

AGENDA

**Port Freeport
Pilot Commission
Special Meeting
Thursday, June 13, 2024, 1:00 pm - 3:00 pm
In Person & Videoconference - Administration Building - 1100 Cherry Street - Freeport**

This meeting agenda with the agenda packet is posted online at www.portfreeport.com

The meeting will be conducted pursuant to Section 551.127 of the Texas Government Code titled "Videoconference Call." A quorum of the Pilot Commission, including the presiding officer, will be present at the Commissioner Meeting Room located at 1100 Cherry Street, Freeport, Texas. The public will be permitted to attend the meeting in person or by videoconference. The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/85450166031?pwd=bwGUNJP12XJKwTviOVpzndYl3Bsi.1>

Meeting ID: 854 5016 6031

Passcode: 553815

Dial by your location

• 1 346 248 7799 US (Houston)

Meeting ID: 854 5016 6031

Find your local number: <https://us02web.zoom.us/j/kdlLnT6RCJ>

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Roll Call.
3. Public Comment. (Public comment on any matter not on this Agenda will be limited to 5 minutes per participant and can be completed in person or by videoconference)
4. Public Testimony. (Public testimony on any item on this Agenda will be limited to 5 minutes per agenda item to be addressed per participant and can be completed in person or by videoconference. The participant shall identify in advance the specific agenda item or items to be addressed)
5. Approval of minutes from the Special Meeting held March 28, 2024.
6. Receive update from the Brazos Pilots Association.
7. Receive presentation from the Brazos Pilots Association regarding their request for adjustment of the pilot tariff submitted May 31, 2024.
8. Review and discuss tentative meeting schedule for Pilot Commission's consideration of the Brazos Pilot Association's application for rate adjustment.
9. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:
 - A Under authority of Section 551.071 (Consultation with Attorney):
 1. Consultation with attorney regarding legal matters related to Brazos Pilots Association request for adjustment to pilot tariff dated May 31, 2024.
10. RECONVENE OPEN SESSION:
11. Adjourn.

The Pilot Commission does not anticipate going into a closed session under Chapter 551 of the Texas Government Code at this meeting for any other items on the agenda, however, if necessary, the Pilot Commission may go into a closed session as permitted by law regarding any item on the agenda.

With this posted notice, Port Commissioners have been provided certain background information on the above listed agenda items. Copies of this information can be obtained by the public at the Port Administrative offices at 1100 Cherry Street, Freeport, TX.



Phyllis Saathoff, Executive Director, CEO

PORT FREEPORT

Participation is welcomed without regard to race, color, religion, sex, age, national origin, disability or family status. In accordance with Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, persons with disabilities needing reasonable accommodations to participate in this proceeding, or those requiring language assistance (free of charge) should contact the Executive Assistant no later than forty-eight (48) hours prior to the meeting, at (979) 233-2667, ext. 4326, email: bevers@portfreeport.com.

La participación es bienvenida sin distinción de raza, color, religión, sexo, edad, origen nacional, discapacidad o situación familiar. De acuerdo con el Título II de la Ley de Estadounidenses con Discapacidades y la Sección 504 de la Ley de Rehabilitación, las personas con discapacidades que necesiten adaptaciones razonables para participar en este procedimiento, o aquellas que requieran asistencia lingüística (sin cargo), deben comunicarse con el Asistente Ejecutivo a más tardar cuarenta y ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: bevers@portfreeport.com.

Minutes of Pilot Commission
Port Freeport
March 28, 2024

A Special Meeting of the Pilot Commission of Port Freeport was held March 28, 2024, beginning at 12:20 PM at the Port Freeport Administration Building, 1100 Cherry Street, Freeport, Texas.

This meeting agenda with the agenda packet is posted online at www.portfreeport.com

Join Zoom Meeting

<https://us02web.zoom.us/j/81179001003?pwd=NjZSZG4xSmhrNTZsWTUya01EbkQ1Zz09>

Meeting ID: 811 7900 1003

Passcode: 313862

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• +1 346 248 7799 US (Houston)

Meeting ID: 811 7900 1003

Find your local number: <https://us02web.zoom.us/u/kdAmAbo3H6>

Commissioners present in person:

Mr. Ravi Singhanian, Commissioner
Mr. Rob Giesecke, Vice Chairman
Mr. Barbara Fratila, Secretary/Treasurer
Mr. Rudy Santos, Commissioner
Ms. Dan Croft, Commissioner
Mr. Kim Kincannon, Commissioner

Staff Members present:

Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Chief Financial Officer
Mr. Al Durel, Director of Operations
Mr. Chris Hogan, Director of Protective Services
Mr. Brandon Robertson, Director of Information Technology
Ms. Missy Bevers, Executive Assistant
Mr. Jesse Hibbetts, Operations Manager

Also, present:

Capt. Ross Coviello, Brazos Pilots Association
Capt. Sean Kelly, Brazos Pilots Association

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:

2. Roll Call.

Commissioner Singhanian noted that all Commissioners were present in the Board Room.

