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ALASKA OIL SPILL COMMISSION

NOVEMBER 13, 1989

ANCHORAGE, ALASKA

OIL SPILL COMMISSION MEMBERS

Walter B. Parker, Chairman

Esther C. Wunnicke, Vice-Chairman

Margaret J. Hayes

Michael J. Herz

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VOLUME III OF III

PARALEGAL PLUS

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1 Mr. Frey come forward.

2 MR. FREY: Are you reconvened?

3 MS. WUNNICKE: We are.

4 MR. PARKER: We are reconvened.

5 MR. FREY: My name is Mano Frey and I am

6 President of the Alaska AFLCIO. And, also, speaking

7 primarily today in my capacity as business manager,

8 secretary/treasurer of Labor's Union Local 341.

9 I have several comments to make. Both prior to

10 the spill and post spill and would be happy to answer any

11 questions any of you may have.

12 The first five years of the operation of the

13 terminal, there was a 24-hour oil spill response team.

14 Much of this, I'm sure, heard rehashed, but it's my first

15 chance so, you get to hear it again.

16 The people that were on that oil spill crew were

17 members of our local union. Local 341. And, in '81 and

18 '82 as Alyeska made the decision to phase that crew out of

19 existence we tried to talk to whoever we could about the

20 need that we perceived to keep that oil spill response

21 team in existence. And, there wasn't anybody to talk to

22 and I would hope that if nothing else comes out of your

23 actions, the actions of this Commission, the terminal has

24 been in operation for twelve years, hopefully for the sake

25 of the people that live here it is going to be an opera-

1 tion for 112 years. But, the people that are involved
2 directly or indirectly need a listening post when there
3 are problems that occur with an operation, the magnitude
4 of the terminal, there has to be a person, a body, a
5 Commission, somebody to talk to who will take the concern
6 seriously.

7 The problem that we ran into in '82 was that
8 anyone we spoke to felt it was sour grapes because the
9 people that were doing the job were losing the jobs, but
10 having living personally in Valdez for eight years and
11 representing a couple hundred members that lived there
12 still and make their livelihood in Valdez, it was certain-
13 ly more than just a matter of the jobs that were lost. It
14 was the lack of ability to respond quickly. And, I think
15 each of you has probably heard the analogy, it was much
16 like a fire department. You hope you never have to go out
17 and they hope they never have to go out on anything
18 serious. But, if there is a fire they are there ready and
19 that's exactly how the crew was initially set up.

20 Now, since the spill there is not just a response
21 crew at the terminal itself, but the escort ships and so
22 many more things that are in place now to be able to
23 respond quickly and certainly responsibility if, God
24 forbid, there is another oil spill. And, I don't think
25 it's reasonable to say that at some point in time won't be

1 more spills, because there will be. Anytime you are
2 dealing with human beings, no matter what safeguards you
3 may have in place, there are going to be accidents. So,
4 I would hope that the Commission would be able to come up
5 with some kind of reasonable access for people to talk to
6 when they do have some concerns and some way to address
7 those concerns.

8 Again, I don't want to be too redundant for your
9 sakes, but I will tell you that VECO was the prime
10 contractor for the oil spill contractor. They sub-
11 contracted to a Union contractor, Norcon (ph), and as
12 signatory to Norcon our local had a major role in the oil
13 spill clean up. We had more than 1,000 of our members
14 working in the Valdez area. Along with Norcon we also had
15 a contract with HC Price which was involved with much of
16 the clean up of the waste once it was brought back to
17 shore. Some of the infamous incinerators down in Valdez
18 and the oily waste as they were trying to dispose of it.

19 Again, I would have to say that it's unfortunate
20 that it takes an incident like this for everyone of us, no
21 matter who, to learn what needs to be done in a case of a
22 major incident. And, the only way to get ready and
23 actually prepare for something like this is to have to go
24 through it like we did. It was an amazingly confusing
25 time. The first month after the spill. And each week we

1 solve coordination and the clean up actions get better and
2 better. And, as the contractors and our role as far as
3 getting some of the barges ready to go out that house the
4 people that were cleaning up the beaches and more and more
5 of those were prepared and they got the people out in the
6 Sound actually washed the beaches down and clean up, it
7 was as close to a military exercise as I think many people
8 have ever been involved with.

9 Unfortunately, the first month when there was so
10 much confusion when there was no equipment of very
11 little, that's when the need for most of our people came
12 into play because the oil went all over. And, unfor-
13 tunately, none of you would be sitting here if an accident
14 of this magnitude hadn't occurred. And, I say unfor-
15 tunately, because it gets back to my initial response. I
16 think that everybody in this State has learned a valuable
17 lesson and I hope that from the people that you have
18 testifying from your reports, you are able to come up with
19 some solid suggestions and solutions for preparing and
20 what to do in the case of another accident. Whether it's
21 in Prince William Sound or some place else in this state.

22 But, I will say that Exxon's been highly criti-
23 cized for their response to the spill. Our relationship
24 with Exxon, just as a third party, we never had direct
25 dealings because we dealt with the Union contractor. But,

1 they were caught in a situation that they certainly never
2 expected to happen and they, frankly, were not prepared to
3 deal with initially. But, they got prepared and as the
4 season went on, as the summer went on, the coordination
5 and the clean up efforts were tremendous. Like I say, I
6 don't know how much detail you are interested in, that's
7 why I'm willing to answer any questions that I can.

8 But, the other thing that I want to say -- a lot
9 of criticism in the median and from some people about
10 their decision to cut off September 15. That was, of all
11 their decisions that they made some right, some wrong,
12 some good, some bad, had representing a large percentage
13 of the people that were working on that water, safety was
14 a primary concern throughout the oil spill clean up effort
15 from all parties. We had, and we know VECO had, a lot of
16 inexperienced people, because frankly there was never
17 anything like this in anybody's imagination. There was no
18 way to train or prepare for anything like this. We lost
19 no one with the exception of slips on very slippery
20 surfaces and if you haven't had the chance to walk the
21 beaches, it's an experience unlike any other. Because the
22 rocks and the oil on the rocks and the fact that no one,
23 no one of our people was seriously injured is almost holy
24 in part because of Exxon's emphasis and Norcon and VECO's
25 emphasis on safety. And, they need to be commended for

1 that and we applaud the September 15th cut off.

2 Prior to that date, and if you look at what
3 actually went on, prior to September 15th there were
4 periods in the three weeks prior to that, days at a time
5 when they couldn't get on the beaches and do any work
6 anyway. Because the water was so rough. And, I think
7 this winter will tell the tale certainly about what
8 happens next spring.

9 I'd be surprised if the beaches are -- if Mr.
10 Clean comes along and miraculously washes all the beaches
11 off. So, I think that Exxon will be responsible as they
12 have made the commitment and if there is a need, I believe
13 they will be back next spring. But, we think September 15
14 was appropriate as far as a cut off date out on the water.

15 I'd be more than happy to answer any questions.
16 We were involved in processes unlike any other in my 19
17 years in this state and it gave us and our membership a
18 tremendous amount of experience. Hopefully, they will
19 never have to use it again.

20 Yes?

21 MR. PARKER: That's the problem with oil spills
22 experience. Yeah, you hope you never do. Commissioner
23 Hayes?

24 MS. HAYES: You said that at the time in 1982
25 when the manpower was being reduced at Alyeska's terminal

1 the spill clean up group, that you talked to numerous
2 groups in the State and you were sort of dismissed as
3 being sour grapes worrying about jobs. Who in State
4 government did you talk to? Did you talk to DEC?

5 MR. FREY: Yes.

6 MS. HAYES: That response was sort of a hoe-
7 hum sort of response.

8 MR. FREY: They were satisfied with Alyeska's
9 approach.

10 MS. HAYES: Did you talk to the State Om-
11 budsman officer?

12 MR. FREY: No. We did not. We primarily
13 tried to deal with DEC.

14 MS. HAYES: Okay. I'm just wondering because
15 I don't, at this moment, I'm not visioning one of our
16 recommendations being creation of a group that would be
17 responsive to that kind of thing. Do you have an access
18 to Alyeska now that you felt you didn't have before? Do
19 you have.....

20 MR. FREY: Well, I think that they are less
21 immune to criticism from the press than they were before.
22 That's not necessarily the most perfect avenue, but and I
23 certainly hate to use that as some method to try to tape
24 somebody on the shoulder.

25 MS. HAYES: Is the team of people that are

1 working right now for the Alyeska on their spill response
2 team. Are they union members?

3 MR. FREY: Yes, they are. Those that are
4 based at the terminal. The crews that are working on the
5 support vessels are not union.

6 MS. HAYES: That's all.

7 MR. PARKER: Anyone else? Counsel?

8 MR. HAVELOCK: Mr. Frey, when you talked to DEC
9 did you talk to the local Valdez level or did you talk to
10 the Commissioner?

11 MR. FREY: It was the local level, not the
12 Commissioner level.

13 MR. HAVELOCK: Did you talk to any other agency
14 besides DEC?

15 MR. FREY: We were doing an awful lot of
16 crying, but I don't think so. I.....

17 MR. HAVELOCK: Have you been around or do you
18 have some recorded knowledge of how the Union Labor Force
19 responded to some of the other major emergencies that have
20 occurred in Alaska? I guess the earthquake was before
21 your time. I'm not sure about the flood in Fairbanks. At
22 any rate, I wanted -- do you have any base line in terms
23 of response to emergencies.....

24 MR. FREY: Sure.

25 MR. HAVELOCK:against which against which

1 you could measure how this response worked in terms of
2 labor force mobilization?

