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'We Can Meet Energy, Environmental Needs By Working Together'

There is a continuing need for government, industry, and the public to work together to assure that energy supplies can be moved economically where needed in the State of Florida, while at the same time working just as hard to protect the environment, Emmett A. Humble, general manager of Exxon USA's Marine Department, said.

Speaking at the Governor's Conference on Energy Supply and Use, Mr. Humble on March 13 told the group, meeting in Tallahasse, Florida, that "This means that environmental laws and regulations must strike a proper balance between state and national energy development and supply on the one hand and protection of the environment on the other.

"If we work together to achieve this objective, both the consumer and the national interest will benefit," he stated.

Mr. Humble explained that more than 76 percent of Florida's fuel requirements arrived by water in 1971 and that the 200 million barrels of oil which entered the state flowed through 10 ports.

"Supplying this portion of Florida's energy needs required 1,100 deliveries in tankers with an average cargo capacity of less than 25,000 tons," he pointed out. "These ships are rather small when compared to those being constructed with capacities of 250,000 to 500,000 tons. Use of smaller tankers here is the result of two factors—the dispersion of

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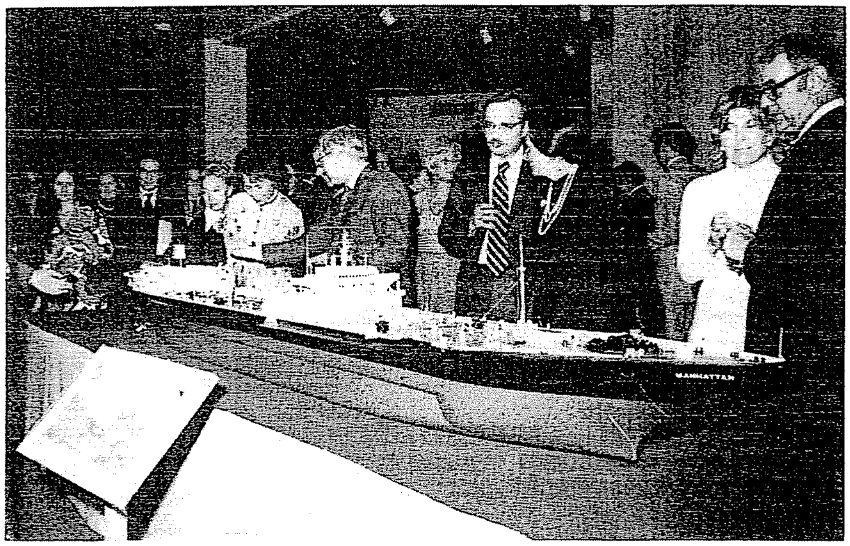

THE ICE-BREAKING TANKER, *SS Manhattan,* first commercial ship to conquer the Northwest Passage, received additional recognition recently when a model of the vessel was presented to the Smithsonian Institution as an exhibit in the National Museum of History and Technology. Some 150 people attended the ceremony and inspected the model, above.

M. A. Wright, chairman and chief executive of Exxon USA, formally presented the 10-foot model to Dr. David Challinor, assistant secretary for Science of the Smithsonian Institution, who accepted it on behalf of the museum. Dr. Lynford Kautz, director for Development at the Institution, then presented a plaque to Mr. Wright recognizing Exxon USA's continuing support of the Smithsonian.

Built by English craftsmen on a scale of one-eighth inch to one foot, the model of the *Manhattan* is the largest in the Smithsonian's merchant marine collection. She joins other ships in the Institution's miniature fleet, including the *Santa Maria* and the *Mayflower*.

'I'm Planning For Those Golden Years,' Says Lotz

Although he doesn't intend to retire for several years yet, Frederick H. Lotz, 2nd pumpman, recently purchased a 40-acre tract of land which he hopes to develop into "something that will bring in extra income when I do reach those golden years," he said.

The property is located about 8 miles west of Fair Play, Missouri (population 396). Mr. and Mrs. Lotz are living there in a large, well-furnished mobile home. Next door is a rent house which came with the property.

