



NOTICE OF REVISED SERVICE CHARGES

June 2, 2025

GENERAL

Pursuant to section 33.3 of the *Pilotage Act*, S.C. 1985, c. P-14, this document provides notice (the “**Notice**”) of the Pacific Pilotage Authority’s (the “**Authority**”) proposed revised charges which would come into effect on or around September 1, 2025.

This Notice includes a description of the proposal, including justification in relation to establishing or revising the pilotage charge, and the circumstances in which the charge will apply. In developing the charge, the Authority has observed all charging principles established under section 33.2 of the *Pilotage Act*.

Persons interested in making representations to the Authority regarding the proposal set out in this Notice may do so in writing to the address set out in section 5 of this Notice and must be received by the Authority no later than close of business on **July 2, 2025**.

Any person making written representations must include a summary of those representations. Note that this summary may be made public by the Authority. In addition, any person making written representations by the date set out in this Notice will have an opportunity to file a notice of objection related to the proposal with the Canadian Transportation Agency.

This Notice affects charges for services that the Authority provides or makes available in relation to compulsory pilotage under s. 33(1) of the *Pilotage Act*.

Except for the revisions proposed in this Notice, all the existing charges and related terms and conditions, set out in the “*Customer Guide to Charges*” remain in effect.

This Notice consists of the following sections:

- 1) Proposed Revision to Service Charge Rates
 - 1.1 Background
 - 1.2 Proposed reduction in charge for pilot transportation by helicopter
- 2) Proposed Implementation of the Proposed Revised Service Charges
- 3) Re-establishment of Current Service Charges
- 4) Definitions and Calculations; and
- 5) Information regarding the Notice and on making representations to the Pacific Pilotage Authority.

1. PROPOSED REVISION TO PILOTAGE CHARGE RATES

1.1 Background

When establishing a new charge for pilotage services or when revising an existing pilotage charge, the Authority must follow the charging principles set out in section 33.2 of the *Pilotage Act*. These principles prescribe that, among other requirements, charges must not be set at levels that, based on reasonable and prudent projections, would generate revenues exceeding the Authority's current and future financial obligations related to the provision of compulsory pilotage services. Pursuant to the charging principles, the Authority's Board of Directors approves the amount and timing of changes to customer service charges. The Board of Directors also approves the Authority's annual budget which includes the amounts to be recovered through customer service charges for the year.

As noted, the Authority plans its operations to result in a financial position in which revenues do not exceed current and future financial obligations related to the provision of compulsory pilotage services.

In 2024 the Authority introduced a helicopter service to transport pilots to/from tankers departing from Trans Mountain's Westridge terminal in Burnaby, BC. After experience in providing the service for the first 12 months and after a review of helicopter operating costs and projected usage for 2025, the Authority proposes reducing the current charge for this service.

In addition, for loaded tankers outbound to sea from Vancouver Harbour, mitigation measures require that two pilots simultaneously stand a bridge watch for the transit between the marine terminal and English Bay. Tethered escort tugs are used for the transit through Second Narrows and First Narrows. The two pilots who board the outbound tanker at the terminal are changed in English Bay (or the Sand Heads area). The escort tug must also be tethered to the ship for its transit through Boundary Pass and Haro Strait. Mitigation measures in these trans-boundary (US/Canada) waters require that two pilots simultaneously stand a bridge watch from East Point to the pilot disembarkation location at Brotchie pilot station or Race Rocks. In addition to the foregoing, tethered tugs are also used when port authorities' guidelines require, or when simulations prove the use of tethered escort tugs to be prudent. Accordingly, tethered escort tugs are also used for LPG/LNG/Oil tankers that call the respective terminals in Porpoise Channel and on the Fraser River.

Since the use of tethered tugs requires two pilots on board the vessel, our current service charge has allowed for the cost to the Authority of the second pilot. However, with the increase in tanker traffic over the past year, the allowance is proving insufficient to cover that additional cost.