3 MR. FREY: I would say very, very similar,
4 Mr. Havelock. The day of the spill, in fact, I'll tell
5 you what we did this time and I know that it ducktails any
6 other major accidents that have befallen this state that
7 the day of the spill, that morning I sent an agent down to
8 Valdez, one of my field agents. We opened up an office
9 and I contacted Don Cornet in Exxon's officer here in
10 Anchorage and spoke to Don and offered our help and
11 support and that was on March 24th. From that day forward
12 we were not just willing but able to help out as far as
13 lending critical support as far as experienced oil spill
14 response people. We still had a contra in Valdez of
15 people who had worked at Alyeska and were able to provide
16 some of those people to the contractors. We also offered
17 support form our training school, both on a local level
18 and a national level as far as training and hazardous
19 waste and in fact have developed with Alyeska and the
20 contractor terminal we are developing now a safety
21 training program for those people involved in oil spill
22 response. Both union and non-union.

23 MR. HAVELOCK: Did you have such a -- was there
24 such a program in place before?

25 MR. FREY: Yes.

1 MR. HAVELOCK: What kind of improvements or
2 changes are you making?

3 MR. FREY: We are actually working now
4 directly with Alyeska and so it will be more of a custom
5 made, instead of a generic hazardous waste class it will
6 be custom made to directly support oil spill and the
7 hazards encountered.

8 MR. HAVELOCK: You mentioned you had experienced
9 oil spill people. Are you talking about nationally?

10 MR. FREY: No, primarily at the local level.
11 Our people, even after the -- in '82 after the oil spill
12 response team was eliminated, our people were still the
13 first in line when they needed extra people with the
14 smaller spills that occurred in Valdez. And, so many of
15 our people were experienced, many in the 50 ratings. Not
16 many in the 10,000 range. At that time it was many.

17 MR. HAVELOCK: Well, did you have people that
18 weren't utilized? That were experienced?

19 MR. FREY: With this spill?

20 MR. HAVELOCK: Yes.

21 MR. FREY: There's was no one that was not
22 utilized. We utilized everybody. And we did get support
23 with some of the health issues, because again, the large
24 amounts of crude involved, we didn't want to put any
25 people in danger and so we were able to draw on some

1 national expertise and many of you may know Eula Bingham.
2 Dr. Bingham came in and helped in the initial days of the
3 spill to analyze and make recommendations as far as
4 adequate training.

5 MR. HAVELOCK: So, you are satisfied that you
6 were able to bring in national resources that you had with
7 respect to handling dangerous substances and so on and
8 they were utilized in good faith by the managers of this
9 spill response? Is that right?

10 MR. FREY: Not quite, but that's real close.

11 MR. HAVELOCK: How about the not quite?

12 MR. FREY: We utilized them and their
13 expertise and they made recommendations. Our contractors
14 that we dealt with utilized as many recommendations as
15 were feasible and with Exxon we didn't have as quite as
16 good luck as far as some of the recommendation and since
17 things have -- since the clean up is not in progress
18 anymore, we have had continued dialogue with Exxon and
19 hope to in fact have some more specific, site specific
20 training prior to next year if they are back next year.

21 They didn't think some of our ideas were so good,
22 but we are still working on them.

23 MR. HAVELOCK: There's been some, well--- Is it
24 your observation that the existence of a union force and
25 a non-union force, did that make any difference in the

1 sense that there was any company or response to use non-
2 union labor?

3 MR. FREY: We felt from day one that we could
4 have provided all the help they needed. So, I am not
5 objective at all in any kind of answer. In my opinion it
6 wasn't necessary to use any non-union help, but unfor-
7 tunately that wasn't a decision that I got to make. And,
8 I will say that our ability to utilize experience con-
9 struction people though they may not have been involved in
10 any oil spill clean up before, but just the fact that they
11 were experienced construction people working in this
12 state, we were able to put together good working crews
13 much quicker than the non-union work force that was out
14 there, in my opinion.

15 MR. HAVELOCK: Was there any conflicts between
16 the use of the union labor force and the use of local
17 people who were not union?

18 MR. FREY: That was never any conflict at
19 all. Any of the areas that were affected we were willing
20 and able to take in and train and make a part of the
21 working force any of the people from the local areas.
22 That was never -- it was a perceived problem on the part
23 of some of those that were in charge, but it was never a
24 problem with us. We had people working out of Valdez, out
25 of Seward, out of Kodiak. And in each area, we took in

1 new members, local people. Took in many new members.
2 And, they worked right along side the season construction
3 crews and it worked out very well, because they were able
4 to learn that much quicker.

5 MR. HAVELOCK: Did that same observation be true
6 of utilization of Alaska native people that live in the
7 area?

8 MR. FREY: Absolutely, no problem. In fact,
9 we have a relationship with the native group up in the
10 Glennallen, Copper Center area and we were able to bring
11 down many of those members and put them to work down in
12 the Valdez area.

13 MR. WALLIS: John, can I ask a question along
14 that same line?

15 You indicated that you felt there wasn't a need to
16 go non-union. To supply all the people, where would you
17 have got all the people?

18 MR. FREY: Well, our immediate, the way we
19 handled it in this particular case, we put anybody that
20 was a local resident and qualified we established hire
21 lists and in Kodiak, Valdez and Seward, there wasn't
22 anybody who was a legitimate "resident" of those areas
23 that we weren't able to put to work.

24 MR. WALLIS: And you treated them like any new
25 member. They paid the initiation fees and dues and such?

1 MR. FREY: That's right.

2 MR. WALLIS: And after the spill they would

3 have to continue to pay the dues, correct?

4 MR. FREY: If they wanted to continue. Since

5 the spill the majority of the people, just because of the

6 work that we have going on and the work that we have

7 coming up, the majority of the people we feel will

8 continue to pay dues and be members in good standing.

9 But, they work the appropriate number of hours and went on

10 the appropriate list after they were finished. But, I

11 think many of them saw the benefits of belonging since

12 they had not belong to the union before.

13 MR. HAVELOCK: There's been some occasional

14 accusations that Exxon sort of threw bodies at this spill

15 and that they didn't have a coherent plan for cleaning,

16 but that just spend money and put equipment out and there

17 were people standing around on beaches that were not

18 trained to do anything or were not equipped to do anyth-

19 ing, but were just there drawing down money. Was that a

20 kind of criticism that you heard commonly from your

21 members or not at all? Or on rare occasions?

22 MR. FREY: Very rare occasions. That was not

23 our experience at all and I spent great deal more time out

24 on Prince William Sound than I had ever wished, I guaran-

25 tee you that. And, it certainly not my observation that

1 that occurred.

2 Unfortunately, there was some initial news footage
3 that was replayed on a weekly basis of some people that
4 were wiping off rocks and that was the perception in
5 everybody's mind that that's all anybody was doing. And,
6 if any of you saw the actions of the workers as they were
7 washing down the beaches, using the omni barges or using
8 the maxi barges, you would absolutely know that I'm not
9 just spinning a tale here.

10 Our people, now certainly in every case when you
11 get that many people, you are going to have some that are
12 more productive than others and this is not any different
13 than any other large construction project. But, in
14 general the people earned the money they made. They were
15 working in at times very harsh conditions, and at times
16 with very little support other than what they could manage
17 for themselves. And, so where initially the first days of
18 the spill, I think there was a great deal of confusion on
19 everyone's parts. Not just Exxon and how to coordinate a
20 clean up, but everybody and every agency that was involved
21 in this there was a little bit of a chicken little
22 syndrome where the sky was falling.

23 But as the summer wore into some real live clean
24 up, there was less and less of that and more of a plan
25 and a lot more coordination between the Coast Guard, DEC

1 and Exxon on what beaches to clean and the ones that were
2 more seriously harmed. And, so initially probably some
3 valid criticism, but I think of everybody involved, not
4 just Exxon. But, as people realized how to manage and how
5 to handle the problem that became less and less notice-
6 able.

7 MR. HAVELOCK: Was there a standard program for
8 training and for safety that all beach workers got?

9 MR. FREY: Well, there was. And, that was
10 the one area that we remained critical of. There is a
11 federal regulation requiring 40 hours minimum of training
12 for any hazardous waste. Oil is classified as a hazardous
13 material. Initially there was a four hour class. And,
14 after coercing the agencies involved into having some
15 hearings on it, and we supplied some expertise to show
16 where the 40 hour standard is based on more of a generic
17 training class, it could be possible to lessen that
18 standard for this particular case, because you are dealing
19 with just one substance, not many.

20 We were willing to provide the ongoing training of
21 what we felt would be adequate for the material that these
22 people would be handling including things that may sound
23 simple but when in fact you have that many bodies in-
24 volved, it's not simple of how to put on the gear and take
25 it off. And how to adequately take and safeguard yourself

1 so you don't get the oil all over you. We were finally
2 able to convince the state agencies involved and the
3 federal agencies involved to increase the training and
4 they increased it up to a six to seven hour class. Though
5 we never did feel that was adequate, at least it em-
6 phasized the oil and it was certainly more adequate than
7 the initial four hour class that emphasize hypo-thermic.
8 We thought there was less chance of people freezing to
9 death than the long term harmful side affects of exposure
10 to the oil.

11 And, I mentioned earlier we are still having some
12 dialogue about next year. The regulations were put in
13 emergency fashion because of the emergency nature of this
14 clean up and we didn't object to that because it was true.
15 There was, in every since of the word, an emergency out
16 there. And, we didn't want to put any roadblocks in front
17 of that clean up effort. However, for next year we feel
18 that the Federal regulation needs to be adhered to and
19 this winter is a perfect time to try to train the number
20 of people that they think might be needed for next year.

