SCOMM
76.12

WORK ORDER REQUEST FORM W.O. [17] LS-1330

KEYWORDS: DISASTER ASSIGNED: Cook

ENVIRONMENTAL CONCERNS

HAZARDS

REQUEST FOR: Resolution TAKEN BY: Cook

SUBJECT: Exxon Oil Spill Settlement

REQUESTED FOR: HC EVC BY: Andy PHONE: 465-4945

DELIVER TO: Rep. Gruenberg, Cap 216

INSTRUCTIONS: Draft HCR. Passed out - make only absolutely necessary changes. See attached.

House Special Committee on the Exxon Valdez Oil Spill Settlement

OBTAIN

SPECIAL DRAFTING INSTRUCTIONS ATTACHED [ ]

AUTHORIZED TO CONFER WITH _____

_____

RETURN _____

_____ _____ TO REQUESTOR

APPROVED: X DIRECTOR, LEGAL SERVICES

REVIEWED _____

IN 05/01/91 DUE _____

TYPED: Draft _____ Date _____

Final _____ Date _____

PROOFED _____ DELIVERED _____

SPECIAL INSTRUCTIONS to TYPING/PROOFING

RUSH

_____

Request for FINAL

Sponsor

ALDP1010[05/01/91]

LEGISLATOR'S COPY

If you have any modifications, please contact the assigned staff immediately.

LEGISLATIVE RESEARCH AGENCY
RESEARCH REQUEST FORM

91.251
Request #

Representative Max Gruenberg
Requested for (Legislator)

Andy Hemenway (4968)
Staff Phone Number

04/12/91 (GSH)
Date/Time Initials

Tax and Royalty Loss from Exxon Valdez Spill

ASSIGNMENT

Tom Chester 04/15/91
Staff (3991) Date

SUBJECT DESCRIPTION

Estimate the revenue lost to the state from the following sources due to the March 1989 *Exxon Valdez* oil spill: 1) petroleum taxes and royalties; and 2) raw fish taxes. Also estimate the income lost from salmon enhancement tax.

PURPOSE:

Background Info/Pertinent Files?

ANTICIPATED COMPLETION DATE: April 24, 1991

WORK ORDER REQUEST FORM W.O. [17] LS-1044

KEYWORDS: COURTS ASSIGNED: Finley

LITIGATION

OIL/GAS

REQUEST FOR: Research/OP TAKEN BY: Finley

SUBJECT: Exxon Consent Decree & MOA

REQUESTED FOR: REP GRUENBERG BY: Rep. Gruenberg PHONE: 465-4968

DELIVER TO: Rep. Gruenberg, Cap 216

INSTRUCTIONS: Explain the consent decree and MOA.

OBTAIN	SPECIAL DRAFTING INSTRUCTIONS ATTACHED [ ] AUTHORIZED TO CONFER WITH _____ _____ RETURN _____ _____ TO REQUESTOR APPROVED: X DIRECTOR, LEGAL SERVICES
REVIEWED _____ IN 03/18/91 DUE _____ TYPED: Draft _____ Date _____ Final _____ Date _____ PROOFED _____ DELIVERED _____	SPECIAL INSTRUCTIONS to TYPING/PROOFING _____ _____ Request for FINAL

Sponsor

ALDP1010[03/18/91]

Alaska State Legislature

Legislative Research Agency

P.O. Box Y
Juneau, AK 99811-3100
Phone: (907) 465-3991
Fax: (907) 463-3351

April 1, 1991

MEMORANDUM

TO: Andy Hemenway

FROM: Gordon S. Harrison, Director GSH

RE: **Request for Information About Allied Chemical Corporation**

You asked for corporate income data for Allied Chemical Corporation in 1976. Attached is multi-year financial information about the company from *Moody's Industrial Manual*.

Also, you asked for the value in 1991 dollars of $13 million in 1976 dollars. The U.S. Bureau of Labor Statistics has not yet published a consumer price index (CPI) through 1991. However, if we assume an inflation rate of 5.5 percent for 1991, 13$ million dollars in 1976 is the equivalent of $31.2 million in 1991. The value in 1990 dollars using the latest published CPI figure is $29.6 million.

I hope this is the information you were looking for. If we can be of further assistance do not hesitate to ask.