"I have all kinds of ideas for developing this place, but I will do it slowly while I'm still working and drawing a full paycheck to make sure that I really want to do the things that I've dreamed about," he explained. "For example, I purchased two mares in

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FLORIDA TALK . . . continued from page 1

traffic among many ports and the shallow depths found in the ports. These limitations require Florida's oil trade to be carried on by a rather large number of relatively small vessels.

"It appears that by 1980 Florida will require 332 million barrels per year of petroleum products," he stated. "If deliveries continue to be made by vessels of the same size and carrying capacity as are used today, we can predict that between 1,700 and 1,800 tankers will call in Florida's ports in 1980, compared with the 1,100 in 1971.

"In the simplest terms, Florida's growing energy demand will require substantial increases in the use of tankers and bulk cargo terminals. This, in turn, will increase the potential for pollution."

Three factors come into play in minimizing the effects of oil spills, he explained. "First, there is the matter of operator technology, equipment, and dedication. Second, there are governmental regulations designed to minimize oil spills. Third, improvements in port facilities and draft can be made to reduce the expected growth in tanker calls on Florida ports."

In discussing the future of ports in the U.S., Mr. Humble urged that consideration must be given to offshore terminals or superports. "However, because Florida's oil receiving locations are so widely dispersed around the coast, an offshore terminal could probably not be justified here," he stated. "For the foreseeable future, offshore terminals will be feasible only in refining centers—such as Texas, Louisiana, and along the upper East Coast."

An Interview With E. A. Humble On . . .

The Need For Offshore Terminals

Mr. Humble, in your talk at the Governor's Conference, you mentioned the need for superports or offshore terminals to serve refining centers in Texas, Louisiana, and along the East Coast.

Q) Will you explain in more detail why these terminals are needed and how soon?
A) We need them within the next few years. According to the National Petroleum Council, the U.S. demand for foreign crude oil, currently running about 3.4 million barrels a day, will reach 7.3 million barrels per day by 1975 and 14.8 million per day by 1985. To deliver this amount of crude efficiently and economically, we'll have to use larger ships. Most U.S. ports are too shallow for ships over 50,000-dwt, so we'll have to bring the port to the ship by building terminals where the water is at least 90 feet deep, preferably deeper. This will mean locating some terminals many miles offshore and pumping the oil through pipelines to shoreside installations.

Q) What size ships are we talking about?
A) Our company believes that the best way to bring foreign oil to the U.S. is by 200,000-dwt and larger tankers. The larger the ship the lower the transportation costs. For example, it's some 12,000 miles from the Persian Gulf, where the bulk of free world oil reserves lie, to U.S. North Atlantic ports. Bringing crude this distance in a 50,000-dwt tanker costs about $10 a ton. A 250,000-dwt tanker would bring it in for some $3 a ton cheaper, and a 326,000 tonner would do the job for about $3.50 a ton less.

Q) Talking about spills, what effect will deepwater terminals have on the environment?
A) Offshore terminals, located away from congested ship channels and ports, will minimize the chance for collisions and groundings which occur mostly in congested harbors. In fact, oil imports in supertankers versus larger numbers of smaller ships also reduces the frequency of oil handling and the potential for spills. Spill prevention is the reason for highly automated operating controls in the design of deepwater terminals.

Q) How costly would terminals be and who would pay for them?
A) Construction costs are estimated to be between $300- and $400-million for each terminal, including offshore pipelines and facilities, shoreside storage tanks, and delivery pipelines. Exxon USA believes that a facility to be built for the sole use of an industry should be done through private ownership and operated as a common carrier. The company has for several years been participating with organized groups involved in making engineering, environmental, financing, and other studies concerning all aspects of deepwater terminal location, construction, and operation. However, it is recognized that construction of these terminals will not be possible without the full cooperation of public agencies at local, state, and federal levels.