21 MR. HAVELOCK: Thank you, Mr. Chairman. Anyone
22 else? Tim?

23 MR. WALLIS: Yeah. On the aspect of volun-
24 teers, how do you feel about their roles?

25 MR. FREY: I think it's real dangerous. I

1 think that we were fortunate as I mentioned before that
2 none of our people ended up with any serious injuries and
3 there were no deaths from among our membership. But, they
4 had supervisors that were skilled and qualified and knew
5 how to deal with safety problems and how to adequately
6 train the people that they had.

7 On a voluntary effort there -- if someone is
8 seriously hurt, or, God forbid, killed, or drowns or any
9 kind of serious incident, then I feel that whoever is
10 responsible is not just going to bear a great deal of
11 guilt, but is certainly going to be legally liable in
12 allowing it to happen. And, I think there are probably a
13 great many people in this State that would be willing to
14 go out and volunteer in an effort like that, but unless
15 they are adequately trained and supervised, you may get
16 some work accomplished, but what's the final risk? What
17 risk are you at? Are you placing yourself in? And, I'd
18 have to say for Exxon and the State and any other agency
19 that's going to involve themselves in that -- if I had
20 anything to say about managing it, it certainly wouldn't
21 be worth it to me as manager.

22 MR. WALLIS: I don't think you'd get any
23 argument other than the fact that anytime you do have a
24 disaster you have volunteers. And, the fact is, how do
25 you approach them, treat them, etc?

1 MR. FREY: Well, there are things they can
2 probably do without placing themselves in immediate danger
3 that working out on Prince William Sound or any of the
4 other places affected by the spill. And, drawing back to
5 Mr. Havelock's question about the earthquake 25 years ago
6 here. There were many volunteers for that, but the things
7 that they did was assisting the Red Cross and other
8 support agency. They help support. And, I think that the
9 rebuilding, for instance in the Anchorage area and other
10 communities affected by the quake specifically, the
11 rebuilding was handling by construction companies that
12 hired the skilled help they needed. And, probably good
13 analogy because there were certainly many volunteers for
14 something like that immediately impacted so many com-
15 munities. But, they help assist some of the other support
16 agencies. They weren't directly involved in the rebuild-
17 ing efforts, per se.

18 MR. WALLIS: Thank you.

19 MR. PARKER: Anyone else?

20 MR. HAVELOCK: Do you have a contingency plan for
21 the union for response to major disaster? Oil spill or
22 other kinds -- earthquakes?

23 MR. FREY: We have worked with the Red Cross,
24 for instance. I won't say necessarily a contingency plan,
25 but there's not a local union in this state that isn't

1 ready and able to assist in a moments notice with someth-
2 ing of this magnitude.

3 MR. HAVELOCK: Do you know exactly what to do if
4 there were a big earthquake? Would you know what to do
5 for the next twenty-four hours in terms of your employ-
6 ment?

7 MR. FREY: I know what I would do. After the
8 first 24-minutes.

9 MR. HAVELOCK: I'd say a lot shorter than that.
10 (Laughter)

11 MR. FREY: I understand, but it would take a
12 while to quit shaking yourself. Yeah, we have met with
13 the Red Cross in the past in fact and our union hall is
14 one of the areas that would be a control center of sorts
15 because we have so many accessible phone lines and we
16 would be dealing with them and the other emergency
17 agencies in this state to respond.

18 MR. HAVELOCK: Thanks, Mr. Chairman.

19 MR. PARKER: What are your feelings about the
20 legislation passed last spring creating the oil spill
21 response in this State? Had a chance to look at that
22 legislation?

23 MR. FREY: Does anybody yet know what it means?

24 MR. PARKER: Lee.....

25 MR. FREY: I mean there was quite a bit of

1 legislation that prior to March 24th wouldn't have had a
2 ghost chance of passing and because of the spill, did
3 pass. I just -- I personally think it's a little too
4 early to say what's good and what's bad so far.

5 MR. PARKER: Well, I think the main aim of
6 that, you know, is the responding to fishermen and to
7 create a base for continuing that. I'm not sure whether
8 it was in the mind of the legislature to go beyond that.
9 I haven't figured that out myself, yet.

10 I appreciated your earlier remarks on the fact
11 that may be shipping oil from Valdez for the next 112
12 years. It follows upon something I told JN back in '76,
13 you know, where it may be the leading oil and gas produc-
14 ing state in the country for the next century and we
15 should act like it.

16 I think if you look at the structure of the state
17 government in this state, you'd figure out pretty fast
18 that fish was important to this state and that we were the
19 leading fishery producing state. But, you wouldn't
20 particularly make a determination if you look at nothing
21 but the structure of state government that oil and gas was
22 important in this state.

23 MR. FREY: That's very true. I don't
24 disagree with that.

25 Thank you for the opportunity to talk in front of

1 you today.

2 MR. PARKER: Thank you.

3 MR. SUND: We figured out how to spend it

4 all.

5 MR. PARKER: Well, yeah. Okay. Commissioner

6 Wenk.

7 MR. WENK: Thanks, Mr. Chairman. Wouldn't it

8 be more comfortable if I took that.....

9 MR. PARKER: Sure.

10 MR. WENK: position. If our visitors

11 will excuse a Commissioners back.

12 Mr. Chairman, collegeages, and counsel and staff,

13 I really appreciate this opportunity to share some views

14 with you. Sort of a think piece. I know it's a little

15 unusual for a member of a Commission to put on another

16 hat, but when appointed by the Governor, my impression is

17 he appointed all of this Commissioner and not just a part

18 of him. And, one part of that is a person who has been

19 professionally around ships since 1941, who's fate it was

20 to be over at the Torry Canyon spill to draft the first

21 National Contingency Plan for the President. And, so on.

22 And, I've tried to share these ideas as we went along in

23 a variety of ways. One through a set of key questions

24 that you may recall were prepared back in July and the

25 present business, I think was such that perhaps there

1 wasn't an opportunity to look at all of these. Meanwhile,
2 I heard a ticking clock. It's the same clock you hear
3 that has some kind of a deadline you have on it, like
4 January 6 or whatever it is.

5 So, rather than bitch about the situation, I
6 decided that perhaps the most professional thing I could
7 do would be to put these ideas down on paper. There's a
8 high risk in doing that, but that's not something that's
9 new to this Commissioner. The main thing is that there
10 was a point of view that struck me as being especially
11 important if this Commission was going to come up with a
12 report that was not to echo some very important recommen-
13 dations being made by others. Some of which have been
14 echoing for decades, but also to take a look at the most
15 fundamental question that I believe we are faced with.

16 And, if I could suggest that, Mr. Chairman, it is
17 to understand that the purpose of the transportation of
18 oil by sea is to get it from Port A to Port B both safely
19 and economically. And, I put those two words in that
20 position because there's a very big difference between
21 getting it there safely and economically in my view versus
22 economically and safely.

23 There are two premises that underpin what I'd like
24 to share with you and the first is that the most critical
25 lesson to be learned from the Exxon Valdez, what I termed

1 the wreck of the Exxon Valdez is the emphasis on accident
2 prevention and the second is that the oil transportation
3 system itself is so fundamentally flawed that it is going
4 to be necessary to deal with remedies that are going to
5 match the problem. In no way does this minimize the
6 importance of individual technological fixes as it were.
7 That's the business I've been in over many years. But, I
8 think in this instance we ought to look beyond that and to
9 try to understand first of all that we are dealing with a
10 large technological delivery system, so large, so complex,
11 involving so many different stakeholders that I felt that
12 it deserved a term that makes me shudder a little bit, but
13 I couldn't think of a better one and so I've called it a
14 mega-system.

15 And what we find is that with this mega-system
16 like almost all others, there are risks to some of the
17 participants. What is today socially unnerving is that
18 some of these are innocent by-standers who are exposed to
19 risk without any information as to that exposure, but
20 secondly without the opportunity of consultation because
21 since none of these initiatives is risk free, all involve
22 some kind of tradeoffs and yet those exposed to risk very
23 often don't have the opportunity of participating in that
24 choice.

25 The second thing that we find about these mega-

1 systems is that they are so user friendly that you only
2 begin to appreciate the full complexity in size when
3 something goes wrong. A lot of what I have been doing in
4 the last 19 years has been evaluating technological mega-
5 systems, though I certainly didn't use that term until
6 very recently, and two of them are discussed in trade offs
7 as you know. The Challenger and Gernoble (ph). They both
8 follow certain patterns and, my gosh, so does the wreck of
9 Exxon Valdez.

10 One of these is that when a system triggers a
11 calamity, all of the components are so agitated, the human
12 components, that we suddenly discover who the stakeholders
13 are and what their mode of thinking, their mind set, is as
14 it relates to all of the circumstances leading up to the
15 catastrophe. And sure enough, I think that's happened in
16 everyone of the examples that we have taken a look at.

17 There's a measure of this that may sound a little
18 trivial as I report it, but it seems to me we ought to
19 fasten on certain symbols of the situation. Remember if
20 you will, an entire state that was hypnotized with a blood
21 alcohol count. Matter of fact, it wasn't just the state
22 of Alaska. The whole country was for a while. And then
23 a second number, though I don't know how often this was
24 used, but it still was symbolic of what was going on when
25 it was reported that the spill for the first four hours

1 amounted to leakage of fuel at the rate of 40,000 gallons
2 a minute. And, that begins to blow the mind.