3. Public Comment.

There were no comments from the public.

4. Public Testimony.

There was no testimony from the public.

5. Approval of minutes from the Special Meetings held December 14, 2023.

A motion was made by Commissioner Santos to approve the minutes as presented. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

6. Review and consider the reappointment of Captain Ross Coviello as Branch Pilot for the Ports for the Ports of Brazoria County.

Mr. Durel stated that Capt. Coviello's application was submitted timely and in full form. Staff has reviewed and finds all documents to be in place and the application to be complete. Staff recommends approval. Mr. Saathoff commented that she supports Capt. Coviello continuing to move vessels in and out of Port Freeport in a safe and efficient manner. Commissioner Singhania concurred.

A motion was made by Commissioner Santos to reappoint Captain Ross Coviello as Branch Pilot for the Port Freeport. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

7. Review and consider the reappointment of Captain Sean Kelly as Branch Pilot for the Ports for the Ports of Brazoria County.

Mr. Durel stated that Capt. Kelly's application was also submitted timely and in full form. Staff has reviewed and finds all documents to be in order and the application to be complete. Staff recommends approval. Commissioner Fratila asked for clarification to an item on Page 4 of the application where it asks if you or your spouse are related to a state or local official, both yes and no boxes are checked. Capt. Kelly stated the answer is no. Staff will make the adjustment.

A motion was made by Commissioner Fratila to reappoint Captain Sean Kelly as Branch Pilot for the Port Freeport. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

8. Receive update from the Channel User Advisory Group.

Before beginning the update, Capt. Coviello thanked the Port Commission for voting to renew both he and Capt. Kelly's commissions and appointment by the Governor. They appreciate the opportunity to continue to safely navigate vessels on the Freeport Harbor Channel and look forward to a continued working relationship as the Port continues to grow.

Capt. Coviello then reported on the Channel User Advisory Group noting the group meets quarterly with the Pilots and the group present semiannually a report to the Pilot Board to either keep or modify the communications fee established to run the dispatch center as well as present a traffic report. He noted the report is based on fiscal year numbers for comms, which runs March – March vs. calendar year. The communication fund budget beginning balance (March

2023) was \$72,224.21 with the ending balance of \$73,231.97 (February 2024). Income and expense are where they need to be for operating this service, with income at \$484,196.56 and expenses at \$483,208.80. A quarterly snapshot for fiscal year communications show income for Q4 just at \$124,000 while total expenses were at \$127,557. Capt. Coviello noted the disparity in Q3 stating there were a lot of IT services in that quarter due to the move of the dispatch center to Lake Jackson. The following slide shows profit and loss annual comparison for previous FY22 and FY23 noting the difference in the communication fee income up from \$425,000 to \$484,000 which was due to no LNG vessels in 2022. Expenses went up about 2% which is in line with overall cost increase. Vessel movements for 2023 was up to 2403 movements vs. 2191 movements for 2022 with Vopak (25%), Brazos Harbor (24%), LNG (17%) and Phillips (21%) traffic almost evenly distributed and Seaway at 11% and BASF at 2%. Capt. Coviello also shared a current list of 227 registered users for Pilot Dispatch which is made up of 156 terminals and 71 agents. He noted the pilots continue to receive positive feedback from all users and how invaluable the system is to everyone.

Mr. Brandon Heasley, chairman of the Channel User Advisory Group joined the meeting via Zoom to give an update and recommendation to the Pilot Board. He stated the group voted to maintain the current rate (\$65 + units x \$0.18 per movement) for the 2024 fiscal year. He added that the driving factors for this decision was to make sure they are staying within the 5% and to give them more time to assess as they are trying to keep it at an even number. The group also discussed long term initiatives and capital expenditures to ensure when they need the money it will be made available. The group has done well managing with the original rate and will hold it for 2024.

Ms. Saathoff commented that she appreciates the statistics and presentation on the vessel activity noting the data that is available from the dispatch system is very helpful.

Commissioner Croft inquired about the number of members in the Channel User Advisory Group. Capt. Coviello stated the group is made up of members from every terminal in the Port which includes Phillips 66, Freeport LNG, BASF, Port Freeport, Seaway Enterprise. A representative or designee from each stakeholder attends the meetings so that everyone is represented when the group makes a recommendation to the Pilot Board regarding the rates/fees.

