

FREQUENTLY ASKED QUESTIONS

Question: At what tariff rate will a vessel be charged for a voyage that arrives at a State of Hawaii port on or before February 28, 2010 for which the vessel's planned departure date is after March 1, 2010?

Answer: For vessels that arrive on or before February 28, 2010 at a State Department of Transportation, Harbors Division (DOT Harbors) port with a planned departure date occurring after March 1, 2010, there will be no change in the rates assessed for the following charges:

- o Port Entry fees,
- o Dockage fees,
- o Wharfage fees and
- o Pipeline Tolls, if applicable.

The tariff rates charged will be those rates that are in effect until February 28, 2010.

For activities or services that occur on or after March 1, 2010, while the vessel is in port, such as bunkering activities, electricity use, water services and cleaning charges, to name a few, the tariff rates assessed will be those rates that take effect March 1, 2010 as reflected in the Revised Hawaii Administrative Rules, HAR §19-44.

Question: At what tariff rate will my vessel be charged for an arrival at a DOT Harbors port on or after March 1, 2010?

Answer: For vessels that arrive on or after March 1, 2010 at a DOT Harbors port but before July 1, 2010, the rates assessed will be those rates that take effect March 1, 2010, for all charges including, but not limited to:

- o Port Entry fees,
- o Dockage fees,
- o Wharfage fees, and
- o Pipeline Tolls, if applicable.

For activities or services that occur after March 1, 2010, but before July 1, 2010, while the vessel is in port, such as bunkering activities, electricity use, water services and cleaning charges, to name a few, the tariff rates assessed will be those rates that take effect March 1, 2010 as reflected in the Revised Hawaii Administrative Rules, HAR §19-44.

FREQUENTLY ASKED QUESTIONS

Question: The new tariffs as set forth in HAR §19-44-66, refers to the exhibit dated January 1, 2010 entitled "Wharfage Rates", include surcharges assessed for Foreign Incoming, Foreign Outgoing and Foreign Transshipped containers. Are these new charges assessed for each unit load or container unit or are they assessed per linear foot of container?

Answer: The new surcharges, which take effect March 1, 2010, are assessed for **each** container of Foreign Incoming, Foreign Outgoing and Foreign Transshipped cargo. There are two different rates depending upon the length of the container, one rate for containers ≤ 24 feet and another rate for containers > 24 feet. The new Wharfage Report forms include a separate section that Harbor Agents must complete to report the quantities of foreign cargo to which these surcharges apply. Again, the unit of measure is **each** unit load for this required reporting.

Question: Will there be new Wharfage and Pipeline Toll Report forms for Harbor Agents to use to report cargo and pipeline tolls effective March 1, 2010?

Answer: Yes, there are new Wharfage and Pipeline Toll Report forms to use. The new forms for the period March 1, 2010 through June 30, 2010 are available on the DOT Harbors website, at <http://hawaii.gov/dot/harbors/doing-business>. For reporting periods that begin July 1, 2010 and thereafter, the Harbors Division will make available the prescribed report forms at the website address provided.

These new report forms include several new commodity codes and their related rates. Significant changes include:

- The new commodity codes 60-81 and 60-89 for "Other Greater Than 24 feet, (Other $> 24'$) in the Loaded Shipping Device section and the Empty Shipping Device section respectively;
- The new commodity codes 60-79 and 60-85 for Other Less Than or Equal to 24 feet, (Other $\leq 24'$) in the Loaded Shipping Device section and the Empty Shipping Device section respectively;
- The new commodity code 60-15, Aggregate/Sand; and
- The new commodity codes in the Surcharge section of the report to be used for Foreign Incoming, Outgoing and Transshipped containers.

FREQUENTLY ASKED QUESTIONS

Question: The new Wharfage Report forms to be used effective March 1, 2010 include a section to report Empties, but all of the rates for that section reflect \$0.00. Are the \$0.00 rates correct?

Answer: Yes, the new \$0.00 rates for Empties are correct, as reflected in the exhibit referenced in HAR §19-44-66 dated January 1, 2010 entitled "Wharfage Rates". Although there are no amounts assessed for the quantities reported in the Empties section, the quantities of empty containers must be reported on the new Wharfage Report forms.

Question: In the course of our normal shipping operations, our company loads and ships our empty containers (empties) on our own vessels, however, there are occasions that require us to load and ship our empties on vessels owned by other shipping companies/cargo carriers. Are we expected to report this movement of our empties from one Hawaii port to another on another cargo carrier's vessel? If we are required to submit such a report, is there a required report form that we must submit to report the empties that are shipped on other-owned vessels?

Answer: At the present time, the reporting of the shipment of empties is required of the cargo carrier that carries the empties from one Hawaii port to another. This reporting of the empties is to be reported on the Wharfage Report, as required by HAR §19-44-61(b), submitted by the cargo carrier for the voyage associated with the empties. This cargo carrier at its option can include on the Wharfage Report, information that identifies the owner of the empties carried on the subject voyage.