3 The third number that I believe we paid attention
4 to was a number of miles of beach that were clean although
5 we then had to adopt the euphemism for clean up and so the
6 number of miles of treatment -- the number that I believe
7 we need to fasten on is one that I am embarrassed to tell
8 you is wrong in this paper. So, I will make that correc-
9 tion right away. The number is 2 billion, but it isn't
10 gallons per year, it's barrels per year of oil that is
11 imported by tanker to the United States. And, I think
12 that's the underlying symbol of why we need to pay
13 attention to the safe transport of oil by ship. Exxon
14 Valdez, it seems to me is a case that could have happened
15 elsewhere certainly on the West Coast, it could have
16 happened in Puget Sound, it could have happened in Long
17 Beach. We know just a few months ago, something similar
18 to this happily at a smaller scale, occurred three times
19 over one week end in the Houston Ship Canal and Delaware
20 Bay and Naraganzet (ph) Bay. And, so we begin to suspect
21 as we uncover more and more numbers that there's a pattern
22 here.

23 In the paper there are two of these that I cite as
24 evidence that indeed something is amiss. The first
25 pattern has to do with the history of maritime safety

1 where there had been repeated recommendations for correc-
2 tives to reduce risk year after year, agency after agency,
3 report after report. Mr. Chairman, you yourself go back
4 to the long time that the issue of double bottoms has been
5 on the agenda. And, I think we all know why it is still
6 on the agenda.

7 The recent history of maritime safety is pretty
8 much one where neither those who are shipping oil nor
9 those who are expected to be public watch dogs have been
10 doing their jobs. And, it also turns out, I think, that
11 we are finding that even those who might have been
12 expected to watch the watch dogs weren't watching very
13 carefully. And, so what's wrong with the system isn't
14 something where it's satisfactory to simply point at the
15 alcohol level of a Master who was asleep when the accident
16 occurred. But, I think to look more deeply at a pathology
17 of the entire oil transport system.

18 The notion that something's wrong with it goes
19 back a long time, but it took a, of all things, a sociolo-
20 gist, writing in a book called "Normal Accidents". Even
21 that title is enough to arouse interest. But, writing in
22 "Normal Accidents" Charles Paroe (ph) identified marine
23 oil transportation as "Error inducing rather than safety
24 promoting". And, he chose as one way of characterizing
25 the system a comparison with air transportation. Now, one

1 can debate whether or not indeed that's exactly what we
2 ought to do if we want to look at the error inducing
3 qualities of oil transportation. But, rather than attack
4 the methodology, if we simply recite some of the elements
5 of this comparison, I think we begin to find that indeed
6 there's a vast difference between the two that the
7 difference follows a certain pattern and therefore we have
8 reason to be seriously concerned.

9 Those are listed in this paper and I don't, since
10 time is short and I know you have had the paper in hand,
11 I won't go through those, but I will simply say that when
12 you have a pattern of that sort, it strikes me that
13 prudence dictates an analysis of underlying cause. And,
14 it's here that one can see that if indeed these repeated
15 recommendations to reduce risk have not been heeded, year
16 after year systematically, that there is a problem of
17 major proportions and one that I would suggest has to be
18 looked at in terms of those elements of management that
19 have the greatest opportunity to indeed bring about a safe
20 system and which have not. And, I suggest to you that
21 here within the Federal Government, this leads directly to
22 the Whitehouse and to the U.S. Congress. It leads in the
23 State of Alaska and other states to the Governor's Office
24 in the State House. It leads to the Board Rooms of the
25 corporations that are involved. And lastly, it leads to

1 you and to me, because a concept that I didn't put in the
2 paper, but I've thought about since, is that whereas we
3 may single out these three entities, and I'll talk about
4 that more in just a second, as not having been adequately
5 accountable in my view, all of us are responsible. And,
6 therefore what you find in the remedies that I propose is
7 an attempt to put into the hands of those who are poten-
8 tially affected by the operation of a marine oil transpor-
9 tation system, mega-system, more information about what's
10 it's doing and more opportunities to have their voices
11 heard.

12 Let me go right to the recommendations themselves
13 and then a word or two about a certain concepts that lie
14 behind them.

15 The first recommendation is that the President
16 should be empowered by new legislation to be responsible
17 for safe transportation of oil. The interesting history
18 is that maritime neglect in the United States was balanced
19 for a short time by an exceptional interest and initiative
20 by several presidents and vice-presidents and indeed those
21 who are working in the marine technology field look back
22 to what is often referred to as a golden age. An account
23 of this in the book called "The Politics of the Oceans"
24 and the important there is that in the 1950s when all of
25 the energies for research and development and uses of the

1 sea had been so effectively mobilized during World War II
2 were suddenly found to loose their strength, their vigor,
3 their direction, their accomplishments, their feeling of
4 confidence and an initiative was taken of all things by a
5 group of the National Academy of Sciences, that had the
6 perception to realize that if indeed this was to be
7 corrected it had to be done at the highest level. Their
8 report rendered in 1959 went to the Whitehouse and was
9 sadly turned aside by President Eisenhower's science
10 advisor at the time. For a number of reasons that aren't
11 relevant here the point being that this group had an
12 alternative plan. They went to the Congress. And what
13 happened thereafter in the way of new legislation, the
14 Marine Resources and Engineering Development Act that was
15 not passed until 1966, but what happened then was a
16 genuine miracle. It gave the President of the United
17 States the responsibility for leading the band because the
18 President was the only officer who could pull together 23
19 different agencies that had bits and pieces of activity
20 dealing with the oceans.

21 Not only that, but it gave him a policy planning
22 and advisory counsel in the executive office of the
23 President. Operating at cabinet level. Chaired by the
24 Vice-President with a Presidentially appointed staff. The
25 point being that here was a mandate to do something and a

1 will to do it at the highest level of the country and what
2 happened since is reflected in something like 26 major
3 statements by two presidents, Johnson and Nixon. 89
4 different initiatives, a good half dozen major pieces of
5 legislation, several of which affect the interest of this
6 Commission.

7 It's for that reason that I have singled out once
8 more the role of the President to lead the charge. Partly
9 because he's the chief executive officer. Partly because
10 the medium is message, namely what the president says is
11 important is important. Now, I realize that this is a
12 different president. And, I realize that circumstances
13 are very different than they might have been with the two
14 who took some very important initiatives.

15 Nevertheless, the office of the president has not
16 changed at all and the role that the president can play
17 has been exemplified by indeed President Johnson issuing
18 two specific messages dealing with oil pollution, Presi-
19 dent Nixon having two specific messages dealing with oil
20 pollution. President Carter having been involved himself
21 in the tanker double bottom issue. Unfortunately, twice.
22 The first time backing it, the second time backing away
23 from it. But, President Bush has been involved also.
24 Remember, if you will the whole issue of federalization up
25 here revolved around -- or was uncertain for a while until

1 it was the president himself who, and I have the impres-
2 sion to the Coast Guard's relief, said we will not
3 federalize this spill.

4 Now, it turns out that the mechanism for assigning
5 this type of responsibility to the President is already
6 there in that Marine Resources and Engineering Development
7 Act with some very minor amendments that would in my view,
8 improve the original act by balancing uses of the sea with
9 the developmental initiative against the notion of
10 environmental protection and specifically with regard to
11 the safe transportation of oil.

12 Now, I'm a realist enough to know that simply
13 assigning something to a president doesn't necessarily
14 mean it is going to happen. And so, in my third proposal
15 there's an action forcing recommendation that the Presi-
16 dent would prepare and submit to the Congress and annual
17 report. We'll come back to actually gonna draft it in a
18 minute.

19 The point of this report is once more to indicate
20 National priorities for the safe transportation of oil,
21 but it does more than that. It would provide to all who
22 wish to read such information as casualty statistics of
23 ships, their causes. A catalog of oil spills and effec-
24 tiveness of clean up. A listing of penalties assessed for
25 major safety violations. The fate of recommendations from

1 the National Transportation Safety Board which it has been
2 said and this is something that I think staff may want to
3 pursue if indeed there is an interest here, a history of
4 MTSB having a batting average of 80 to 85 percent for it's
5 recommendations to FFA and under 50% of it's recommenda-
6 tions to the Coast Guard.

7 The last item in this report has to do with the
8 quantities of oil being imported by tanker. And whereas
9 that would seem to be a bit of a diversion to talk about
10 national energy policy, we have to remember that the
11 conserving of energy and the reduced quantity therefore to
12 be imported, because we will be obliged to do this, the
13 reduced quantity to be imported will be automatically
14 reduce the risk. Not in itself, the significant factor,
15 but nevertheless related.

16 Now, we said something about who is going to help
17 the President do this and again there's a piece of
18 machinery already in place. In 1976, there was the Office
19 of Science and Technology Policy was recreated. This was
20 the science advisory's office that was first initiated by
21 President Eisenhower right after the Soviet space shot on
22 October 4, 1957. It was then entirely an office protected
23 by executive privilege of the Whitehouse. Something the
24 Congress was unhappy with and so, it urged and President
25 Kennedy responded by creating an Office of Science and

1 Technology. That, however, was killed in 1973 by Presi-
2 dent Nixon, reestablished in 1976. It is indeed the staff
3 arm to assist the President in areas of Science and
4 Technology policy. And, incidently, the term technology
5 is used in this legislation and exactly in the way we are
6 using it here today to talk about systems and not just
7 engineering hardware.

8 There are two sections in that existing legisla-
9 tion that bear exquisitely what this Commission is about.
10 The first one having to do with preserving, fostering, and
11 restoring a healthful natural environment. And, the
12 second, providing for protection of the oceans and coastal
13 resources.