See pg. 38, table: Comparative Consolidated Income Account

ALLIED CHEMICAL CORPORATION

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1976	1975	Interest Dates	Call Price	Price Range 1976	1975
1. Debenture 5.20s, 1991	A	$119,647,000			M&N 1	[2]103.00	81½ - 73¾	74¾ - 67½
2. Debenture 6.60s, 1993	A	85,366,000			F&A 1	[2]103.63	91 - 83¼	83⅞ - 75½
3. Debenture 7⅛s, 1996	A	96,887,000			M&S 1	[2]105.325	101¾ - 84	92 - 81
4. Debenture 9s, 2000	A	75,000,000			A&O 1	[2]107.425	103½ - 102	100¾ - 95
5. 8¾% notes, 1983	A	75,000,000	5.21	5.70	A&O 1	[5]100	106½ - 99	102⅞ - 97¼
6. Union Sulph. & Oil debs. (assumed)	A	2,466,000			M&S 1	100	.....	93 - 91
7. Installment notes	[1]..	23,546,000			.....	.....	.....	[1].....
8. Pollution Control Div. Bonds and note oblig.	....	27,000,000			.....	.....	.....	.....
9. Other debt	....	28,000,000			.....	.....	.....	.....

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1976	1975	Divs. per Sh. 1976	1975	Call Price	Price Range 1976	1975
1. Common	$9	[4]27,969,121 shs.	[4]$4.18	[4]$4.17	$1.80	$1.80	.....	44⅞ - 33⅜	42 - 27

[1]Placed privately. [2]Subject to change; see text. [4]Based on avg. shs. as reported by Co. 1976 after extraordinary charge; before, $4.52. [5]Beginning Oct. 1, 1981.

HISTORY

Incorporated Dec. 17, 1920 under a perpetual charter in New York as Allied Chemical & Dye Corp. (present name adopted Apr. 28, 1958); to consolidate by stock ownership the control of (1) The Barrett Co., incorporated in New Jersey, Feb. 6, 1903 as American Coal Products Co. and name changed to The Barrett Co. in 1915 (2) General Chemical Co., incorporated in New York, Feb. 15, 1899 (3) National Aniline & Chemical Co., Inc., incorporated in New York, May 26, 1917 (4) Semet-Solvay Co., incorporated in New York, July 8, 1895, and (5) The Solvay Process Co., incorporated in New York, Sept. 28, 1881. For details of above acquisitions, see Moody's 1949 Industrial Manual.

During 1947, General Chemical Co., Semet-Solvay Co. and The Solvay Process Co., together with certain minor subsidiaries, were merged. Business formerly conducted by these companies, as well as business formerly conducted by National Aniline & Chemical Co., Inc., and Barrett Co. which was merged in 1941, is now conducted as divisions.

During 1952 Nitrogen Division was formed to take over manufacture and sale of ammonia and other nitrogen and related products previously made by Solvay Process Division and sold by Barrett Division.

In 1954 acquired Mutual Chemical Co. of America; merged Mar. 1, 1955.

In 1955, company formed Allied Chemical International Division which specializes in operations outside the U.S. and Canada.

In 1959, company started first privately owned plant for production of uranium hexefluoride from uranium concentrates for sale under contract to Atomic Energy Commission at Metropolis, Ill.

On Feb. 20, 1962, acquired Union Texas Natural Gas Corp. (Del) for 6,352,795 common shares.

In Sept., 1963 formed Fibers Division for fiber program.

In May 1964, acquired Southern Propane Co. in exchange for 200,000 common shares. Now operated as a subsidiary supervised by Union Texas Petroleum Division.

In Jan., 1966, acquired certain assets of Polymer Chemicals Division of W.R. Grace & Co.

In Feb. 1966, Company and Aerojet General Corp. agreed to form jointly owned Idaho Nuclear Corporation for purpose of managing and operating a portion of National Reactor Testing station at Idaho Falls, Ida., under a 5-year contract which expired June 30, 1971, for the U.S. Atomic Energy Commission. In May 1969 the Corp. was reorganized, Aerojet General Corp. assuming a 52% interest with Allied Chemical and Phillips Petroleum sharing the remainder. On July 1, 1971, Allied Chemical entered into a new contract covering sole management of the National Reactor Testing Station's chemical processing plant and related activities. Company continues to manage these activities for the Energy Research and Development Administration at the Idaho National Engineering Laboratory (formerly National Reactor Testing Station).