9. Receive update from the Brazos Pilots Association.

Capt. Coviello combined this update under the previous agenda item.

10. Adjourn.

With no further business before the Commission, the meeting adjourned at 12:43 PM.

Ravi Singhanian, Chairman

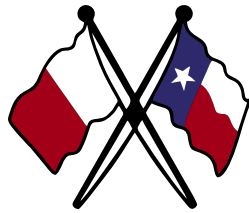
Rob Giesecke, Vice Chairman

Barbara Fratila, Secretary/Treasurer

Rudy Santos, Commissioner

Dan Croft, Commissioner

Kim Kincannon, Commissioner



BRAZOS PILOTS

ASSOCIATION

Request to the Pilot Board
Adjustment to the Pilot Tariff
Submitted May 31, 2024

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2. Letter to the Board of Commissioners

In many aspects, the challenges we faced in 2020 continue to expand in conjunction with the channel improvements and increased vessel traffic. We thank the Pilot Commission for the granted order in 2020, to ensure we are able continue to grow and guarantee the ability to provide adequate services we are hopeful for a successful granted order in the items to follow.

Between January 1, 2021 – December 31, 2023, The Brazos pilots spent 13,371 hours safely navigating vessels on the Port Freeport Ship Channel (PFSC) incident free. In the last three years the Brazos Pilots have overcome extreme adversity, operating through a worldwide pandemic and major revenue loss during substantial terminal outages. These major impacts on our business are thankfully in the rear-view mirror and we continue to plan for the future.

Between witnessing industries' continuing and substantial financial investments into port infrastructure and the quickly approaching completion of the Freeport Harbor Deepening and Widening Project, we must expand our operations. This includes evaluating pilot manpower and additional boat crews to operate multiple pilot boats. With the increased vessel traffic we are experiencing, we have begun requiring the use of two pilot boats and crews, to ensure we maintain the most efficient and effective channel occupancy possible for all vessels. To ensure we have coverage for the second Pilot boat, we have promoted from within and created an Assistant Port Captain position.

With the increased vessel traffic and the most recent Commissioners approval of the "Basic Operating Procedures" (BOP), the Brazos Pilots have expanded night time operations to include (currently) 24 hour vessel movements for over 98% of all traffic and docks in Freeport. To ensure the safety of these vessels and to assist industry with time sensitive cargoes and costly Panama Canal Transits, we implemented more robust safety measures such as an additional Pilot to move these vessels at night, and additional assist tugs if necessary. As the vessels continue to get larger, with deeper draft, and a longer pilot transit with more frequency this will continue to require the most heightened sense of awareness from professional pilots.

Since the last rate adjustment in October 2020, the Brazos Pilots have, among other important actions to enhance operational safety, efficiency, and productivity, commissioned one (1) additional Branch Pilot, added four (4) full time deckhands, created a Port Captain and Assistant Port Captain positions, purchased additional land, and built a state of the art \$1.5 million boat house for pilot boat maintenance/crew quarters with a new bulkhead/dock (\$250,000), purchased and stocked spare pilot boat engines and parts (\$286,000), and purchased a 3,000gal fuel trailer. We're proud to claim that during both major traffic downturns caused by the worldwide pandemic and terminal adversities the

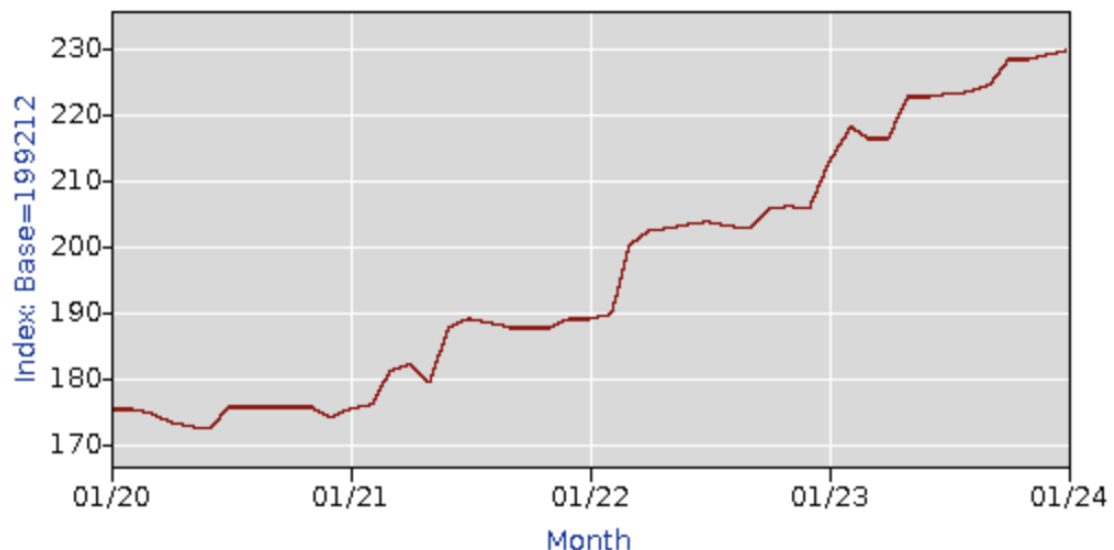
Association maintained all employees and operational readiness, while simultaneously absorbing an increase in employee costs of 49.1% over this period.