14 Now, a word or two about people and their involve-
15 ment. Earlier we eluded to the fact that we didn't seem
16 to have enough evidence that people were watching the
17 watch dogs and so one of these recommendations is that
18 Federal regulatory agencies that deal with risks from oil
19 transportation should be required to form citizen advisory
20 councils representing each major exposed region who in
21 turn would comment on that agencies performance as it
22 would cited in the president's report.

23 Let me turn to the states. In my view the states
24 have a much more significant role than I think is reflect-
25 ed. At least, in what has happened and when we talked

1 earlier about the watch dogs not watching and I think
2 there was no question about the role of certain Federal
3 Agencies, I think the something can be said to be true of
4 state agencies. And, particularly as they relate to this
5 notion of prevention which was the theme that we started
6 with in the beginning.

7 Remember if you will, at our last meeting in
8 September there were two senior representatives from the
9 State, Mr. Loesch and Dennis and I think that we asked
10 them the questions specifically with all of the attention
11 that had been focused on contingency planning and so on,
12 did the state do anything in advance of the spill to
13 consider prevention and what are you doing now. You
14 remember the answers we got? No, the state didn't do much
15 before the spill and yes, we are now beginning to think
16 about it. That's great. But, I think more needs to be
17 done and my recommendation is that legislative authority
18 to deal with the safe transportation of oil be central-
19 ized, I don't say form a new agency. There are other ways
20 to centralize this under the Governor, but with specific
21 concern for not only the authority, but the funding to
22 carry out the necessary acts.

23 I go further than that. I suggest that the
24 corporations whose activities pose significant risk be
25 subject to strong and explicit safety regulation by the

1 States with three parts. The first, treating oil as a
2 hazardous substance and thus subject to all the safety
3 inducing measures that are currently practiced for
4 hazardous substances. Now, I talk from a certain degree
5 of naivete here. I am familiar with certain requirements
6 for the safe transportation of hazardous substances in the
7 state of Washington, and it is my opinion which could be
8 wrong, it's my opinion that these do not apply to the
9 transportation of oil. I think they should be.

10 Secondly, I suggest that carriers be insured at
11 appropriate levels. Notice the weasel wording here. I
12 said appropriate levels. I leave it to others judgement
13 as to what they should be. The Congress, it looks like is
14 going to let the states do this. But, what I am suggest-
15 ing here is that whatever that level is that the under-
16 writers of that insurance be required to reflect discounts
17 and premiums based on the safety records of the shippers.

18 Thirdly, I suggest that the corporations that do
19 business in the state accompany by high risk have repre-
20 sentatives of those affected states on their boards of
21 directors. I realize that's going to create quite a
22 storm. I can fantasize how a state can ask that be done.
23 You couldn't have, there are 30 coastal states if you
24 include the Great Lakes, you couldn't have 30 individual
25 representatives on boards which to be meaningful probably

1 should have more than 16 individuals anyway. But, there
2 are ways I think to make sure that boards of corporations
3 which are not very carefully supervised in the state of
4 incorporation, that state very often being chosen. We
5 heard Delaware earlier today, that's usually the state
6 chosen. Not having any responsibility to you, the
7 citizen, say of Alaska, when in fact they are doing
8 business here and exposing it's citizens to risk.

9 Now, I don't believe that corporations are
10 insensitive to this question. Exxon responded, as you
11 know, recently by adding an environmentalist to their
12 board. We have yet to see whether or not that has changed
13 their corporate culture. But, the point being that
14 corporations, it seems to me, that when they were first
15 created as an instrument of social policy, after all they
16 are chartered by the states, were given the opportunity to
17 do anything individuals do, but not share the respon-
18 sibility. Anything individuals do. Someone reminded me
19 recently that corporations do individuals do except make
20 love. But, I contend that they somehow or other still
21 found a way to reproduce. In any event, the crux of the
22 matter is the element of social responsibility does not
23 parallel the element of physical responsibility and
24 therefore my recommendation is that the security and
25 exchange commission that already requires annual fiscal

1 reporting and their annual 10K filing also require a
2 statement of social responsibility along with a report of
3 any penalties imposed on that corporation for negligence
4 or criminal acts by the firm or it's officers.

5 Finally, and this was not in the exact order.
6 Because there might be a tremendous amount of confusion if
7 each state went it's separate way without some degree of
8 standardization of policy, I suggest that groups of states
9 form compacts. Now, I realize that one of the motivations
10 for doing that is to be able to deal with a group with
11 some of the corporate entities and even the Federal
12 Government. All of that it seems to me fits comfortably
13 together.

14 Well, those are the recommendations. Again, this
15 is a think piece, Mr. Chairman. It's been put together
16 with a notion it's far from complete if indeed the
17 Commission finds any of this appealing there's a lot of
18 work for staff to do. It seems to me to back up some of
19 these propositions.

20 But, let me conclude by noting three errors, you
21 might say that we've been through dealing with technology
22 and indeed dealing with marine safety.

23 With technology we have gone -- well, let me deal
24 with marine safety first.

25 We have gone through historically three periods.

1 The first one had to do with safety to cargo and to ships
2 themselves. Recall, if you will, that the original
3 requirements for safety were mandated by the insurance
4 underwriters concerned, of course, for protecting the
5 investments that were involved. Historically, you will
6 find only later where safety regulations introduced for
7 passengers, for people. I think that we are now in a
8 third era and all of you on this Commission have touched
9 on this point individually, so I think there is a consen-
10 sus here that the time has come to think about maritime
11 safety from the point of view of a broader protection.
12 Not just to property, not just to lives, but to the
13 environment and to the natural heritage.

14 I think that that's an evolution that could be one
15 of the very good things that comes out of the wreck of the
16 Exxon Valdez.

17 But, let me recall finally, another set of three
18 errors that I think are applicable. We have had in this
19 country a love affair with technology. In many respects
20 we still do. It went unquestioned, however, during World
21 War II, and I think we looked at technology to save human
22 lives and we did it with proximity fuses and radars and so
23 on. But, it was in the early 60's that we underwent a
24 major change. Instead of the question, can we do it,
25 which is the kind of question you can adjust to technol-

1 ogy, we went to the question, ought we do it. And that
2 was Rachel Carson in Silent Spring triggering a whole new
3 value system.

4 It seems to me that as we look at technology today
5 those two questions are still valid but there's a third
6 one and that is can we manage it? And, I think, Mr.
7 Chairman, the basic issue that this Commission can address
8 uniquely because I have ferried around as best I could in
9 terms of all the other studies that are underway, so far
10 as I can tell there's no one who has been looking at this
11 total system.

12 The interesting thing is I've tried bits and
13 pieces of this paper out on some 14 different individuals,
14 who just as soon would be anonymous, some of them are in
15 fairly senior positions in the federal government,
16 included is an Alaska fishermen, included is retired
17 pilot. Without exception they have said it's the system
18 that's at fault. It's the system that's at fault and Mr.
19 Chairman, I'd like to suggest that this Commission make
20 it's mark in history this way.

21 Thank you for your time and I know -- I don't know
22 how much there is today for questions and comments or I
23 should say rebuttals, but I'd be glad to postpone any of
24 that till tomorrow if you are schedule so suggest.

25 MR. PARKER: Thank you, Commissioner Wenk.

1 Commissioners have anything they wish to say at this time?

2 MS WUNNICKE: Oh, just to say, Commissioner,
3 that you've certainly pulled together a lot of things you
4 have already supplied us in our lifetime together. Your
5 book on "tradeoffs" and the various subcontractors who
6 contracted with the Commission at your behest.

7 I would certainly agree that it is the system's
8 failure and agree that it is hearting that environmental
9 affects may someday assume the same stature as the safety
10 of life and property. I'd like to, Mr. Chairman, set
11 forward until tomorrow or even as a part of our workshop
12 the consideration of the recommendations.....

13 MR. WENK: Oh, of course.

14 MS. WUNNICKE:that the Commissioners has
15 made.

16 MR. HERZ: I agree.

17 MR. PARKER: Any objection to that? Okay.
18 Thank you again.

19 Peggy, do we have any public testimony?

20 Okay. We have five people signed up for public
21 testimony. Five minutes, please. Annie Young is first.

22 MS. YOUNG: Hello. My name is Annie Young.
23 I am a commercial fishermen from Prince William Sound. I
24 also hold a 100 ton Coast Guard (inaudible) in the process
25 of renewing right now.

1 My family started fishing in Prince William Sound
2 28 years ago. I personally, 21 years ago. We have been
3 completely devastated by this. One of the recommendations
4 that I have from the past experience over the last six
5 months is total mismanagement and chaos, ruination of most
6 of the Alaskan Coast, is that we should not have the
7 criminals in charge of rehabilitation of the victim.
8 Exxon has done horrible job. We are facing physical,
9 mental, financial disaster in the future. Plus our pasts
10 have been destroyed. My only son left Alaska three weeks
11 ago never to return. Other members of our families have
12 already left. I'll stay here and fight it forever. I
13 will never see this happen again to another community. I
14 am so bitter, I don't want to take up your time with that.

15 I'd like to bring you right now to what is
16 happening right now at Prince William Sound. One of the
17 causes of the accident was the ice problem. Continually
18 getting worse every year in Prince William Sound. Because
19 of the warming of the planet, the further melting back of
20 the glaciers. Now, the glacier is back passed the marina
21 where huge icebergs can come out. It used to not go over
22 the shallow area in front of the glacier -- now they go
23 around behind Emerald Island and come out.