In 1966 acquired 50% interest in Jim Robbins Seat Belt Co. which was increased to 100% on Aug. 1, 1967 (merged into Co. on Oct. 31, 1974).

On Aug. 1, 1967 sold Barrett building materials business to Jim Walter Corp. for $20,000,000 cash and 731,607 $2 conv. series I 3rd preferred shares of Jim Walter Corp., which were sold in Apr. 1968 for $46,969,169.

In Oct. 1967, acquired 50% interest in Daal Specialties Ltd. and Daal Specialties (Collingwood) Ltd. Interest increased to 100% in June 1969. Now operated as Daal Specialties (Canada) Ltd. under direction of Automotive Products Div.

On Mar. 2, 1970, company and a Gulf Oil Corp. subsidiary (General Atomic Co.) formed Allied Gulf Nuclear Services, a partnership, for the construction and operation of a nuclear fuel recovery plant at Barnwell S.C.

In early 1974 Gulf Oil Corp. went into partnership with Scallop Nuclear Inc., a subsidiary of the Royal Dutch Shell Group. Subsequently sold a 50% interest in General Atomic Co., to Scallop Nuclear, which resulted in a name change to Allied-General Nuclear Services.

In Jan. 1971, Company and Salem Corp. formed Coaltek Associates, a partnership of affiliates of Company, Salem and Gibbons Dudley Ltd., a British firm, (in late 1973 Gibbons Dudley Ltd. sold their share of their equal partnership with Salem Corp. in Coaltek Associates to Salem Corp.) for purpose of licensing new method for pipeline charging of coke ovens with pre-heated coal.

In 1971 acquired a group of small seat belt producers called Klippan Companies, with plants in West Germany, France, Italy, Sweden and Switzerland. A new plant in Belgium to make plastic, metal and fabric components of safety restraints was completed in 1973.

In Jan. 1975, Co. acquired the assets of S. Delia Corp. and E.G. Delia and Son Construction Corp. for 112,615 common shares.

In 1975 acquired the fluorspar mines and processing plants of Minerva Oil Co. at Cave-in-Rock, Ill.

SUBSIDIARIES

On Dec. 31, 1976, held 100% of the voting power in the following subsidiaries:

Domestic

Allied Chemical Communications Co., Inc.
Allied Chemical Coal Technology Corp.
Allied Chemical Interamerican Corp.
Allied Chemical International Corp.
Allied Chemical (North Sea), Ltd.
Allied Chemical Minerals Ltd.
Allied Chemical Nuclear Products, Inc.
Allied Chemical de Puerto Rico, Inc.
Ashland By-Product Gas Co.
Chico of Texas Corp.
Delia Construction Corp.
Ironton By-Product Gas Co.
Nypel, Inc.
Seta Construction Co.
Southern Propane Finance Co.
Sugar Bowl Gas Corp.
Sugar Bowl Industrial Gas Corp.
Texas Gas Pipe Line Corp.
Texgas Corp.
Texgas Service Stations, Inc.
The Tully Pipe Line Co.
Union Petrolera Venezolana, C.A.
Union Texas (Argentina) Ltd.
Union Texas Dubai, Inc.
Union Texas Far East Corp.
Union Texas Norway Corp.
Unola de Argentina, Ltd.
Uno-Tex Petroleum Corp.
Union Texas Petrolera de Guatemala, Inc.
Union Texas Petroleum Corp.
Union Texas (Nederland), Inc.
Union Texas Espana, Inc.
Union Texas Asia Corp.
Union Texas Germany, Inc.
Union Texas Kenya Corp.
Union Texas Trading Co. Ltd.

Foreign

Alchem Assurance, Ltd.
Aliada Quimica de Venezuela, C.A.
Allied Chemical (NZ) Ltd.
Allied Chemical, S.A.
Allied Chemical Canada, Ltd.
Allied Chemical de las Americas, S.A.
Allied Chemical do Brasil Comercio Industria Ltda.
Allied Chemical (Great Britain) Ltd.
Allied Chemical Nederland N.V.
Allied Chemical Singapore Ltd.
Daal Specialties (Canada) Ltd.
Klippan G.m.b.H.
Klippan N.V.
Klippan S.A.
Klippan Automotive Products, A.B.
Materias Primas, S.A.
N.V. Allied Chemical International S.A.
Quimica Aliada de Centro America S.A.
Sigmatex A.G.
S.P.A.A. Klippan S.a.r.l.
Union Texas Germany Shore Base GmbH
Union Texas Indonesia, Ltd.
Union Texas of Canada, Ltd.
Union Texas Northwest Ltd.