In 2023, more than half of the vessel transits that took place on the PFSC were performed during the nighttime hours of 1800-0600 (52%). We expect this percentage to further increase with the approval of LNG Dock 2 night sailings, the addition of liner services calling on Port Freeport, Phillips 66 investments into their infrastructure, and other additional various RORO lines to Brazos Harbor Dock 2 once adequate fendering and lighting has been installed. Our goal with this rate request is to ensure the channel is properly, adequately, and professionally staffed to support this level of increased traffic (including nighttime traffic) and predicted growth.

For over 35 years the Brazos Pilots Association operated out of 2502 Deep Sea Dr. in Quintana, Texas. Over this time the Association grew from three pilots and four employees to our current operations, with six pilots and 16 employees. We have outgrown the available space on Deep Sea Dr. To ensure that the pilots on watch are properly rested we have moved all office operations to Lake Jackson, and will begin updating and remodeling the property on Deep Sea Dr to accommodate sleeping quarters for up to eight people with a substantial cash injection from the Pilots.

In the last order approving rate increases, dated October 30, 2020, the Board ordered that pilotage rates be adjusted for years 2021-2024, by 0%, 2.4%, 2.4%, 2.4%, respectively (equaling a 1.8% average annual increase). During the hearing in 2020 the Brazos Pilots presented data based on PPI 488330 "Navigational Services to Shipping" which was used as a basis to grant the order. Recent data provided by Christopher Sitter, an economist for the U.S Bureau of Labor Statistics show during the same period, 2020-2023, the PPI has increased **28.59%**.

(Graph of the index data over the time period to give a visual idea of how the index has increased)



(Annual Representation of PPI Increase (28.59% over 48 month period))

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2020	6.7	4.3	0.6	2.5	-0.7	-0.9	1	0.3	0.4	0.1	0.2	-0.7	1.1
2021	0	0.5	3.7	4.9	3.8	8.8	7.5	7.2	6.8	6.8	6.8	8.6	5.5
2022	7.7	7.8	10.4	11.2	13.1	8.3	7.8	7.8	8	9.6	9.7	8.8	9.2
2023	12.6	14.9	8.2	6.9	9.8	9.6	9.5	9.9	10.7	11.1(P)	10.9(P)	11.3(P)	10.4(P)
2024	8.0(P)												

Finally, the rising costs of fuel have increased 69.6% since the final order. During the pandemic and status of world affairs, the Brazos Pilots operated for a prolonged period where fuel costs increased 103% since the final order was granted in 2020. These fuel costs over 2020-2023 exceeded \$705,000, and we calculate the business fuel & lube expenses to exceed \$250,000 a year with the completion of the Freeport Harbor Deepening and Widening Project.

3. Goals of the 2024 Rate adjustment:

- a. Expand tariff units table and charges to 2450 units to include larger vessels anticipated to be utilizing the Freeport Harbor Channel.*
- b. Increase all Units Charges, Draft Charges, Detention Charges, Holding Charges, Cancellation Charges, and Minimum Charge by 15% for 2025 and by 12.5% for 2026 to cover increased inflation costs of employees and growing our pilot ranks.*
- c. Simplify Draft charge for vessels with drafts greater than 42 feet.*
- d. Institute a Fuel & Lube Surcharge*
- e. Modify “Pilot Transport Surcharge” to be “Per Pilot” instead of “Per Movement,” to offset rising inflation costs & interest rates for new Pilot Boat and increase approved principal purchase value to \$8 million.*
- f. Adjust the Training & Education Charge*
- g. Adjust Communication/Dispatch Charge*
- h. Amend Arrival Cancellation Charge*
- i. Modify Holding Charge*
- j. Add Communication Charge, Education Charge, Pilot Transport, and Fuel & Lube Surcharge to Shifts*

a. Expand tariff units table & charges to 2450 units.