24 These icebergs are a terrible threat to all
25 vessels. The tankers should have some other regulatory

1 system there besides anybody that's involved in their
2 industry or the state or federal government. We should
3 just have individuals, local knowledge, advisors out there
4 controlling the situation of the iceberg. They are not
5 standing to make a dime or lose a dime over the whether
6 the ship can go or wait till the next tide.

7 Also, Exxon pulled out way before the job was
8 done. Not to say it did much good out there all summer
9 long anyway. They wouldn't take any of our suggestions.
10 One of the worst problems we fought was all summer long
11 was popweed. The oil kept floating around Prince William
12 Sound. They refused to have anything to do (inaudible) -
13 - pursued, you know, after they pretty much contained the
14 wild oil, then they started trying to bring popweed in.
15 They fired us and refused to have anything to do with
16 accepting this oil popweed. Popweed floats and it's also
17 a very good exhorbant. It picks up the oil and it floats
18 up on the beaches at high tide.

19 This is what most of the animals in Prince William
20 Sound live on during the winter. All the deer will be
21 coming down and eating the oiled popweed and dying. Now,
22 we've tried all kinds of meetings to get Exxon to do
23 something about the oil popweed and they never came up
24 with a good plan. We had advisors they hired consultants
25 that came up here from the East Coast in the beginning.

1 But Exxon would never listen to the ones that were
2 associated with us. Finally, resigned in disgust and
3 stayed on help the fisherman on his own for a little while
4 before leaving. His plan was to compost the popweed and
5 therefore it would become valuable fertilizer.

6 It's not like this is over. You are talking about
7 future spill. We are still dealing with the last one. It
8 looks to me like we are going to have oil popweed for
9 future major concern. I have already talked to the
10 University and other groups about trying to research it.
11 Everyone wants to help, but Exxon will not cut loose with
12 the dollars to have any research done on it or even
13 acknowledge that it is existing.

14 We have tried since Exxon pulled out to organize
15 and go out there on our own to collect the popweed, but we
16 still have the same problem. No where to put it. Nothing
17 to do with it. Exxon won't accept it. So,

18 I would like to see this Committee make some
19 recommendations that something can be done in the future
20 with this. It's going to be an ongoing problem. It's too
21 bad that things went this far and now it's winter, there
22 isn't much chance of getting it up this winter. Many more
23 deer will die, eagles and bears will eat them and they
24 will die, too.

25 But, in the spring I would like to think that we

1 could start over again, collecting up this popweed and
2 hauling somewhere where it can be logically disposed of
3 instead of just carried off to someplace else and pollute
4 that place, too.

5 Thank you.

6 MR. PARKER: Thank you, Ms. Young. Where in
7 the Sound do you live?

8 MS. YOUNG: Cordova.

9 MR. PARKER: Have you talked to the people in
10 the state's winter clean up?

11 MS. YOUNG: Sir?

12 MR. PARKERS: Have you talked to the state
13 people involved in the winter clean up?

14 MS. YOUNG: Yes. We have and we have been
15 working with them and we just can't get anywhere with it.
16 Exxon doesn't want to accept it. We brought some into
17 Cordova already. And, it's being stashed there with the
18 fishermen's union, got some of it in some canneries and
19 we've sent some of it to the university in Fairbanks.
20 Small amounts to experiment with. But, the problem seems
21 to be that nothing (inaudible) produced. We don't
22 understand why the gas can't be used as some kind of a
23 heating system, to burn to heat. It has to be heated
24 anyway to --the gas can be used in some kind of a burner
25 right in the complex to keep it heated. This is just

1 going to be an ongoing problem and it sounds like we are
2 going to have more spills with the ice conditions and no
3 regulations of the system right now. The tankers are over
4 there doing anything they want, just like they were last
5 year. We have not any observers out there now. We've
6 tried to get observers -- I'm more or less one of those
7 observers on one of the boats, but it's just been one
8 excuse after another why we are not out there. Why the
9 oil companies gotten all their brotherhood up here from
10 Louisiana and Texas. They are out there. They don't know
11 -- we are the ones that know the Sound, the problems, the
12 changing conditions every year. We know the ice is
13 getting worse every year. We know which way it goes with
14 wind and tide. But, yet they bring their brotherhood from
15 up here from outside and leave us out completely.

16 I'm sorry was there any other questions?

17 MR. PARKER: Okay, thank you. Charles McKee.
18 Welcome back, Charles.

19 MR. MCKEE: Thank you, Mr. Chairman and the
20 rest of the Commission members. My name is Charles McKee
21 for the record and I would like to touch on another
22 subject, of course, I'd like to, when this all done and
23 said remember all the other testimonies that I have
24 brought forth. And, it's basically on the same subject
25 matter, but I have more information for you on that

1 endeavor.

2 I have your newspaper clipping of November 6th and
3 it's about a high risk insurance company. A man has been
4 indited for possibility embesselling 3 to 4 billion
5 dollars. Okay? Now, the reason I bring this forward is
6 this country can't survive without industry. And, there's
7 a policy of the fact that alot of people think that we
8 cannot survive without insurance industry. And, yet, we
9 will survive, but we can't survive without other industry,
10 besides from the insurance industry.

11 And yet we are forced to pay for the potential
12 embessellment of money that's secured for. Unfortunate
13 circumstances that we are all brought here today. And, so
14 industry, such as oil industry, is for us to set aside
15 through mandate moneys with an insurance company and then
16 to have this money swindled. Maybe that's why they cut
17 short the clean up date. I don't know whether that's a
18 reason or not, but that might have a significant bearing
19 on it. You know, a billion dollars is a lot of money.
20 They have three to four of them gone.

21 And, so I also in this article I'll read for the
22 record, the financial statements that were brought
23 forward, you know, it says here that the state, you know,
24 the people in charge of all the different states in this
25 country, they were all received as the state regulators.

1 Had these records and were so unreliable they shouldn't
2 even be filed. So, that brings in the fact that maybe
3 there's something wrong with our regulator agency in
4 charge of supervising the financial statements that are
5 submitted from the insurance companies in question.

6 And, then on the same page, I have here an article
7 from a Wallstreet Journal in reference to one of the
8 individuals, Governor Wayne Angel of Federal Reserve. He
9 was talking about the note and whether it's honest money
10 or not and you'll find that very interesting, because we
11 need notes to pay for the insurance policies or anything
12 else for that matter. They won't take chicken and eggs,
13 and pigs, or nothing like that. No bartering system.
14 Only notes. I'll submit all these (*).

15 And then this article in this magazine. It's call
16 "Insight". It talks about gas, crisis and capacity of
17 gasoline prices. And it talks about Exxon Valdez and they
18 mention in here that the actual spilling of oil was 12.5
19 million barrels and that came from a JT McMillan (ph), a
20 Senior Vice-President of Exxon.

21 But, I would like to also bring about the fact
22 that when this occurred it damaged my career, many other
23 individuals career. And within Congressional Act on
24 education, nobody, no industry can impede career. And,
25 through the mismanagement of monies, they impeded careers.

1 And, Educational Secretary for this country was in town
2 and he told us that we do indeed have public choice. So,
3 where is the public choice when the careers are destroyed
4 through the mismanagement of the notes. And, the bonds.
5 And, the insurance money set aside to cover all this.

6 And, so for the record, I'll show you the endorse-
7 ment of this book called "Who Owns America", as well.

8 MR. PARKER: Okay. Thank you, Charles. Okay.
9 John Grahams. Hello, John.

10 MR. GRAHAMS: Hi. How are you doing. My name
11 is John Grahams and I was born and raised in Anchorage,
12 Alaska and I was removed from Alaska in 1976 until last
13 year. But, before I left I was quite politically active.
14 And, in one of the things that we did was passed the
15 tanker law that I called "Chancey (ph) Cross Bill" that
16 would have prevented the oil spill. And, this is what I
17 would like to address to the Committee.

18 That we had solved the problem relatively speaking
19 and that it was done in a very democratic way and the
20 whole world is looking to democracy and that's the process
21 that we used in order to let this legislation pass and
22 become law. It was overturned by Judge Fitzgerald which
23 purportedly he had no alternative that it was interstate
24 commerce and that's the reason that he threw the law out.
25 The law was existing and tankers were built with the law

1 in mind. So, to briefly explain the way this process
2 worked and what to me the bill was brilliantly conceived
3 because the state of Alaska was going to underwrite the
4 insurance for the tankers coming out of Valdez. This was
5 about 1974 or 75 and it became law, I believe in 1977, and
6 it was thrown out in 1980.

7 In the intervening years, by the way, until the
8 oil spill I told people in California, British Columbia,
9 where I lived that the legislature of the State of Alaska
10 passed a very important bill, because these tankers were
11 coming down their coast and that would prevent or help
12 prevent a major oil spill and that would be a real
13 disaster. And, some of these people have subsequently
14 called me after the oil spill and said 'remember when you
15 were talking about that legislation that that Judge threw
16 out'. And, I said, yes. Well, it happened right here in
17 Alaska.

18 The Department of Transportation was just not
19 interested. One of the people, I don't, the Senator from
20 -- Brock Adams was in the Department of Transportation at
21 that time in Carter's Administration, but I don't believe
22 that he said this, but someone from the Department of
23 Transportation said that they didn't know of one tanker
24 crash or wreck that was averted by a double hull tanker.
25 So, that's the mentality that we face with the Federal

1 Government -- seem not to care. So, the State of Alaska
2 took it on itself and went through this process of
3 hearings and lobbying and everything and passed this law.
4 And, the law was that the more safety features that they
5 had on these tankers, the lower their insurance premiums
6 would be. And, that's -- I mean, you can't improve on
7 that. And, also would have put the State of Alaska in
8 the insurance business and in the Contingency Plan as a
9 reinsurer, which would -- they would have had to pay a lot
10 closer attention to what happen.