NOTE: Should the need arise in the future for the additional reporting of information regarding the movement of empty containers by the entities involved in that cargo movement, the State of Hawaii Harbors Division reserves the right to require such reporting.

Question: The new Wharfage and Pipeline Report forms to be used effective March 1, 2010 include a footnote indicating that quantities for certain tariffs for autos, shipping devices, empties, pallet loads and heads reported as "each", must be reported as whole units and that only for the units of measure of ton, mbf and bbl can quantities with decimals be reported. Are these forms correct?

FREQUENTLY ASKED QUESTIONS

Answer: Yes, the forms are correct. Quantities for all units of measure other than ton, mbf and bbl, must be reported on all new Wharfage and Pipeline Toll Report forms as whole numbers with no decimals, effective March 1, 2010. For amounts reported with units of measure of tons or mbf, on the Wharfage Report, you may report the quantities to the hundredths place, i.e., two decimal places can be used. For amounts reported with unit of measure of bbl on the Pipeline Toll Report, you may report the quantities to include up to four decimal places.

NOTE: Negative quantities must not be reported on these new Wharfage Report forms. Negative amounts will be rejected and they will be reflected on these Wharfage and Pipeline Toll Report forms as a zero quantity.

Question: There are two new Pipeline Toll Report forms to be used effective March 1, 2010. Please advise why there are two new report forms instead of the one report form that was previously used?

Answer: One report form is to be used to report the use of State-owned pipelines and the second report form is to be used to report the use of privately-owned pipelines.

Question: There are three new Wharfage Report forms to be used to report Inter-Intra Island cargo activity effective March 1, 2010. Why are there three new report forms instead of the one report form that was used previously?

Answer: The additional Wharfage Report forms are to improve the reporting of cargo transshipment activities at DOT Harbors Port facilities.

Question: The new tariffs that take effect March 1, 2010 will remain in effect until June 30, 2010. What will the increases be, effective July 1, 2010, July 1, 2011, and thereafter?

Answer: HAR §19-44-73, entitled Incremental increases to wharfage rates and passenger fees provides information concerning the increases that will occur on July 1, 2010, on July 1, 2011, and thereafter.

FREQUENTLY ASKED QUESTIONS

Question: At what tariff rate will a vessel be charged for a voyage that arrives at a DOT Harbors port on or before June 30, 2010 for which the vessel's planned departure date is after July 1, 2010?

Answer: For vessels that arrive on or before June 30, 2010 with a planned departure date occurring after July 1, 2010, the rates assessed for the following charges, will be those rates that are in effect until June 30, 2010:

- o Port Entry fees,
- o Dockage fees,
- o Wharfage fees and
- o Pipeline Tolls, if applicable.

For activities or services that occur on or after July 1, 2010, while the vessel is in port, such as bunkering activities, electricity use and water services and cleaning charges, to name a few, the tariff rates assessed will be those rates that take effect July 1, 2010.

Question: What rates will be assessed for shipping devices, for which the Free Time period has been exhausted, stored at DOT Harbors Port facilities in accordance with HAR §19-44-43 on or before February 28, 2010, that remain in storage on or after March 1, 2010?

Answer: Assuming that the proper requests for storage have been made and that those requests were approved by the Harbor Master, storage charges for periods that commence on or before February 28, 2010 will be assessed at the rates that are in effect until February 28, 2010. If a new storage period is allowed under HAR §19-44-43, i.e., storage for the 6th through the 10th calendar days, which commences on or after March 1, 2010, the storage charges for this period will be assessed at the new rates that take effect on March 1, 2010.

Question: What rates will be assessed for shipping devices stored at DOT Harbors Port facilities in accordance with HAR §19-44-43 for which we anticipate Demurrage charges to be incurred starting on or before February 28, 2010, that will remain at DOT Harbors Port facilities on or after March 1, 2010?

FREQUENTLY ASKED QUESTIONS

Answer: Assuming that Free Time and the properly requested and approved two (2) five-day periods for the Storage of shipping devices have expired on or before February 28, 2010, Demurrage charges will be assessed at the rates that are in effect until February 28, 2010, if the commencement of Demurrage charges for the first five-day demurrage period occurs on or before February 28, 2010. The assumption in this response also includes the concept that the two (2) five-day periods for the Storage of shipping devices were properly requested of and approved by the Harbor Master as required by HAR §19-44-

43. Once the initial five-day demurrage period expires, and the 6th day of demurrage occurs on or after March 1, 2010, the Demurrage charges from that day forward will be assessed at the new rates that take effect on March 1, 2010 for all of the cargo, including autos, trucks or other vehicles or shipping devices that occupy DOT Harbors Port facilities.

If the initial five-day demurrage period commences on or after March 1, 2010, the Demurrage charges from that day forward will be assessed at the new rates that take effect on March 1, 2010 for all cargo, including autos, trucks or other vehicles or shipping devices that occupy DOT Harbors Port facilities.

Additional information concerning the new tariff rates is available at the DOT Harbors website, <https://hidot.hawaii.gov/harbors/library/admin-rules/>.