

Maine Pilotage Commission



November 2, 2022

Minutes of Pilotage Rate Workshop

In considering a pilot rate adjustment proposed at the Maine Pilotage Commission meeting on June 16, 2022, a Pilotage Rate Workshop was convened to discuss the possible adjustments to pilotage rates in an effort to publicly present rate adjustment proposals to the public including pilotage customers on November 29, 2022.

The Maine Pilotage Commission members comprising a quorum were:

Charles Weeks	– Chair of the Commission(telephonically)
Carrie Norton	– Public Member
David Gelinis	– Pilot Member
Gerald Morrison	– Pilot Member
Adam Philbrook	– Pilot Member
Brian Downey	– Pilotage Commission Administrator

Interested Parties present were:

Robert Peacock	– Quoddy Pilots (Video Conference)
Skip Strong	– Penobscot Bay and River Pilot
Mark Klopp	– Klopp Marine Services
Susan Klopp	– Klopp Marine Services
Michael Ames	– Public (Video Conference)

Maine DOT staff present were:

Chris Mayo	– Maine DOT
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Background and Administration

The Chair opened the meeting at 1030 and acknowledged a quorum. Mr. Downey took the roll and facilitated introductions of those participating.

Mr. Downey reviewed the legal background requiring the Commission to establish pilotage rates. He further reviewed the process which the Commission will follow to effect any proposed rates.

Proposed Pilot Rate Adjustments

In reviewing proposals, full consideration was given to the high inflation rate recorded by the Social Security Administration's Cost of Living Adjustment table for 2021 (5.9%) and 2022 (8.7%). In order to organize discussion and deliberation of the pilotage organizations' proposals, they were anecdotally split into three conversations – namely:

- Kennebec River proposal;
- Port of Eastport proposal; and
- Penobscot Bay and River Pilots proposal.

Kennebec River Proposal

On June 11, 2022 Klopp Marine Services submitted a letter requesting a rate adjustment of \$13.00 per Pilotage Unit for consideration at the November 2, 2022 Rate Workshop. On October 30, 2022 Klopp Marine Services submitted a second letter modifying that rate adjustment request to \$14.14 per Pilotage Unit to be consistent with a Coast of Living Adjustment increase of 8.7%. The latest request of a Pilotage Rate of \$14.14 is recommended to be presented to the Maine Pilotage Commission for formal discussion at the November 29, 2022 Public Rate Meeting.

Port of Eastport Proposal

On October 8, 2022, Quoddy Pilots submitted an e-mail requesting a rate adjustment to \$7.32 per Pilotage Unit for consideration at the November 2, 2022 Rate Workshop. Additionally, the request included a Pilot Boat Fee increase from \$600 to \$750 each way, as well as an increase in minimum fee from 150 Pilotage Units to 200 Pilotage Units. Through open Workshop discussion, it was collectively suggested that requested per Pilotage Unit request may be too low to be sustainable. It was further suggested that the Eastport pilots consider modifying their requested rate. The Eastport pilots agreed to discuss a request modification which will be delivered to the Administrator by November 11, 2022.

Penobscot Bay and River Pilots Proposal

Penobscot Bay and River Pilots presented a rate adjustment request at the Rate Workshop for all pilotage waters in their service area as follows:

- Boothbay Harbor, Rockland, Camden, Somes Sound/Eastern Way, and Blue Hill Bay: increase 15%;
- Penobscot Bay: increase 15%
- Bucksport: increase 15%
- Frenchman Bay: increase to align with Portland, ME per Pilotage Unit rate of \$13 per pilotage unit. This particular rate change may be further adjusted based upon a Town of Bar Harbor referendum vote on November 8, 2022 which may significantly impact cruise

ship traffic in Frenchman Bay. Such a rate change could increase certain cruise ship pilotage fees from 40% - 68% depending on the Pilotage Units.

- International Ferry: increase 9%.

Fuel Sur-charge

Through open Workshop discussion it was concluded that the fuel sur-charge is no longer needed. Fuel sur-charge discontinuance will be discussed at the Public Meeting on November 29, 2022.

Process Expectations

The next Commission meeting will be a hybrid of a Public Rate Meeting and a routine business meeting. During the Public Rate Meeting pilotage customers and other public members will be availed an opportunity to participate in the rate discussions. Pending the outcome of the meeting, the Pilotage Commission may vote on the proposed rates (as presented or as modified during the meeting). If necessary, the Commission may also defer to another meeting for further discussion and subsequent vote. Regardless, the Commission will observe a 30-day public comment period following the Commission's official vote.

If no opposing or adverse comments are during the Public Rate Meeting or during the 30-day comment period, then the proposed rates will be effective starting January 1, 2023.

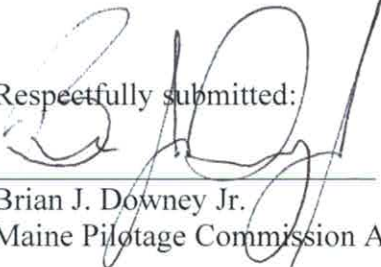
Next Meeting

November 29, at 10:30

Maine DOT, Room 216

24 Child Street
Augusta, ME 04330

Respectfully submitted:



Brian J. Downey Jr.
Maine Pilotage Commission Administrator