11 Now, I realize this is past history, but we are
12 really talking about prevention and after some things
13 happen, it's too late. But, to me when this Judge
14 Fitzgerald, who I know that I served on the Parks and Rec
15 Advisory Board with, and when he got the case I said Oh,
16 Oh, this is and aerial (ph) company judge. And, I just -
17 - this is my own personal bias, but I said, "he'll --
18 we've lost a very good piece of legislation, there", and
19 sure enough, he did throw it out.

20 Now, there's -- it's interesting to me that the
21 next judge, the judge that's going to replace Judge
22 Fitzgerald, his name is Judge Singleton. That's who was
23 recommended to the Congress to replace Judge Fitzgerald.
24 Well, the way that Judge Singleton was nominated was -- I
25 don't like the fact that Judge Moore, in the bar pool, had

1 a 2 to 1 positive favorable rating over anyone and all
2 these people that were up for nominee for this United
3 States District Court Judgeship. And, he had a 2 to 1
4 least negative rating. So, what happened to him was that
5 he was taken before the Judicial Conduct Commission and
6 that cost him that judgeship.

7 Now, the thing about the Judicial Conduct Commis-
8 sion was that they had a special meeting at the Judicial
9 Conduct Commission where they unanimously voted to senture
10 him or to investigate him and they would act as his jury.
11 Okay. Then the Commission invited him to a cocktail party
12 which was close to the public right after, with all the
13 Commission members and he accepted the invitation. And,
14 he was supposedly influencing, peddling in an organization
15 in a corporation called "City Mortgage". And, his
16 partners in City Mortgage was Clifford Grow, who was on
17 the nominating committee, and Tim Kelly, and Jim Crawford,
18 who's the head of the Republican Party, and Bill Miles,
19 who is a lobbyist. Okay.

20 Now, when I see things like this, that spells to
21 me corruption! Okay. So, that -- we at one time, I
22 thought had a very enlightened, healthy law. Now,
23 because of the oil spill and because that law was thrown
24 out, we are going to have to do it all over again. So, I
25 hope that you will look at some of these things, because

1 when I remember back we had all the same experts, Congress
2 was involved in it, we are talking the same things, only
3 we just hypothetically were looking at an oil spill. But,
4 if we don't work together on this and that everything is
5 above board and that we practice real democracy here and
6 not have, you know, make decisions or whatever you are
7 going to come up with, that the public will be able to
8 involve themselves and participate and also, that the
9 public knows about everything that goes on here. Then
10 that will make for stronger and wiser decisions and
11 influences on our elected representatives, both in the
12 state and with the Federal Government.

13 And so, I'm hoping the reason that I am speaking
14 here today is that we don't make the same mistakes and
15 that the whatever happens, sees a lot more sunshine and
16 more democratic conclusion.

17 Thank you.

18 MR. PARKER: Thank you, John. We just had a
19 review done on 406 by a law professor and her conclusion
20 was that Judge Fitzgerald's findings were pretty sketchy
21 Constitutionally and the Attorney General should have
22 challenged it alot more affirmatively than he did. And,
23 that was my feeling at the time, too, so I finally found
24 somebody who agrees with me.

25 MR. GRAHAM: Well, just to follow up on that.

1 It was the speaker -- I mean, the President of the Senate
2 became Dankworth (ph) and Hammond became the Governor.
3 And, so they didn't pursue it into a higher court and I
4 give you a letter to the editor (*)that Tony Kroft has
5 written.

6 MR. PARKER: Yeah, I say that letter.

7 MR. GRAHAM: Yes. And,.....

8 MR. PARKER: Well, we should have pursued it.

9 MR. GRAHAM: Yes.

10 MR. PARKER: It was a case that needed to
11 be.....

12 MR. GRAHAM: Yes, we should have absolute-
13 ly.....

14 MR. PARKER: appealed.

15 MR. GRAHAM: should have pursued it and
16 there's remenants from that law that are part of the
17 Contingency Plan and the way the money set aside for the
18 Contingency Plan and so on.

19 MR. PARKER: Okay. Thanks, John. Anybody
20 else? Micheal Brunner.

21 MR. BRUNNER: Hi. I'm a third generation
22 Alaskan born in the territory and I have some comments.

23 The future oil spills are inevitable. And, we
24 hold environment in a sacred trust from god, we Alaskans,
25 the people of Alaska are the guardian of our environment.

1 Now, Exxon stock value of net worth on the
2 American Stock Exchange is approximately \$5,000 million
3 dollars. 5 billion. Their gross earnings are approxi-
4 mately 90 billion dollars last year.

5 Their Contingency Plan was to 1) raise gas prices,
6 2) public relations campaign, and 3) lawyers and protract-
7 ed litigation.

8 Number One: raise gas prices. In Californai
9 alone within one week of the spill prices went from \$.74
10 a gallon to \$1.30. That's \$.26 a gallon.

11 Public Relations. Propaganda on ELF. Economic
12 limit factor. Separate accounting. Alaska and Alaskans
13 suffered a 2.5 billion loss already according to the
14 Alaska Public Interest Research Group. That's on separate
15 accounting when our Senator Dankworth got our legislature
16 to go from modified apportionment to separate accounting
17 in 1981. Simply allows oil companies to deduct their
18 worldwide losses and expenses from their Alaskan tax
19 returns before they pay us any taxes period.

20 Number Three. Lawyers and Protracted Litigation.
21 They have not paid any liabilities after 10 years from
22 their Mococadese (ph) Oil Spill disaster off the coast of
23 France. Now, they are in the process of appealing 100
24 million dollar judgement award. The recent fourth quarter
25 earnings were down only approximately \$150 million. From

1 their third quarter earnings.

2 I submit to you that after they write off their
3 expenses on their 1989 taxes, that they will, in fact,
4 make a profit from the reckless disregard and gross
5 negligence in Prince William Sound.

6 I propose that this Oil Spill Commission's final
7 determination and resolution be nothing less than a
8 recommendation for requirement that all Alaskan oil no
9 longer be allowed to be shipped by single hull tankers off
10 our coastline, but my new trans Alaska, excuse me, Trans-
11 Canada pipeline.

12 I have a jar of oil from Colross Island off 25
13 miles approximately from Whittier, Alaska. It's texture
14 is sticky and gooey. It looks like brown liquorice and I
15 swear to God it smells like a fermented outhouse. That
16 this permeates our tide and lands to depths of up to 4
17 feet. It is not toxic, it is simply poison.

18 Our -- let me read yesterday's paper, just a short
19 paragraph and I'll conclude. It's on the Metro Section,
20 November 12th, Section B, Page B6. "After the spill,
21 lobbyist play a tough house." This is Representative
22 George Miller, Democrat, California, speaking.

23 This is the oil company, now. Quote "For some
24 reason there is a group that wants to punish the domestic
25 oil....", no, this is Congressman, our Congressman for all

1 Alaska, Congressman, Don Young. Quote,.....

2 MR. PARKER: I recognize that.

3 MR. BRUNNER: "For some reason there is a group
4 that wants to punish the domestic oil industry," Young
5 said, "go ahead and we will buy more oil from Opec and our
6 old people will become "cold"." That was the industry
7 lines, pure and simple. Pass the strong oil spill bill
8 and oil companies will divest themselves of their shipping
9 subsidiaries. Oil will be moved in rust bucket tankers
10 owned by companies with no assets to pay damages for
11 spill. Oil prices will go up. Spot shortages of products
12 like heating oil will occur. But, the house was in no
13 mood to listen. Despite the army of oil industry lobbyist
14 that have been combing Capitol Hill, looking for a little
15 understanding, at one point Congressman George Miller,
16 rose to shoot down the industry's doom and destruction
17 forecast. He said that if the industry really will quit
18 responsibility moving oil by tanker then there are deeper
19 problems in the oil spill industry than the spill bill
20 could begin to fix.

21 Quote, this is Representative Miller of Califor-
22 nia, George Miller, "maybe the next amendment we consider
23 should be to nationalize the industry".

24 Thank you.

25 Oh, I have two comments here.....

1 MR. PARKER: The Congressman does tend to bring
2 out.....

3 MR. BRUNNER: I have two comments here. This is
4 a typical State of Alaska Department of Natural Resources,
5 Division of Lands, competitive in oil and gas lease
6 contract. Everybody gets the same contract. Exxon signed
7 this one.

8 Under Section 20: Lessor shall have the right
9 together with any other recourse available to it to enter
10 on said land to repair damage or prevent waste at Lessee's
11 expense. Okay.

12 Section 28: Suspension. Lessor, (that's the
13 State of Alaska) may from time to time direct or assent to
14 the suspension of production or other operations or both
15 under this lease. If such action is necessary or jus-
16 tified in the interest of conservation.

17 Now, finally, the Constitution of the State of
18 Alaska. Article 8, Natural Resources Leases. This is
19 under the Natural Resources Section. Article 8, Section
20 8: Leases and permits shall provide, among other condi-
21 tions, for payment by the party at fault for damage or
22 injury arising from non-compliance with terms governing
23 concurrent use and for forfeiture in the event of breach
24 of conditions.

25 I conclude that the damages that Exxon has caused

1 upon the people of Alaska, that they should none other
2 than forfeit their lease 25% of the Prudhoe Bay fields.

