



**MEMORANDUM OF UNDERSTANDING**

**GREAT LAKES PILOTAGE**

**BETWEEN**

**THE UNITED STATES COAST GUARD**

**AND**

**THE GREAT LAKES PILOTAGE AUTHORITY**

MEMORANDUM OF UNDERSTANDING  
GREAT LAKES PILOTAGE

Definitions

1. For the purpose of this Memorandum, the United States Coast Guard and the Great Lakes Pilotage Authority (hereinafter, "the Participants") intend that the following definitions apply:
  - a. "**District 1**" means all the waters of the St. Lawrence River southwest of the International Boundary at St. Regis, Quebec, and Lake Ontario.
  - b. "**District 2**" means the Welland Canal and the waters of Lake Erie, the Detroit River, Lake St. Clair, the St. Clair River, and the northern approaches thereto south of Latitude 43° 05' 30" N. For the purposes of this definition, "Welland Canal" includes all the waters of the Canal between the following:
    - (1) in the southern approach, within an arc drawn one mile to the southward of the outer light on the western breakwater at Port Colborne, and
    - (2) in the northern approach, within an arc drawn one mile to the northward of the western breakwater light at Port Weller.
  - c. "**District 3**" means all the waters of Lake Huron north of Latitude 43° 05' 30" N, Lakes Michigan and Superior, and the St. Mary's River.
  - d. "**Great Lakes**" means Lakes Superior, Michigan, Huron, Erie, and Ontario, their connecting and tributary waters, the St. Lawrence River as far east as St. Regis, and adjacent port areas.
  - e. "**Pilot**" means a person registered and licensed in the United States or licensed in Canada as a Great Lakes Pilot.
  - f. "**Authority**" means the Great Lakes Pilotage Authority of Canada.
  - g. "**Director**" means the Director, Great Lakes Pilotage, U.S. Coast Guard.
  - h. **Rate Computation** definitions:

- (1) "Length" means the distance between the forward and after extremities of the ship (as measured in meters).
- (2) "Breadth" means the maximum breadth to the outside of the shell plating of the ship (as measured in meters).
- (3) "Depth" means the vertical distance of amidships from the top of the keel plate to the upper most continuous deck, fore and aft, and which extends to the sides of the ship (as measured in meters). The continuity of a deck is not to be considered affected by the existence of tonnage openings, engine spaces or a step in the deck.

### Pilotage Service

2. a. The Participants intend for coordinated pilotage service to be provided in the Great Lakes by United States and Canadian pilots under the supervision of the Director and the Authority.

b. The Participants intend for the Director and the Authority to maintain registers of United States and Canadian pilots authorized to render pilotage services on all or specified portions of the Great Lakes, and to establish and maintain systems for recruiting, training, licensing and registration of pilots.

### Dispatching and Pilot Boats

3. The Participants intend to establish and maintain, or cause to be established and maintained, facilities for the dispatching of pilots and for related services, including pilot boats. To avoid the cost of redundancy, services for shared participation should be provided on a cooperative exchange basis as follows:

a. District 1

(1) Dispatching - by the Authority

(2) Pilot Boat - at Cape Vincent, by the St. Lawrence Seaway Pilots' Association  
- at Port Weller, by the Authority

b. District 2

(1) Dispatching - upbound, by the Authority

- downbound, by the Lakes Pilots Association, Inc.
- (2) Pilot Boat - at Port Colborne, by the Authority
- at Detroit and Port Huron, by the Lakes Pilots Association, Inc.

c. District 3

- (1) Dispatching - by the Western Great Lakes Pilots Association
- (2) Pilot Boat - by the Western Great Lakes Pilots Association

The Participants intend that services solely for the benefit of Canadian pilots will be provided by the Authority and that services solely for the benefit of American pilots will be provided by their respective pilotage associations. .

Participation in Pilotage Service

4. The Participants intend that the provision of pilotage to vessels and the revenues derived therefrom are to be shared as detailed below. Revenue is to be based on work actually performed as determined by the natural flow of traffic and the standards described for sharing participation. Each country may employ pilots in such numbers as it deems necessary to meet its own actual work standards, but such numbers and work standards do not affect the sharing of participation and revenue described hereunder.

a. District 1

(1) Between Cape Vincent and St. Regis:

Vessels entering the District, either upbound or downbound, are to be numbered in blocks of 17, Canadian pilots are to serve vessels numbered 1, 3, 5, 7, 9, 10, 11, 13, 15, 17. United States pilots are to serve vessels numbered 2, 4, 6, 8, 12, 14, 16.

Assignments are to be made on the basis of a straight tour de role according to the nationality designated for each.

(2) Between Cape Vincent and Port Weller:

A dispatching role of 12 positions is to be established, 6 of which are to be designated for Canadian pilots and 6 for United States pilots. Canadian pilots are to serve odd numbered vessels and United States pilots even numbers. Assignments are to be

divided equally between United States and Canada over the course of the shipping season.

b. District 2

(1) Welland Canal - Canadian pilots only

(2) Between Port Colborne and Port Huron, with no intermediate ports of call (the Detroit Pilot Boat is not a "port"):

Vessels entering the District, either upbound or downbound, are to be numbered in blocks of 8, the number assigned depending strictly on sequence of arrival at Port Colborne upbound or Port Huron downbound. United States pilots are to serve vessels numbered 1, 3, 5, and 7 between Port Colborne and the Detroit Pilot Boat. Canadian pilots are to serve vessels numbered 2, 4, 6, and 8 in that reach. Between Port Huron and the Detroit Pilot Boat, United States pilots are to serve vessels numbered 1, 3, 5, 7, and 8. Canadian pilots are to serve vessels numbered 2, 4, and 6 in that area.