Q) Why does the nation need a terminal offshore the Atlantic Coast?
A) Virtually all of the refining capacity serving the large population centers on the East Coast lies between Delaware Bay and New York Harbor. Crude oil imported through a deepwater terminal off the Atlantic Coast would supply these refineries with 1½ million barrels of oil a day by 1980. Eventually, almost 100 percent of the oil processed by these refineries will be supplied by imports. Logically, an offshore terminal would be located between Delaware Bay and New York Harbor. A definite location, however, has not been determined.

Q) Why are terminals needed off the Gulf Coast?
A) The greatest concentration of oil refineries and

(Continued on next page)

petrochemical plants in the world are located on the Gulf Coast. This coastal area alone has a refining capacity of around 5 million barrels of oil a day. These processing facilities serve the main population center east of the Rockies. Texas and Louisiana crude has peaked out in production, which means that imported crude must be used to help fill these existing refineries plus the expansions that will be required in the future. In addition, some imported crude will move by pipeline to Midwest refineries after being unloaded at Gulf Coast ports.

Q) Where would the Gulf Coast terminals be located?
A) One off Texas and the other off Louisiana. Separate industrial groups have been organized to design and build the terminals. One group is SEADOCK, supported by 10 companies to study and design a deepwater terminal off the Texas Coast. Exxon USA is a member of this group. The other organization is LOOP—Louisiana Offshore Oil Port—which was formed by 14 companies, including Exxon Pipeline Company, to build a similar terminal off the Louisiana Coast. The Texas terminal would be in 100 feet of water on the outer continental shelf 28 miles off Freeport. It would serve Gulf Coast refining centers on the Texas Coast and east to Lake Charles, Louisiana. It will move oil to petroleum refining and petrochemical centers in the Mississippi River Delta area and through pipelines with connections all the way to Chicago.

Q) Is there an alternative to deepwater terminals?
A) Well, today only a handful of facilities in the Western Hemisphere are able to accommodate 326,000-dwt and above tankers. New ships even much larger are now being built. Currently, Japanese shipyards are working on several 477,000-dwt ships. The growing fleet of supertankers may well have to put in at existing deepwater ports in the Caribbean and Canada where they would transfer their oil to smaller tankers for entry into U.S. ports. This alternative, although viable, is expensive. In addition, the larger number of ships coming to the U.S. would increase port congestion with an accompanying increase in the possibility of oil spills.

Q) Mr. Humble, how will our own tanker fleet be affected?
A) The majority of our tanker fleet moves refined products to terminal facilities located near the marketplace on the Atlantic and Gulf Coasts. Because of port limitations on the coasts, we do not foresee a significant change in the use of our ships in this service.

Important Statement Being Sent To Homes During March

An important piece of company mail will be arriving at your home address during the latter part of March. You or members of your family will want to be on the lookout for the annual Benefit Plan Statement entitled "A Statement Of Your Financial Security Under The Benefit Plan Of Exxon Company, U.S.A."

The statement contains valuable information about your financial security under the following parts of the Benefit Plan: Savings and Investment Program, Family Income Protection Program, Disability Income Protection Program, Disability Annuity Plan, and Retirement Income Program. However, the Benefit Plan Statement does *not* reflect the special benefits negotiated by associations representing seagoing employees. Consequently, you should also familiarize yourself with those benefits your particular association has negotiated with Exxon Company.

The total monthly retirement income figure on your statement is based on present normal earnings and does not take into account any future increases in pay through higher wage rates or promotions.

Figures in the statement under "Vacations" are calculated for shore employees only.

If you have any questions, feel free to discuss them with any branch office or with E. C. Fischer, benefits administrator. His telephone extension in the Houston office is 2383. Report any figures that do not appear correct.

NMU Boss May Get $1 Million Pension

Joseph Curran, the founder and only president of the National Maritime Union, is retiring at age 67 with a pension of more than $1 million, according to an Associated Press report. He has been president for 36 years.

The report broke down the $1 million pension as follows: one lump sum payment of $717,600; a severance payment of $250,000, and a yearly pension of $46,476.