3 I conclude that they should take asphalt cleaning
4 equipment, take every bit of the soil for 700 miles of
5 coast line, burn out those poisons and hydrocarbons, or
6 ship that soil south out of this state and stick it in
7 hazardous waste dumps.

8 Thank you.

9 MR. PARKER: Michael Castro.

10 MR. CASTRO: If I could, Walter? (Passing out
11 literature).

12 Thank you, Mr. Commissioner and members of this
13 Commission. I feel honored. I am Mike Castro. I am the
14 President of Alaska Gulf Marine Services and I want to
15 pass onto this Commission that there are some Alaskan
16 companies. One, primarily, our company based here in
17 Anchorage that has been working on looking at new technol-
18 ogy and ways in which we may be able to look at our future
19 and tackle catastrophic and implementation of these such
20 programs.

21 Highlighted from today's article, I would like to
22 start out with a point that the Commission has come up
23 with on establishing a monitoring system. Our company
24 developed the system that is now sitting on the Federal
25 Building in Fairbanks which tracks animals, whales, seals,

1 etc., for various experiments. It uses the NOAH satellite
2 and I want to commend this Commission that you are headed
3 for the right direction. The comment our staff from
4 research would pass onto to you is 'don't limit that
5 system capabilities to just Prince William Sound and the
6 Cook Inlet'. Allow this system which is highly capable of
7 doing it without a great deal of data collection to map
8 and put that transponder on board everyone of the vessels
9 and as soon as he is in Alaskan waters, we can map him.

10 Gilmore Creek installation monitors all the NOAH
11 data and every 30 minutes according to our experiments,
12 which our company did during the spill, our accuracy was
13 consistently within 150 feet. That may not be as ac-
14 curate, but as the GPS satellites go up, now that the
15 airforce has finally gotten away from the shuttle, the
16 accuracy will increase and the mapping capabilities is
17 right on the threshold. Your suggestion for a state
18 mapping system to keep track of tankers is actually right
19 on the money.

20 A test, the only thing that we would say is we
21 would like to compete against DCO for that type system,
22 because there's a lot of money in there.

23 Second point, implementing the training programs
24 for the ship crews and spill contingency. We have
25 developed for Prince William Sound a master vessel plan

1 that is described in these phamplets when you get a
2 chance. And, we believe that this vessel, called the
3 "Wave Piercer" is the next quantum leap in oil skimming
4 capabilities.

5 Where we come from is a very basic rule. A
6 traditional hull displaces 60% of the oil that that vessel
7 is being used in. That means 40% is available to be
8 captured in the skimmer. Right away you are at deficit.
9 Most skimmers, when you study them in their perfection,
10 and I am talking about the very, very, good ones out of
11 Norway, are still at best 60/40% water/oil relationship.
12 And, in some cases 50/50. We need to get away from that
13 particular element and again our particular system tackled
14 that particular problem. No displacement, the minimum
15 amount of displacement hull in the way and we look at the
16 oil as a floating object and not as an object that has got
17 to be picked up. We waste the oil into a vacuum system
18 and combination and onboard she comes.

19 I'll give you some statistics in a minute that
20 makes that rule a little easier.

21 But, our plan we believe should not be based
22 solely in Valdez. We think that plan if flawed. We think
23 Cordova, strategically, Whittier, strategically, and
24 Valdez when we look at Prince William Sound are ideal
25 locations for both training of crews as well as manipula-

1 tion in bad weather and all weather conditions when you
2 study that to advance a high volume type capacity system
3 into the Prince William Sound.

4 Same likewise when we looked at your model and we
5 did participate in your paper presentation to Mr. Commis-
6 sioner Parker at the club and we are pleased that the
7 model is moving forward. We agree with that model. We
8 believe that a vessel like the Wave Piercer should be
9 stationed in Cook Inlet in two locations. Kenai and
10 Homer. Again, spreading that training capabilities,
11 knowledge of the currents and icing conditions. It gives
12 us more flexibility.

13 Structural improvements. We are also a believer
14 of double hull, double copper type systems as you do, Mr.
15 Commissioner, and have preached for many, many years. Our
16 Apollo vessel that has a hazardous waste incineration
17 vessel that we own is such.

18 We know that those techniques work, we know that
19 fire systems such as nitrogen forced into that system will
20 work and prevent any hazards. Our research we would like
21 to say that you not only are headed the right direction,
22 but our research shows that we can stop a castostrophic
23 oil spill with the present tankers by applying a super-
24 sucker vacuum system to a universal manifold that is not
25 presently on the tankers, but could cheaply be employed

1 and our test show without collapsing the internal hole or
2 the tanks we could pull one and half inches of vacuum on
3 that tank that's leaking and stop anymore of the oil from
4 leaking from the vessel getting us more time to deal with
5 it. And, that's an objective that we think our research
6 shows that is possible in today's technology.

7 That supersucker could be sitting in a landbase
8 facility and helicoptered out and lowered onto the deck
9 very quickly and quickly connected to a universal manifold
10 that we insist the tankers have and then pull that
11 operation, including the manifold would attack all 11 or
12 12 of the large tanks that were on board the Exxon Valdez.

13 So, those improvements we agree that you are
14 headed the right direction, but we have those suggestions.

15 Substantial improvement in the clean out. We
16 think there is not boom. I want to repeat this. There is
17 no boom to date and there has been many, many papers that
18 we would like to share with you over that have been
19 reported to oil spill commissions over the years, includ-
20 ing the last year, that will deal with surrounding a
21 tanker and holding the oil in. We do have and we are
22 working on a structure that will magnetically attach
23 itself to the vessel and deal with the catastrophic leak
24 from a vessel that has gone aground. We will be glad to
25 provide that to the Commission on how that is proceeding

1 on a later date.

2 Some statistical information we would like to pass
3 onto you when you are dealing with skimmers that seem to
4 come about and, of course, are statistical data shows,
5 based on your models and our models, that indeed fact
6 32,222 gallons per minute was leaking from the Exxon
7 Valdez if we average all the reports out. This is a
8 tremendous amount of oil as you well know, that has to be
9 dealt with.

10 This will cause a slick of 2" in thickness that a
11 wave piercer type vessel could indeed fact tackle. If we
12 talk about how our skimming capacity was modeled a 2"
13 slick with a GPM of 31,416 gallons per minute would
14 require a vessel with 125 tons travelling at 8.4 feet per
15 second. Okay. Now, if you study all booms that have been
16 deployed presently in Prince William Sound and what was
17 used out there you will find that no system to date has
18 exceeded .6 knots.

19 So, it doesn't matter what they put on data plates
20 or what the capacity of the skimmers are that they are
21 deploying if the method of the "j" formation a diamond
22 formation or "u" formation is deployed, it still cannot
23 capture what's on the data plate of the skimmer. We need
24 to look at three major formulas. The vessel displacement,
25 the total amount of oil that it's dealing with in capacity

1 and the capacity to be near 1 to 3 percent maximum
2 oil/water ratio.

3 Once you have accomplished that, then indeed fact
4 one can look at the catastrophic oil conditions.

5 That's all the kinds of comments we'd like to make
6 at this time, Mr. Commissioner, and Commissioners and I
7 would answer any questions, if you have any.

8 MR. PARKER: Thank you, Mr. Castor, it's nice
9 to encounter someone who is working so hard on improving
10 the State of the Art.

11 Others have any questions?

12 MS. WUNNICKE: Mr. Chairman, the cost of the
13 universal manifold that you mentioned. What's the
14 approximate cost of the installation of the installation
15 universal manifold that you.....

16 MR. CASTOR: Under \$6,000.00 is what we show.
17 There is some variables when we look at some of the
18 midsize tankers, but the super tankers in that range and
19 it should take no more than probably two days to attach.
20 We could have transponders on board all the tankers in
21 less than 90 days by attaching them. It's a two day
22 process if you are looking at the transponder mapping
23 system as they leave. They could be installed while they
24 are loading it at the terminal and it wouldn't take but a
25 very short period of time. We'd be on the air with

1 identification. That includes emergency coding. There's
2 a 32 bit word available that allows you a multiple host of
3 coating and one of them could be emergency.

4 MR. HERZ: How many channels, how many
5 vessels can you track simultaneously?

6 MR. CASTOR: It's endless right now. The
7 frequencies are split at .0002. That data is split right
8 now on a -- right now 400 Mhz frequency, 800, 1200 and 900
9 mhz is available. So, it's unlimited to answer your
10 question. Gillmore can track in the computer capacity.

11 Argos (ph) is the Frency instrumentation group out
12 of the east coast that have done this for years. We
13 collect the data at Gillmore and then, of course, you can
14 purchase your own down link which we did at the Fairbanks
15 insulation for the U.S. Fisheries and Wildlife for their
16 studies. And, we had a demonstration of one over in
17 Kodiak during the oil spill. They are very, very small
18 units. A 1.8 meter dish and a desk top computer. We line
19 it up and once it's on line it is all automated.

20 We faxed the coordinates of the vessels that we
21 were tracking to several places including the Command
22 Center in Valdez. We found that tooled one center and
23 then you could fax it all and you've got it. That was
24 without mapping. Then one could take the coordinates and
25 go to a pin map, if you wanted to, and stay there. But,

1 you can go to the next step, which is take the coor-
2 dinates, speed it into a mapping system and plot it based
3 on your fixed geographical base which is our coastline.

4 MR. PARKER: Okay.

5 MR. HERZ: Thank you.

6 MR. CASTOR: Thank you.

7 MR. PARKER: Okay. Thank you very much
8 everyone for coming. There will resume tomorrow here at
9 9:00 a.m.

10 We are recessed until then.

11 RECESSED.

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