With the new depths and channel width available for waterborne customers calling Freeport Harbor Channel, the Brazos Pilots Association want to ensure our tariff will be ready to include any larger vessels for accurate billing. Currently, our tariff only accounts for vessels up to 2099 units. Units are used for billing are defined as LENGTH OVERALL (LOA) x EXTREME BEAM ÷ BY 100 = UNITS. For Example, a MGC LPG vessel with the dimensions 591' LOA, 92' beam, would equal 543.72 units. However, and Very Large Crude Carrier (VLCC) 1200' LOA and 120' of beam, would be 2400 units. These vessels fall outside of the current tariff and would be required to be billed under special services agreement for every movement. This would not only impact Very Large Crude Oil Carriers but potentially Post-Panamax containerships. Currently, the largest units charge ever encountered by the Brazos Pilots was 1591.

In a proactive effort to ensure future shippers and customers calling on Freeport are properly included within the tariff for accurate billing, we ask that the Commission approve the extending of the tariff units table to 2450 units, and adjust unit charge commensurately. (see below table)

	UNITS	UNIT CHARGE
Present unit charge table ends at 2099.	2000-2024	4.46
	2025-2049	4.53
	2050-2074	4.57
	2075-2099	4.67
Proposed additional units table carried out	2100-2124	4.78
	2125-2149	4.9
	2150-2174	5.01
	2175-2199	5.13
	2200-2224	5.26
	2225-2249	5.38
	2250-2274	5.51
	2275-2299	5.64
	2300-2324	5.78
	2325-2349	5.92
	2350-2374	6.06
	2375-2399	6.21
	2400-2424	6.36
	2425-2450	6.51
	2450+	6.66

(this table represents the % increase request in item 2 implemented)

b. Increase all Units Charges, Draft Charges, Detention Charges, Holding Charges, Cancellation Charges and Minimum Charge by 15% for 2025 and 12.5% for 2026, to cover increased inflation costs of employees and growing our pilot ranks.

c. Simplify Draft Charge for vessels with drafts of 42 feet or greater.

The long awaited Freeport Harbor Deepening and Widening Project completion date is fast approaching. Once completed, vessels will be able to call on docks within the port in excess of 42'. In the 2020 tariff adjustment this new draft table was approved and adopted based on controlling depths provided by the USACE in 2019, and covered drafts ranging from 42' to 51'. Since adopting the new 2020 tariff, the Freeport Harbor Deepening and Widening Project recently included additional approved depths to 56' through Zone 1 & Zone 2. To avoid expanding the draft table from 51' to 56' we propose simplifying this draft table to a fixed rate for any vessel greater than 42' of draft, as shown below.

Draft less than 42' = \$41.72

Draft of 42' or greater = \$83.45

The 42 feet and over rate applies to the entire draft of vessels with a draft of 42 feet or more.

The minimum draft charge will remain at 25'.

We ask the Commission to simplify the expanded draft charge to a single fixed rate for vessels with drafts of 42' or more to be in effect when utilized by deep draft vessels calling on PFSC at the completion of the Freeport Harbor Deepening and Widening Project.

d. Institute a Fuel & Lube Surcharge.

With the additional traffic and extended channel length, the Brazos Pilots predict our annual fuel costs will be more than a quarter million dollars a year. We currently average around \$200,000 in annual fuel costs between the two pilot boats. In addition, on multiple occasions we have utilized both pilot boats to expedite vessel movements to move our pilots more efficiently between vessels to ensure ships entering or leaving the Port meet their order times. Currently, the pilots absorb all fuel costs. In 2020 the average cost of diesel on the Gulf coast was \$2.31 a gallon, but in 2023 that average had risen to \$3.92 a gallon (69.6% increase). During the worldwide pandemic and the world conflicts of 2022, we experienced an average cost of \$4.68 a gallon, a 103% increase over 2020 (see data below). During this same time period with increased vessel traffic the Brazos Pilots purchased a 3,000 gallon Fuel Trailer (\$67,434) to ensure fuel availability during hurricane season, on weekends, and during holidays, in the event our fuel supplier was unable to make a fuel delivery on those occasions.

We ask the Commission adopt and approve a Fuel & Lube Surcharge to charge each vessel per movement. This charge will be calculated at the beginning of each month and be based on the previous months total cost of fuel & lube and then divided by the prior months total movements. There will be a separate checking account established to hold and track Fuel & Lube Surcharges.



e. Modify “Pilot Transport Surcharge” and increase boat allowance to \$8 million.

Currently the “Pilot Transport Surcharge” is charged “per movement.” Rising costs caused by inflation since the last rate adjustments in 2020, and dramatically increased interest rates have rendered this charge insufficient for future needs.