1.2 Proposed charges for pilot transportation by helicopter and for pilotage of tankers with tethered tugs

The cost to provide transportation by helicopter includes a fixed standby fee, regardless of usage, plus variable operating costs for labour and fuel (based on flight hours), training, equipment, and a share of administrative costs. To determine the proposed revision to the helicopter charge per assignment in southern BC, we have estimated the usage for the remainder of 2025 based on the number of tankers expected to depart from Trans Mountain's Westridge terminal in Burnaby, BC. The estimate of tankers was provided by Trans Mountain.

The Authority proposes reducing the current flat fee of \$25,000 by \$4,000 to \$21,000 per outbound tanker for all pilot transportation services, which includes the pilot exchange in the Salish Sea and

the pilot disembarkation in the vicinity of Race Rocks, and for any other pilot transfer required for an outbound tanker, by helicopter to and from the vessel. This charge will also apply for the provision of a pilot launch, if used as an alternate or backup service to the helicopter due to weather or any other reason. The fee will continue to be reviewed regularly and may be adjusted by the Authority in the future based on our experience with helicopter transportation and actual usage and costs.

The cost to the Authority of a second pilot on an assignment includes 80% of a second unit fee, as well as the cost of any bridge watch hours. Currently our pilotage charge for a tethered tanker with a deadweight tonnage exceeding 39,999 metric tons incorporates only 50% of the second unit fee for the second pilot, a shortfall of 30%. We are proposing to reduce the shortfall gradually over time by increasing the pilotage charge for tethered tankers with a deadweight tonnage exceeding 39,999 metric tons, initially by 5%.

The effect of these changes to pilotage charges, proposed to be effective on or around September 1, 2025, is outlined in the following table:

Category	Rate increase / (decrease)	New / Adjustment	Application methodology	Estimated effect on customers for 2025
Helicopter – Race Rocks	\$(4,000)	Adjustment	Per assignment	\$(0.4) million
Tethered tankers - pilotage	5%	Adjustment	Per assignment	\$0.2 million
Total effect				\$(0.2) million

2. PROPOSED IMPLEMENTATION OF THE PROPOSED REVISED SERVICE CHARGES

All charges would be effective on or around September 1, 2025.

3. RE-ESTABLISHMENT OF CURRENT SERVICE CHARGES

Except for the revisions proposed in this Notice, all the existing charges and related terms and calculations continue in effect, as set out in the Authority's current *Customer Guide to Charges* (available on the Authority's website at <https://www.ppa.gc.ca/>)

4. DEFINITIONS AND CALCULATIONS

The definitions and calculations can be found in the Authority's Customer Guide to Charges, which is available on the Authority's website at <https://www.ppa.gc.ca/>.

5. INFORMATION REGARDING THE NOTICE AND ON MAKING REPRESENTATIONS TO THE PACIFIC PILOTAGE AUTHORITY

The Notice is available online and a copy may be downloaded from the Authority's website at <https://www.ppa.gc.ca/>. Information on the existing charges is also provided on the Authority's website.

Additional copies of the Notice or a copy of the Details and Principles document can be obtained through request at the following address:

*In writing: Chief Financial Officer
Pacific Pilotage Authority
1000-1130 West Pender Street
Vancouver, BC
V6E 4A4*

*By email: smackenzie@ppa.gc.ca
By telephone (604) 666-6988*

Pursuant to section 33.3 of the *Pilotage Act*, any person may make representations about the proposal to the Authority, in writing, on or before the date set out in this Notice. Any person making written representations is to include a summary of those representations. The summary may be made public by the Authority. In addition, any person making written representations by the date set out in this Notice will have an opportunity to file a notice of objection related to the proposal with the Canadian Transportation Agency.

Pursuant to section 33.3 of the *Pilotage Act*, persons interested in making representations in writing to the Authority regarding the Notice may do so in writing to the following address:

*PACIFIC PILOTAGE AUTHORITY
1000-1130 West Pender Street
Vancouver, BC
V6E 4A4
Attention: Chief Financial Officer*

By email: smackenzie@ppa.gc.ca

Note: Representations must be received by the Authority not later than the close of business on July 2, 2025.