Affiliates: Quimobasicos S.A. (49%); Aliada Quimica S.A. (50%); Klippan Italia S.p.A. (67%); Compania Minera Rio Colorado (40%).

BUSINESS & PRODUCTS

ENERGY

Petroleum: Company's petroleum products include natural gasoline, liquefied petroleum gases (LPGs), residue gas, produced and purchased natural gas, crude oil and condensate, ethane and ethylene. Natural gasoline is sold to refiners for use as a blending stock. LPGs are sold as petrochemical feedstocks, agricultural, industrial and home heating fuels, and as a fuel for tractors, trucks and buses. Refined products are sold to motor gasoline wholesalers and through service stations owned or franchised by company. A significant portion of LPGs are sold through Texgas® LPG retail outlets. Substantially all residue gas and natural gas produced by company is sold to gas transmission companies under long-term contracts. Natural gas is also purchased by Co. for its intrastate pipeline systems in Louisiana and Texas. About 50% of these purchases are sold to customers under long-term contracts and balance is used by company in certain plants located in Louisiana & Texas. Produced crude oil and most condensate are sold to others for further processing. Ethylene is a raw material from which company makes ethylene dichloride, vinyl chloride monomer, high density polyethylene and polyethylene waxes.

Company's petroleum business is significantly smaller than that of major oil companies although it is a signficant segment of Company's total operations. Co. has expanded its oil and gas exploration and it is currently engaged in a worldwide oil and gas exploration and production program.

Coal, Coke and Other: Metallurgical coal is mined and used principally by company in production of coke. Nonmetallurgical coal is mined and sold for use in production of energy.

Company produces coke and its various by-products, including ammonia liquor, gas, tars and light oil/distillates and pitch and pitch by-products from processing of tar. Coke is sold principally for use in production of iron and steel and in foundry operations. By-products of coke are separated into various constituents for sale or use by company, and surplus gas from coke production is sold to various industrial customers.

Company is a major merchant producer foundry coke. Company also produces of furnace coke for sale to others, although its production is insignificant compared to that of major steel companies. Furnace coke is produced at Co.'s Ashland, Ky. and Ironton, Ohio plants, the production from which is essentially dedicated to two customers under long-term supply contracts.

A joint venture, in which company has a 50% interest, develops and markets technology for preheating and pipeline charging of coal to coke ovens.

Company is one of two major domestic processors of uranium ore concentrate into uranium hexafluoride, which is an essential intermediate in production of fuel elements for nuclear power reactors.

Company is a 50% partner in Allied-General Nuclear Services, which has built a commercial nuclear fuel reprocessing complex at Barnwell, S.C., now awaiting operating license.

FIBERS AND FABRICATED PRODUCTS

Fibers: Company is one of three major domestic producers of nylon-6 yarns, which are sold in competition with nylon-6,6. Producers of nylon-6,6 include firms whose production of that product is very much larger than the Company's production of nylon-6. Nylon yarns are subject to considerable price competition. Company makes caprolactam, the intermediate from which it produces fine and heavy denier nylon yarns, in a wide variety of forms with different textures and characteristics, some of which are sold under trademarks Caprolan®, Captiva®, Anso®, and Anso X®. Fine deniers are sold to textile industry for use in manufacture of fabrics for apparel and upholstery. Heavy deniers are used principally in carpet yarn, industrial fabrics and belting and tire cord. Both continuous filament and staple yarns are sold for manufacture of carpeting. Company also produces heavy denier polyester yarn for use in industrial fabrics, and tire cord.