We ask this charge be modified from “per movement” to “per pilot.” The calculation for the Pilot Transportation Surcharge would remain at \$100 + (Units x .1). Once the current loan on “BRAZOS PILOT” is paid in full, the Association requests the ability to accumulate funds in the same dedicated Pilot Boat Fee account (Home Bank xxx968) to provide an appropriate down payment on a new pilot boat and allow a sustainable monthly payment for the loan to construct and purchase the boat.

Secondly, we ask the board to increase the principal value of the next pilot boat from the \$5 million ordered in the 2020 rate adjustment to \$8 million. The cost for the same vessel we were looking at 3 years ago has increased from \$3.6 million to \$6,536,425.00, an 82% increase in cost for same boat.

f. Increase “Training & Education Charge” by \$12.50 per movement.

Organizational and operational growth necessitates increased funding for adequate training. We are proud of our training program which currently includes: Advanced Shiphandling for Pilots, Electronic Navigation, Man Overboard Recovery, Marine Firefighting, Advanced Trauma Care, First Aid/CPR/AED, and Leadership & Development. Specifically and considering the death of four pilots and one pilot boat crewmember worldwide in 2023, we are proud of the medical training and partnership we have built with Freeport Fire/EMS. This collaboration, training, and education will increase the survivability of our pilots while performing one of the most hazardous occupations on the planet.

We ask the Training and Education Charge be increased by \$12.50. The current charge is $\$10.00 + (\text{Units} \times .03)$, and would request it be modified to $\$22.50 + (\text{Units} \times .03)$. In year two it would increase by 12.5%.

g. Increase Communications/Dispatch Charge by \$10.00 per movement.

The Communications Charge established in the last rate hearing has not changed since its implementation in 2021. To offset rising inflation costs for employees this charge must be adjusted.

We ask this charge be adjusted \$10.00 per movement

h. Cancellation / Changes to Pilot Order

Amend ARRIVAL cancellation charge on tariff- 3. "Arriving vessels cancelling at the time of order with pilot boat on station will be assessed a Pilot Transport Surcharge, Communication Charge, and Fuel & Lube Surcharge."

Currently, when vessels cancel their arrival order when pilot(s) and pilot boat are on station no Pilot Transport Surcharge, Communication Charge, or (pending approval) Fuel & Lube Surcharge is assessed on a vessels invoice and all costs are incurred by the Brazos Pilots.

We ask the Commission approve amending Cancellation Charges for arrivals at the time of order to include the following tariff line item fees: Pilot Transport Charge, Communication Charge, Fuel & Lube Surcharge.

i. Modify Holding Charge

We ask the Commission approve the changing of tariff verbiage to include “Per hour or a fraction thereof after 45 minutes.”

j. Add Communication Charge, Education Charge, Pilot Transport Surcharge, and Fuel & Lube Surcharge to Shifts

In the rate adjustment from October 2020 it was ordered that the Communication Charge and Pilot Transport Charge would not be assessed on vessels shifting inside the port.

Prior to the worldwide pandemic, it was common for Pilots shifting vessels within the port to ride back to the vessels dock of origin with linemen, and even tugboats, which did not require the use of a pilot boat. However, new rules and regulations in place with these companies post-pandemic do not allow for this practice, and thus require the Pilots to utilize a Pilot Boat. These costs are currently being incurred by the Pilots.

(For reference, in 2023 only 1.1% of all movements were shifts within the port.)


We ask the Commission approve and adopt the Pilots to assess the Communication Charge, Pilot Transport Charge, and Fuel & Lube Surcharge on vessels that shift within the port.

4. Summary

The costs for maintaining and providing pilotage services in the safest, most efficient and effective manner have increased significantly since October 2020. The Brazos Pilots respectfully request that the rates be adjusted and implemented January 1, 2025.



I, Ross Coviello, certify that copies of this application were on this 31st day of May, 2024 submitted to all known: Commissioners of the Board, Pilots, Consignees and Association of Consignees Operating in Brazoria County at the time of the application per Section 68.063(b)(2) of the Brazoria County Pilots Licensing and Regulatory Act.