The benefits for the $85,000-a-year president of the 50,000-member NMU are being challenged by several union members. They won a temporary federal-court order blocking the payments, contending that Mr. Curran has spent recent years fishing and sunning in Florida instead of attending to union business in New York.

The NMU's membership and funds have been dwindling because of the declining share of U.S. shipping in world trade, the AP report pointed out.

In comparison to Mr. Curran's pension benefits, President George Meany of the 14-million-member AFL-CIO would draw about $44,000 a year if he retired now, representing 60 per cent of his current $73,000 annual salary. No additional lump-sum payments would be due him.

Mr. Curran's union is one of 114 labor affiliates of the AFL-CIO.

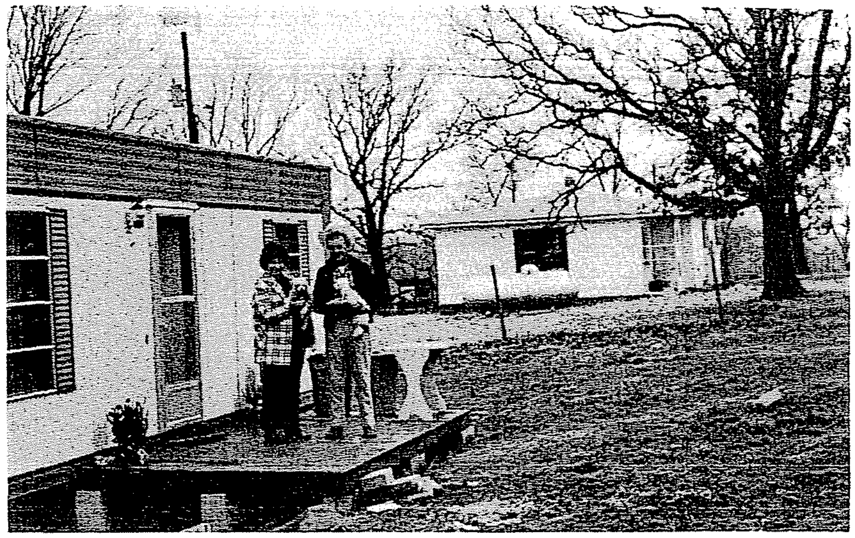
LOTZ HAS PLANS
Continued from page 1

foal during my last paid leave. I may keep the colts and others that come along and train them later for riding. You see, we are only a few miles from big Stockton Reservoir, one of the best fishing areas around, and fishermen and their families from Kansas City and other locations flock up here on vacation and over weekends. There's a good possibility that renting riding horses could be fairly lucrative. I'm also thinking seriously about building a 50-stall boat storage facility along one side of the property so that I can rent out stalls. I may even raise a few calves later on, both for our own meat and to sell. A lot depends upon whether my wife can care for them while I'm at sea. The point is that I can go in several directions, but I want to plan good to be sure that the course I set will be the one I'll be happy with in retirement. I've seen too many men retire who have nothing to do or don't like what they are doing. I don't plan to get into that trap."

Mr. Lotz said that he may eventually build a new house next to the rent house which he and his wife may move into—or rent.

"I'll probably build a corral and small barn for the horses during my next paid leave. Then I'll plan my next step," he said.

Being a property owner and living far out in the country (they see deer, fox, and other small animals) is something new for Mr. Lotz. Originally, he lived in Staten Island, but he met an attractive Missouri girl, married her, and joined the state as a taxpayer . . . "Make that 'permanent' taxpayer," he said. "This is our home from now on out. The air is clean, the hills and trees are beautiful, it's quiet so that a man can think, the pace is slow, and there's lots of room to expand in case I want to buy more property later. I haven't planned that far ahead yet."


Mr. and Mrs. Frederick H. Lotz at their mobile home on property they purchased about eight months ago. They own the rent house, background.


These two mares in foal may be the start of a future rent-a-horse business for Mr. Lotz when they have their colts. He may train them for riding horses.

Humble, Wire Elected

Two Marine Department managers have been elected to fill high positions in two shipping organizations.