Fabricated Products: Company produces automotive seat belts and shoulder harnesses; Capran® nylon-6 thermoplastic film used

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mainly in laminates for packaging processed foods; Aclar® film, a fluorinated-hydrocarbon suitable for pharm ceutical and electronic packaging applications; and polyvinyl chloride films used for shrink film; and Petra® polyester film for blister packaging. Co. is also in road construction business and produces bituminous concrete, bituminous liquids, pavement sealers and recreational surface coatings. Co. makes synthetic crystals for use in laser range finders and in semi-conductors for computer memory systems, calculators, watches and communications equipment.

Co. is the world's largest producer of automotive seat belts and shoulder harnesses, which are the principal products of the fabricated products group.

Protective devices other than conventional automotive lap belts and shoulder harnesses may be installed in automobiles in the future. Company has done substantial work in connection with development of air bag and Inflataband" safety restraint devices, which may replace such belts and harnesses for certain seating positions in vehicles.

CHEMICALS

Company is a major chemical producer. Company's chemical products are sold principally to other manufacturers for use in production of their products and to a lesser extent to dealers, some of whom distribute such products under their own names and to ultimate consumers. Many of Company's chemical products are subject to considerable price competition..

Inorganic Chemicals: Major products in this group are sulfuric, hydrochloric, hydrofluoric and nitric acids, aluminum sulfate, soda ash, caustic soda, chlorine, sodium bichromate and chromic acid and other chromium chemicals. Other significant chemicals in group are sodium bicarbonate, calcium chloride, aluminum fluoride, and ammonium chloride. Co. also mines the mineral fluorspar.

Sulfuric acid, most widely used industrial chemical, is used principally in production of other chemicals, fertilizers, iron and steel, rayon and petroleum products. Uses for other products in this group include water purification, chrome plating and production of fluorocarbons, paper, soap, synthetic detergents, glass, textiles, leather, plastics, petroleum products, rayon, aluminum, and other chemicals.

Plastics: Products in this group include low molecular weight polyethylene waxes for floor polishes, rubber compounding and molding, textile finishes, inks and paper coatings; high density polyethylene resins for pipe, blow molded bottles and injection molding; thermosetting molding resins for packaging closures, for dinnerware, and for high quality electronic components; nylon compounds and polytetrafluoroethylene and other fluorine-containing polymers for electrical and other applications.

Organic Chemicals: Major organic products are dyes, phthalic anhydride, Nacconate® isocyanates, Genetron® flurocarbons, phenol, oximes, vinyl chloride monomer and ethylene dichloride. Dyes are used as colorants by many manufacturing industries, such as the paper, textiles, paint, ink and leather. Phthalic anhydride is used for making resins incorporated in paints, enamels and other coatings. Isocyanates are primary ingredients in production of rigid and flexible urethane foams. Gentron® fluorocarbons are used chiefly as refrigerants, as blowing agents for urethane foams and aerosal propellants. Phenol is principal raw material for caprolactam and is also used in manufacture of phenolic resins. Oximes are intermediates used in the manufacture of pesticides, anti-oxidants, blocking-agents and many other compounds.

Other products in this group include acetone, chloromethanes, melamine crystal, urea, formaldehyde, chlorobenzenes, Pcmalus® malic acid, a food acidulant and food colors.

Agricultural Chemicals: Included in this group are anhydrous ammonia, ammonium sulfate and other ammonia-based products such as nitrogen solutions and urea, and ammonium polyphosphates and also zinc-nitrogen compound. These products are used principally for manufacture of mixed and direct application fertilizers in production of plastics and other chemicals, and as liquid feed supplements for cattle.

SOURCES OF REVENUE: Net sales in millions of dollars by lines of business and principal product groups follow:

	—1976— Rev.	% of Total	—1975— Rev.	% of Total
Energy:				
Petroleum	430	16	373	16
Coal, coke & other	196	8	208	9
Fibers & Fabricated Products:				
Fibers	325	12	274	12
Fabricated prod.	266	10	230	10
Chemicals:				
Inorganic	594	23	497	21
Plastics	200	8	154	7
Organic	395	15	331	14
Agricultural	224	8	266	11
Total	$2,630	100	$2,333	100

DIVISIONS

Allied Chemical International—Sells outside of U.S., products manufactured by operating divisions and affiliates of Allied Chemical Corp., manages overseas investments of company, and licenses Allied Chemical's technology to other companies outside the U.S.

Agricultural Division—Nitrogeh solutions, ammonia and urea products, phosphatic and potassium fertilizer materials, trace elements; nitrogen-zinc foliar spray and feed urea and liquid protein for animal nutrition.