Ross Coviello 

Ross Coviello
President

**Port Freeport/Pilot
Commissioners**

Phyllis Saathoff
Ravi Singhanian
Rob Giesecke
Rudy Santos
Dan Croft
Barbara Fratila
Kim Kincannon
Grady Randle

Terminals

BASF
Dow Chemical
Enterprise Products
Phillips 66
Freeport LNG
Vopak

**Consignees and Associations
of Consignees**

Biehl & Co
Bryant Marine Co
Cory Brothers USA
Davis Shipping Agency
Fillette Green
GAC USA
General Steamship

**Consignees and Associations of
Consignees (con't)**

Host Agency
Inchcape/Stolt Nielsen USA Inc
Kirby Offshore Marine
Leeward Agency, Inc
Lighthouse Shipping
Moran Shipping Agencies
Norton Lilly International
NYK Group Americas Inc
Odfjell Tankers
RG Shipping International
SeaPort Hub Agencies
SouthPort Agencies
Texas Marine Agency
Transmarine Navigation Corp
Tropical Fruit Americas
Wilhelmsen Ships Services Inc
Atlantic Container Line-Grimaldi
American Eagle Tankers
AR Savage & Son LLC
BP Energy Company
Chiquita Fresh North America
Del Monte Fresh Produce
Hoegh Autoliners
Horizon Auto Logistics
Hyundai Glovis
JERA Americas

**Consignees and Associations of
Consignees (con't)**

Osaka Gas USA

SK E&S LNG, LLC

TotalEnergies

Volkswagen Group of America

West Gulf Maritime Association

Yara Clean Ammonia US, Inc



May 16, 2024

Mr. Ravi Singhania
Board of Pilot Commissioners for Brazoria County Ports
1100 Cherry Street
Freeport, TX 77542

Subject: Letter of Support 2024 Application for Adjustment to Pilotage Rates

Dear Chairman Singhania,

Dow is a company who relies on the operation of 6 total docks with 3 deep draft facilities locally in Freeport. The operation of these assets is integral to the success of the Freeport site which is currently the largest chemical manufacturing complex in the western hemisphere. Dow operates 109 manufacturing sites in 31 countries and employs approximately 35,900 people. References to Dow or the Company mean Dow Inc. and its subsidiaries.

The Brazos Pilots provide a crucial and efficient service to our operations in Freeport. Without their service we would be unable to ship the volume of product warranted by our business models. In light of this, we fully support the proposed adjustments to the pilotage rates to improve port infrastructure and meet the growing needs of our ship channel.

Specifically, the Freeport Harbor Channel Deeping and Widening Project will place increased demands on pilotage services. The port users have benefited and will continue to benefit from the Brazos Pilots value-added service concept. We believe they are instrumental in the growth of Freeport and contribute to its standing as one of the best ports in the Nation.

Thank you for your time and consideration. We are available to discuss this issue at your convenience if necessary.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah Roth".

Sarah Roth
Senior Site Logistics Director
Dow Inc.



May 6, 2024

Mr. Ravi Singhania
Board of Pilot Commissioners for Brazoria County Ports
1100 Cherry Street
Freeport, TX 77542

Subject: Letter of Support 2024 Application for Adjustment to Pilotage Rates

Dear Chairman Singhania,

The Brazos Pilots provide a crucial and efficient service to our marine operations in Freeport. We fully support the proposed adjustments to the pilotage rates to improve port infrastructure and meet the growing demands of the Brazos Harbor.

The Freeport Harbor Channel Deeping and Widening Project will place increased demands on pilotage services. The port users have benefited and will continue to benefit from the Brazos Pilots value-added service concept. We believe they are instrumental in the growth of Freeport and contribute to its standing as one of the best ports in the Nation.

The proposed rate adjustments are strongly supported by Freeport LNG. We believe these requested increases will benefit the Port of Freeport and only serve to further its reputation as a work-class port.

Sincerely,

A handwritten signature in black ink, appearing to read "M. D. Moppert", with a long horizontal flourish extending to the right.

Michael D. Moppert
Senior Vice President, Chief Operating Officer
Freeport LNG Development, L.P.

PHILLIPS 66 COMPANY
HQ
2331 CityWest Boulevard
Houston, TX 77042-2862



PROVIDING ENERGY. IMPROVING LIVES.

Mr. Ravi Singhania
Board of Pilot Commissioners for Brazoria County Ports
1100 Cherry Street
Freeport, Texas 77542

Via Email: rsinghania@portfreeport.com

May 30, 2024

RE: Brazos Pilots Association's 2024 Application for Adjustment to Pilotage Rates

Dear Chairman Singhania,

On behalf of Phillips 66 Company ("Phillips 66") we wish to convey our support for the Brazos Pilots' Association's 2024 Request for Adjustment to the Pilot Tariff ("Request").

