

MAINE PILOTAGE COMMISSION
ENDORSED RATES
(FUEL SURCHARGE)
April 29, 2022

BACKGROUND:

At the March 18, 2022 Pilotage Commission, fuel cost recovery was raised as a new business item. The Commission tasked the Administrator to research cost recovery options at that meeting.

Various domestic and international events have caused a significant spike in marine diesel fuel prices between 2021 and April 2022. Due to the significant and unpredicted increase in diesel fuel, the Maine Pilotage Commission authorized a fuel surcharge to be charged to pilotage customers to recover the unanticipated added fuel costs to operate the region's pilot boats. On April 19, 2022 a subgroup of the Maine Pilotage Commission virtually discussed fuel cost recovery options and suggested a surcharge system. The surcharge system was formalized and presented to the full Commission for consideration and was approved on April 29, 2022 via a virtual public meeting.

A fuel surcharge is within industry standards and expectations and is designed to ease the financial burden of unanticipated fuel cost increases. Fuel cost recovery is meant to best assure continued long-term health of the pilotage system.

JUSTIFICATION:

The average reported Maine diesel fuel price in 2021 was approximately \$2.98 per gallon which has rapidly increased to \$4.11 as of April of 2022. The fuel cost differential ranges between 28% - 33%, which is an unfair burden to the pilot organizations which operate pilot boats.

ACTION:

The pilotage organizations operating under the jurisdiction of the Maine Pilotage Commission are thus authorized to recover the inflated fuel cost in their service invoices per the table below.

Location	Approximate Average Gallons of Fuel	Recovery Surcharge per pilot boat transit (each way)
Port of Eastport	52	\$38
Frenchman Bay	52	\$38
Penobscot Bay	70	\$80
Boothbay Harbor	70	\$80

The Pilotage Fuel Surcharge shall be reviewed and adjusted by the Maine Pilotage Commission at any regularly scheduled public meetings.