Automotive Products Division—Automotive seat belts and shoulder harnesses; air cushion passive restraint systems.

Fibers Division—Nylon and polyester fibers for apparel, home furnishings, tire and industrial uses: Caprolan® nylon and yarns for apparel; Anso® filament and staple nylon, and Anso-X® anti-static nylon staple yarns for carpet; nylon and polyester yarns for tire and industrial applications; packaging films and chemicals such as caprolactam, ammonium sulfate, and adipic acid.

Industrial Chemicals Division—Mineral acids, chlor-alkalies and other basic chemicals for industry. Major products are sulfuric, muriatic, nitric and hydrofluoric acids; soda ash, caustic soda and related alkalies; chlorine; calcium chloride; alums; ammonium, potassium, sodium and aluminum compounds; vinyl chloride monomer; ethlene dichloride; aluminum fluoride; chromium chemicals; paving materials, stone, sand and gravel aggregates.

Nuclear Services Division—Processes uranium for ultimate use in nuclear fuels.

Semet-Solvay Division—Coke and by-products; coal, coal chemicals and industrial tar products.

Specialty Chemicals Div sion—Prominent in area of fluorine and its many compounds, manufactures Genetron® aerosol propellants and refrigerants; solvents. Other principal product groups include Nacconate® isocyanates; electronic chemicals; dyes; food colors and acidulants, including Pomalus® malic acid; aniline; chlorobenzenes and chloromethanes.

Plastics and resins; urea, melamine, alkyd, epoxy and diallyl phthalate thermoset molding compounds; thermoplastic resins, including polyethylene, fluorcarbons, nylon; phthalic anhydride, phenol, adipic acid, formaldehyde, acetone and industrial urea.

Union Texas Petroleum Division—Crude oil, natural gas, natural gas condensate, ethane, propane, butanes, natural gasoline, aromatics, olefins, and solvents.

Allied Chemical Canada, Ltd.—Company's principal operating subsidiary—Soda ash, calcium chloride, sulfuric acid, hydrofluoric acid, aluminum sulphate, aerosol propellants and refrigerants, toluene di-isocyanate; distributes company's products in Canada.

PRINCIPAL PLANTS & PROPERTIES

Company operates plants, research laboratories, mines, quarries and other facilities in operation throughout U.S., Canada and Europe. Plants are located to serve large marketing areas and to provide accessibility to raw materials.

Principal plants, mines and quarries which are owned in fee, unless otherwise indicated, are as follows:

Petroleum

Eunice, La.
Rayne, La.
St. Bernard, La.
Rankin, Tex.
Silver, Tex.
Ringwood, Okla.

Coal, Coke & Other

Fairfield, Ala.
Metropolis, Ill.
Ashland, Ky.
Detroit, Mich.
Buffalo, N.Y.
Ironton, Ohio
[1]Capels, West Va.
[1]Montgomery, West Va.

[1]Soft coal leases.

Fibers

Moncure, N.C.
Columbia, S.C.
Bermuda Hundred, Va.
Hopewell, Va.

Fabricated Products

Macon, Ga.
Pottsville, Pa.
Knoxville, Tenn.
Ypres, Belgium
Collingwood, Ontario Canada
Gourney, France
Hamburg, Germany

Inorganic Chemicals

El Segundo, Cal.
Pittsburg, Cal.
Richmond, Cal.
N. Claymont, Del.
Brunswick, Ga.
Chicago, Ill.
Danville, Ill.
East St. Louis, Ill.
[3]Baton Rouge, La.
Baton Rouge, La.
Geismar, La.
Front Royal, Va.
Anacortes, Wash.
Baltimore, Md.
Owensville, Mo.
Elizabeth, N.J.
[2]Jamesville, N.Y.
Syracuse, N.Y.
Acme, N.C.
Cleveland, Ohio
Marcus Hook, Pa.
Newell, Pa.
Moundsville, West Va.
Nitro, West Va.
Green River, Wyo.
[3]Green River, Wyo.
Amherstburg, Ontario, Canada
Corruna, Ontario, Canada
Valleyfield, Quebec, Canada

Organic Chemicals

Danville, Ill.
Geismar, La.
Elizabeth, N.J.
Buffalo, N.Y.
Philadelphia, Pa.
[2]So. Charleston, W.Va.
[1]Baton Rouge, La.
Baton Rouge, La.
South Point, O.
Moundsville, W.Va.
Amherstburg, Can.
Corunna, Can.