General Manager Emmett A. Humble was elected chairman of the Tanker Council and a member of the Executive Committee of the American Institute of Merchant Shipping at its annual meeting on March 1. He also continues as a member of the AIMS board of directors.

Sydney Wire, assistant general manager, was elected a director in Region 3 of American Waterways Operators Inc. at its annual board meeting held on February 27.

Annuitant Dies At 81

STEPHEN J. PORUBSKY, 81, died at Rahway, New Jersey, on March 11. He retired with about 22 years of service in 1956. Mr. Porubsky joined the company in April, 1912, in the Bayonne Refinery. He left our employ in May, 1923, and rejoined the Inland Waterways New York Branch in February, 1946, as fireman. He sailed in that capacity until he retired on August 1, 1956. He is survived by a daughter.

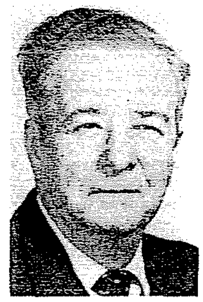
Retirements

Harold Smith Looks Forward To Hobbies

HAROLD R. SMITH retired as steward in the *Esso Chester* on February 1. He joined the *E. G. Seubert* in July, 1934, as messman, and in describing his years in the fleet he said: "My thoughts go back to when I started sailing. In those days, a real square meal with some variety was hard to come by. However, things improved and along came Mr. D. A. Hodges who made changes in every phase of food handling and its preparation. Mr. Arthur Baldwin spent a great deal of time and effort in making suggestions and submitting recipes. As of now, the results can be seen on any ship. We sure are a bunch of well fed seamen." Mr. Smith said that his plans for the future include coin collecting, crocheting, ceramics, and reading. "I walk a lot and take great pleasure in fishing. To all my shipmates, I can honestly say thanks for many pleasant memories. Somewhere there must be a heaven for busted down old seamen so who knows, maybe we will all meet again," he said.

Mr. Smith became 2nd cook in the *E. G. Seubert* about a year after joining the vessel. In April, 1937, he became chief cook in the *W. C. Teagle* and chief steward in the *Cerro Azul* in December, 1938. During his career, he served as a member of the board of governors of the Esso Seamen's Association and a member of the executive committee of the Esso Stewards Organization. Mr. Smith lives in Bayonne, New Jersey.


Smith


Stevens

Albert L. Stevens Has Summer Home

ALBERT L. STEVENS began his career in the inland fleet in May, 1946, as a licensed oiler in tugboats. He was made permanent chief engineer in the *Esso Hudson* in April, 1947. On August 1, 1960, he joined the *Esso Pelham* and was serving as chief engineer in this vessel when he retired. "My wife and I are already settled in a retirement village near Lakehurst, New Jersey. We will stay at our house near Toms River, New Jersey, during the summer," Mr. Stevens said, and added: "I'll be busy with the Coast Guard Auxiliary and fishing."

Co-Workers Honor Anthony G. Panzer

ANTHONY G. PANZER retired on February 1 as transportation allocator in the New York Branch. He began his career with the company 36 years ago as a laborer in the Marine Storehouse in Bayonne, New Jersey. He worked here until July, 1944, when he was named port turnaround clerk, working in the office at 115 Broadway, New York City. Mr. Panzer served successively as field dispatch clerk, demurrage clerk, and night clerk from April, 1946, to October, 1963, when he became operations clerk in the New York Branch. In September, 1964, he became assistant night dispatcher and was named transportation allocator in April, 1969. The accompanying picture shows Al Giallorenzi, New York Branch manager, presenting retirement gifts to Mr. Panzer during a retirement ceremony attended by his friends and relatives. Mr. Panzer lives in Toms River, New Jersey.

