300-006, 52300-007, and 52400-006

Pilot Boat Fuel – Accounts 52560-008 and 52660-008

Rents – Accounts 52900-006 and 52900-007

Repairs and Maintenance – Accounts 52950-006 and 52950-007

Salaries – Accounts 53010-006, 53010-007, 53020-006, and 53020-007

Subscriptions – Accounts 53100-006 and 53100-007

Supplies – Accounts 53200-006 and 53200-007

Payroll Taxes – Accounts 53320-006, 53320-007, 53330-006, 53330-007, 53340-006, 53340-007, and 53350-006

Property Taxes – Accounts 53360-006, 53360-007, and 53360-008

Use Taxes – Accounts 53370-006 and 53370-007

Telephone and Communications – Accounts 53400-006 and 53400-007

Conferences and Travel – Accounts 53700-007 and 53700-009

PMSA DATA REQUEST NO. 468: Regarding Exh. WTB-05, “2023 PF Revenue” tab, please respond to all of the following:

- 1) Does the ProForma include revenue projections based on the PSP-proposed “Annual Traffic Adjuster”? If so, please identify.
- 2) Does the ProForma include revenue projections based on the PSP-proposed “Quarterly New Licensee/Retiree Adjuster”? If so, please identify.
- 3) Does the ProForma include revenue projections based on the PSP-proposed “Annual Cost-of-Living Adjuster”? If so, please identify.
- 4) Does the ProForma include revenue projections based on the PSP-proposed “Annual Pay-As-You-Go Pension Adjuster”? If so, please identify.
- 5) Does the ProForma include revenue projections based on the PSP-proposed “Annual Funded Pension Adjuster”? If so, please identify.
- 6) Does the ProForma include revenue projections based on the PSP-proposed “Annual Pilot Station/Pilot Boat Expense Adjuster”? If so, please identify.
- 7) Does the ProForma include revenue projections based on the PSP-proposed “Periodic Pilot Station/Pilot Boat Capital Cost Adjuster”? If so, please identify.

RESPONSE:

- 1) No.
- 2) No.
- 3) No.
- 4) No.
- 5) No.
- 6) No.
- 7) No.

PMSA DATA REQUEST NO. 469: Regarding Exh. WTB-05, “12-month P&L” tab, line 115, please provide the source of the pilot counts per month including a source and a copy of the underlying documentation relied upon for these numbers.

RESPONSE:

The pilot counts per month, contained on row 115 of the “12-month P&L” tab of WTB-05, were obtained from the distribution reports. Redacted versions of the corresponding reports are attached. The number of pilots on the distribution reports is not reflective of the total number of licensed pilots.