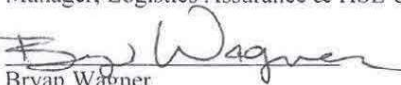
As you may be aware, Phillips 66 operates the Freeport LPG Export Terminal with its prime location within the middle of the U.S. petrochemical industry and is currently capable of exporting 250,000 barrels per day of liquefied petroleum gas ("LPG") to overseas markets. The Phillips 66 Freeport Terminal is capable of loading two Very Large Gas Carriers ("VLGC") simultaneously and has been fully operational since December 2016. The Brazos Pilots provide a crucial and efficient service to our operations. They have facilitated every vessel movement in and out of our terminal and have done so through the safe and efficient movement of vessels, with impeccable professionalism and seamanship.

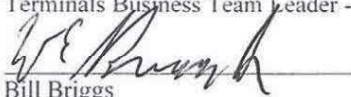
We have recently had the opportunity to be fully briefed on the Brazos Pilots proposed Request and are of the opinion that the request will enable the Brazos Pilots to meet the growing pilotage demands in the Port of Freeport, particularly related to the Freeport Harbor Channel Deeping and Widening Project.

The port users have benefited and will continue to benefit from the Brazos Pilots value-added service concept. We believe they are instrumental in the growth of the Port of Freeport and contribute to its standing as one of the best ports in the Nation. As such, on behalf of Phillips 66, we fully support the adoption of their Request as it is both reasonable and necessary to facilitate our mission in providing safe and efficient marine operations in order to meet the growing international demand for affordable U.S. natural gas liquids.

Respectfully Submitted,


Derek Thompson
Manager, Logistics Assurance & HSE Commercial


Bryan Wagner
Terminals Business Team Leader - Sweeny Refinery


Bill Briggs
Manager, LPG Sales • Midstream Commercial & BD

CC: Captain Ross Coviello
President, Brazos Pilots Association

Via Email: coviello@brazospilots.com



Our date
May 22, 2024

Knowledge grows

May 22, 2024

Mr. Ravi Singhania
Board of Pilot Commissioners for Brazoria County Ports
1100 Cherry Street
Freeport, TX 77542

Re: Letter of Support 2024 Application for Adjustment to Pilotage Rates

Dear Chairman Singhania,

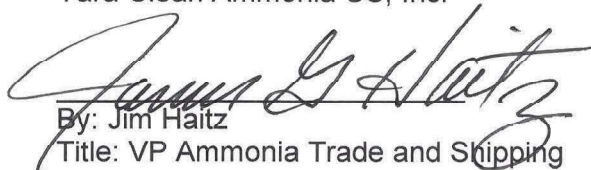
The Brazos Pilots provide a crucial and efficient service to our operations in Freeport. We fully support the proposed adjustments to the pilotage rates to improve port infrastructure and meet the growing needs of our ship channel.

The Freeport Harbor Channel Deeping and Widening Project will place increased demands on pilotage services. The port users have benefited and will continue to benefit from the Brazos Pilots value-added service concept. We believe they are instrumental in the growth of Freeport and contribute to its standing as one of the best ports in the Nation.

Thank you for your time and consideration.

Sincerely,

Yara Clean Ammonia US, Inc.


By: Jim Hartz
Title: VP Ammonia Trade and Shipping
Date: May 22, 2024



We create chemistry

602 Copper Road
Freeport, TX 77541-3001

May 20, 2024

Mr. Ravi Singhania
Board of Pilot Commissioners for Brazoria County Ports
1100 Cherry Street
Freeport, TX 77542

Subject: Letter of Support 2024 Application for Adjustment to Pilotage Rates

Chairman Singhania,

The Brazos Pilots provide a crucial and efficient service to our Freeport operations. BASF supports the proposed adjustments to the pilotage rates to improve port infrastructure and meet the growing needs of our ship channel.

The port users have benefited and will continue to benefit from the Brazos Pilots. We believe they are instrumental in contributing to its standing as one of the best ports in the nation.

Sincerely,

Brad Morrison
SVP BASF Freeport



979-248-9826



tiffanie.pham@basf.com

2024 Pilot Rate Request

The Pilot Commission will carry out its duties as prescribed in the Brazoria Pilots Licensing and Regulatory Act, Chapter 68 of the Texas Transportation Code. Please note the following timeline regarding the rate adjustment request...

Day 1 – May 31	Date Rate Request Application Filed with each Pilot Commissioner
Day 21 - June 20	Last day a timely written objection with legitimate concerns can be filed with Pilot Commission
Day 41 - July 10	<i>If no written objection received:</i> Last day for Pilot Commission to act on rate request and file copy of the order with the County Clerk

OR

If a timely written objection is received: Last day for Pilot Commission to hold a hearing. A copy of the order must be filed with the County Clerk not later than 20 days from the closing date of a hearing.

Note: Brazos Pilots must submit the report of operations and finances at least 10 days prior to the Pilot Commission meeting or hearing.