Charles A. Laratta Began As Messboy

CHARLES A. LARATTA, retired March 1 with 30 years of company service that saw him rise from messboy in his first ship, the *Livingston Roe*, in 1937 to chief engineer, the rating he held in the *Exxon Bangor,* his last ship before retirement. In April, 1937 Mr. Laratta became wiper in the *Christy Payne.* He was later fireman and then storekeeper in this same vessel. In 1938, he transferred to the *Cerro Azul* as oiler. He joined the *Esso Augusta* as junior engineer in

May, 1942 and had been aboard less than a month when the vessel was seriously damaged while approaching the entrance to Chesapeake Bay—*presumably* by a drifting enemy mine. Mr. Laratta and his shipmates escaped injury and the following month he joined the *H. H. Rogers* as 3rd assistant engineer. He left the fleet later in 1942 and rejoined the company in September, 1947 as 1st assistant engineer in the *Esso Concord.* He became chief engineer in this same vessel the following year. Mr. Laratta lives at Boyd's Mills, Pennsylvania.

(See RETIREMENTS, next page)

EXXON FLEET NEWS is published every other Monday for active and retired employees of the Marine Department. Exxon Company, U.S.A. (a division of Exxon Corporation); Emmett A. Humble, general manager; Sydney Wire, assistant general manager.

GENE LEGLER....................Editor

RETIREMENTS, continued from page 5

Robert B. Short Plans Seashore Vacation

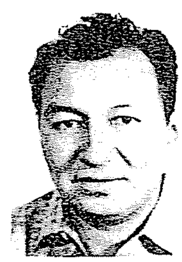
ROBERT B. SHORT retired on March 1 as 3rd assistant engineer in the *Exxon Chester*. He is shown above, second from the left, receiving a wallet and cash as a retirement gift from personnel in the vessel. "I want to thank everyone for the generous retirement purse. I appreciate their kind thoughts that I have a happy retirement life," said Mr. Short. "I have enjoyed my seagoing career. In 1941 I was apprentice Seaman in the *Joseph Conrad* and the *American Seaman*. In WW II, I served in the Navy in the mine layer *Monadnock* and in 1947, I joined the Army Engineer Corps, sailing as fireman-watertender in seagoing hopper dredges. As a Naval reservist, I was recalled to active duty in the Korean War and served in the battleship *Wisconsin* until discharged in 1952. I returned to the Army Engineer Corps where I remained until I joined Exxon in August, 1952. Now that I am retired, I am looking forward to seashore vacations with my family. My favorite recreation is ocean swimming." Mr. Short lives in Fords, New Jersey. Part of the group attending Mr. Short's retirement party in the *Exxon Chester* are, from the left: Chief Mate Edmund J. Sabowski, Mr. Short, Captain Edwin J. Fellows, Radio Officer John Dziekan, and Chief Engineer Isaac D. Jones.

Rizzolo Active In Civic Affairs, VFW

DANIEL J. RIZZOLO retired on March 1. He began his career with the fleet 24 years ago as AB in the *Livingston Roe*. He served in various company ships, becoming wiper in the *Esso Bethlehem* in 1957. He later returned to the Deck Department as AB and was sailing as AB in the *Esso Miami* when he retired. Mr. Rizzolo plans to do some inland traveling, visiting scenic areas in the U.S. "I am active in various civic projects. I'm also public relations officer of Veterans of Foreign Wars Post 4715, and I plan to keep busy in these areas," he said. In the accompanying photo, Mr. Rizzolo, left, watches as Mayor Joseph F. Flynn signs a proclamation declaring February 18-24 as VFW Anti-Drug Week in Point Pleasant Beach, New Jersey, where Mr. Rizzolo lives. Mr. Rizzolo was instrumental in promoting the week which featured a drug poster contest for school children and a program presented by representatives from a narcotics squad.

Estrada Retires As Messman In Fleet

DOMINGO Y. ESTRADA retired February 1 as messman in the *Esso Baltimore*. He had 21 years of company service that began in September, 1951, when he joined the *Esso Binghamton* as utilityman. He became wiper in the *Esso Chester* in March, 1959, and later returned to the Stewards Department where he remained until his retirement. Mr. Estrada's home is in Baytown, Texas.



SERVICE AWARDS

30 Years

Michael Emanuele
Operations Asst.,
New York Branch,
November 22, 1972

20 Years

Frank J. Vieira
AB
January 26, 1973