(3) Vessels stopping at ports within the District excluding the Welland Canal (the Detroit Pilot Boat is not a "port"):

Canadian pilots are to serve vessels bound for Canadian ports within the District and United States pilots are to serve vessels bound for United States ports within the District. A vessel leaving a United States port bound for a Canadian port within the District is to be served by a United States pilot to the Detroit Pilot Boat and by a Canadian pilot from there, except that no change is to be made for a vessel bound for Windsor from a United States port. A vessel leaving a Canadian port bound for a United States port within the District is to be served by a Canadian pilot to the Detroit Pilot Boat and by a United States pilot from there, except that no change is to be made for vessels bound for Detroit from a Canadian port.

c. District 3

Canadian pilots are to be assigned to serve vessels in such numbers over the course of the shipping season as to realize 18.9% of the total revenue for the District for the season.

## Accounting

5. a. The Participants intend to establish and maintain, or cause to be established and maintained, facilities for the billing, collecting, and accounting of pilotage revenue.

b. The costs incurred by the entities responsible for providing dispatching and related services are to be verified by the Director or the Authority, depending on which country provided the service. The entity providing the service is to be reimbursed from pilotage revenue in the following manner:

(1) District 1

The Participants intend that, prior to the 15<sup>th</sup> of March of each year, the Authority and the St. Lawrence Seaway Pilots' Association are to enter into an agreement to compensate each other for pilotage-related services. The charge for these services is to be those costs as mutually determined for the upcoming pilotage season. A monthly amount is to then be arrived at by dividing the total cost by nine (9) to arrive at a seasonal monthly amount. This amount is to be shared on the basis of dispatches between the Authority and the St. Lawrence Seaway Pilots' Association each month. Pilot boat costs are to be developed in a similar manner and shared on the basis of pilot boat trips used by Canadian and United States pilots each month. Payments for these services are to be made in the currency of the entity providing the services. Each entity providing the service is to do its own billing and collecting.

(2) District 2

The Participants intend that, prior to the 15<sup>th</sup> of March of each year, the Authority and Lakes Pilots Association, Inc. are to enter into an agreement to compensate each other for pilotage-related services. The amount to be charged for these services is to be based on costs and traffic anticipated for the upcoming pilotage season. A charge for each dispatch and a charge for each pilot boat trip is to then be negotiated between the entities on this basis. Payment for these services is to be made in the currency of the entity providing the service. Each entity providing the service is to do its own billing and collecting.

(3) District 3

The Western Great Lakes Pilots Association is to provide all services related to furnishing pilotage in the District. It is to reimburse the Authority monthly for its share of collections made during the preceding month. The Western Great Lakes Pilots Association may withhold from each payment a fixed percentage, as decided before the 15<sup>th</sup> of March of each year, to cover the costs of providing the services.

- c. The accounts of each District and the Authority are subject to audit by each country's own auditors. Copies of the audit are to be exchanged between the Participants, each reserving the right to ask the other for additional information or a more detailed report.

Calculation of Pilotage Units and Determination of Weighting Factor

6. For the purpose of calculating charges for pilotage services, the Participants intend for the pilotage unit number and appropriate weighting factor for each ship to be computed using the following formula and table:

a. Pilotage Unit Computation:

$$\text{Pilotage Unit} = \frac{\text{Length} \times \text{Breadth} \times \text{Depth}}{283.17}$$

b. Weighting Factor Table:

<u>Range of Pilotage Units</u>	<u>Weighting Factor</u>
0 – 49	1.0
50 – 159	1.15
160 – 189	1.3
190 and over	1.45

c. The charge for pilotage service is to be obtained by multiplying the weighting factor, obtained from paragraph (b) of this section, by the appropriate current base rate specified in each Participant's pilotage rate schedule.

### Rates and Charges

7. The Participants intend to arrange for the establishment of regulations imposing comparable rates and charges.

### Consultations

8. Either Participant may, at any time, request consultations relating to this Memorandum of Understanding. Such consultations should begin at the earliest possible date, but not later than 90 days from the date of the request unless otherwise mutually decided. During such consultations, the Participants or their designees are to prepare and present relevant evidence in support of their position to facilitate informed and rational discussions.

### Final Understandings

9. This Memorandum of Understanding is not an international agreement and does not give rise to any international legal rights or obligations.

10. After signature by both Participants, this Memorandum of Understanding shall become effective upon the mutual and complete termination of the Memorandum of Arrangements between the United States Secretary of Transportation and Minister of Transport Canada executed on 17 and 18 January, 1977, and last amended by an exchange of notes on 27 February 1996.


11. The Participants may modify this Memorandum of Understanding in writing upon their mutual consent.

12. Either Participant may discontinue its participation under this Memorandum of Understanding, but is to provide to the other Participant not less than 90 days advance written notice of its intent to discontinue participation.



SIGNED at U.S. Coast Guard Headquarters,  
Washington, DC on September 19<sup>th</sup>, 2013, in the  
English and French languages.

FOR THE UNITED STATES COAST  
GUARD:



J.A. Servidio  
Rear Admiral, U.S. Coast Guard  
Assistant Commandant for Prevention Policy

FOR THE GREAT LAKES PILOTAGE  
AUTHORITY:



Robert Lemire  
Chief Executive Officer