

## ANNOUNCEMENT OF REVISED SERVICE CHARGES DECEMBER 16, 2020

### GENERAL

The Atlantic Pilotage Authority (the Authority) hereby announces revised service charges, pursuant to Section 33.4 of the *Pilotage Act*, S.C. 1985, c. P-14. This Announcement sets out the revisions in charges that apply to pilotage charges: (i) port-by-port charges for one-way trips, thru trips, and movages in the compulsory area of Placentia Bay, NL.

The Authority is implementing these charges for the reasons described in the *Notice and Details and Principles* documents, published on November 14, 2020, and will be effective on February 15, 2021, except where otherwise indicated. All other service charges provisions not amended by this Announcement remain in effect.

Since the Notice was published, the Authority has received comments from the Shipping Federation of Canada. The Shipping Federation of Canada has asked the Authority to request that the Minister of Transport delay implementation of charges related to the enforcement of the *Pilotage Act*. They have also requested that the Authority investigate ways to temporarily reduce the cost of delivering pilotage services, without threatening long term viability of pilotage in the region. Lastly, the Shipping Federation of Canada questioned the validity of the Authority's consultation process related to this proposal.

In 2020, the Authority was made aware of a decision to defray Transport Canada's costs of administering the *Pilotage Act* by requesting payment from the pilotage authorities using the provisions of section 37.1 of the amended *Pilotage Act*. The Authority has been informed that Transport Canada will be expecting payment by March 31, 2021 for the past fiscal year and the status of this charge for the next fiscal year has yet to be determined.

Prior to the publishing of the *Notice and Details and Principles* documents, the Authority had consulted with its users in Placentia Bay, NL and the Shipping Federation of Canada regarding the proposal. Due to the nature of the decline in activity in the area, alternatives were presented that included a reduction in the number of pilots, reduced operating periods, and postponement of planned capital spending. These options were analysed and discussed with the local stakeholders, but it was decided by those stakeholders that this rate proposal was preferable to the negative service impacts that would be incurred to dramatically reduce operating costs. The Authority has agreed to delay a significant capital project in the area and structured the rate adjustment in a manner that addressed concerns regarding the impacts on smaller vessels.

Pursuant to Section 34(1) of the *Pilotage Act*, S.C. 1985, c. P-14, persons wishing to object these revisions may do so by making an application to the Canadian Transportation Agency. The application must be filed within 90 days after the date of this Announcement.

Pursuant to section 34(3) of the *Pilotage Act*, a notice of objection may be filed only if

- (a) the pilotage charge was not established or revised in accordance with the charging principles referred to in subsection 33.2(1) of the *Pilotage Act*; or
- (b) the Authority did not comply with the requirements set out in section 33.3 or 33.4 of the *Pilotage Act*.

This Announcement consists of the following section:

- (1) Revision to Service Charge Rates for Placentia Bay, NL.

1. REVISION TO SERVICE CHARGE RATES FOR PLACENTIA BAY, NL

The following tables set out the revised rates to be effective February 15, 2021. These rate increases are required to generate incremental revenues of \$734,000 in the Authority's 2021 fiscal year, to partially offset a reduction in revenues due to declining traffic while assuring an effective and safe pilotage service.

a. Compulsory Pilotage Areas — One-Way Trips (Schedule 1)

	Column 1	Column 2	Column 3	Column 4	Column 5
Item	Compulsory Pilotage Area	Minimum Charge (\$)	Unit Charge (\$/pilotage unit)	Basic Charge (\$)	Budgeted Fuel Consumption (litres)
12	Placentia Bay, N.L.	3,397.00	6.97	2,563.00	600.00

b. Compulsory Pilotage Areas — Trips Through (Schedule 2)

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Item	Compulsory Pilotage Area	Flat Charge, No Pilot Boat Used (\$)	Flat Charge, Pilot Boat Used (\$)	Unit Charge (\$/pilotage unit)	Basic Charge (\$)	Budgeted Fuel Consumption (litres)
12	Placentia Bay, N.L.	n/a	n/a	6.97	2,563.00	600.00

c. Compulsory Pilotage Areas — Movages (Schedule 3)

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8
Item	Compulsory Pilotage Area	Flat Charge (\$)	Minimum Charge (\$)	Unit Charge, No Pilot Boat Used (\$/pilotage unit)	Basic Charge, No Pilot Boat Used (\$)	Unit Charge, Pilot Boat Used (\$/pilotage unit)	Basic Charge, Pilot Boat Used (\$)	Budgeted Fuel Consumption (litres)
12	Placentia Bay, N.L.							
	(a) between Whiffen Head and Come-By-Chance terminals	n/a	1,697.00	3.49	1,281.00	n/a	n/a	n/a
	(b) any other area	n/a	3,056.00	5.58	2,051.00	6.26	2,306.00	600.00