[1]Leased plant.
[2]Jointly owned.
[3]Trona mineral.
[4]Limestone quarry.

Agricultural

Geismar, La.
Omaha, Neb.
Hopewell, Va.

Plastics

Baton Rouge, La.
Toledo, O.
Tonawanda, N.Y.
Orange, Tex.

Oil and Gas

In 1976, capitalized portion of Company's expenditures for exploration and development of oil and gas properties and for acquisition of oil and gas properties totaled $155,500,000.

Company holds various interests (leasehold, contract or others) in producing oil and gas properties located in the United States, U.K., North Sea, Canada, Argentina, and Indonesia. Additionally, Company has various interests in or rights to conduct exploratory activities on undeveloped acreage located in United States, Canada, British and West German sectors of North Sea, Indonesia, and offshore Spain, Italy and Dubai.

Company has 35% interest (reducible to 26¼% under certain options) in a joint venture which is developing oil and gas fields in Kalimantan, Indonesia; and 20% interests in both Piper and Claymore Fields in the British North Sea.

At Dec. 31, 1976, Company's worldwide net proved reserves were estimated to be 29 million barrels of liquid hydrocarbons (crude oil, condensate and natural gas liquids) and 1.2 trillion cubic feet of natural gas. The Company also estimates it had 68 million barrels of liquids, and 186 billion cubic feet of residue gas committed at Dec. 31, 1976, under gas processing contracts.

Other Properties:

An administrative and research and development complex is located at Morris Township, N.J. Other research and development laboratories are located near Petersburg, Va., at Buffalo and Syracuse, N.Y., and a development center for automotive products is located at Mt. Clemens, Mich.

Company owns and also leases for its own use warehouses, railroad cars, barges, automobiles, trucks and material handling equipment. It also leases space for administrative and sales staffs and leases data processing equipment.

Capital Expenditures (in $000):

1976:	
Land & improv.	4,009
Oil & gas prop.	63,578
Mach. & equip.	246,948
Buildings	2,387
Off. furniture	1,927
Transpor. equip.	2,904
Construction in progress	25,023
Total	$346,776

Joint Venture Plant: Company and General Atomic Co., a Calif. partnership in which equal shares are owned by Gulf Oil Corp., (see alphabetical index) and Scallop Nuclear, Inc., (a Del. corporation which is wholly owned by Royal Dutch Shell Group) have built a plant at Barnwell, S.C. costing approx. $250,000,000 to process used nuclear fuel from atomic power plants. Sustained plant operation will be dependent on licensing by the Nuclear Regulatory Commission and resolution of uncertainties as to the recycling of plutonium and the final form of waste products, and construction of related facilities. The Barnwell plant, with processing capacity of 1,500 metric tons of spent atomic fuel per year, is mutually owned by General Atomic Co. and a wholly owned subsidiary of Company, Allied Chemical Nuclear Products, Inc.

MANAGEMENT

Officers

J.T. Connor, Chmn. & Chief Exec. Off.
A.B. Trowbridge, Vice-Chmn.
R.E. Mulcahy, Pres.
H.G. Teverbaugh, Senior Vice-Pres.
Alan Belzer, Group Vice-Pres.
W.D. Geitz, Group Vice-Pres.
R.G. Denkewalter, Vice-Pres.—Res. & Tech.
H.G. Robinson, Vice-Pres.—Med. Affairs
W.H. Sykes, Vice-Pres.—Finance
A.F. Watters, Vice-Pres.—Corp. Rel.
H.W. Buirkle, Vice-Pres.—Admin.
B.D. Forrow, Vice-Pres. & Gen. Counsel
W.A. Kebba, Controller

P.J. Schiller, Treasurer
H.B. Flanders, Jr., Sec.

Directors

R.T. Bonn — G.W. Miller
J.T. Connor — R.E. Mulcahy
J.P. Fishwick — C.W. Nichols, Jr.
B.D. Forrow — Richard S. Perkins
E.B. Giblin — F.J. Pizzitola
J.D. Glover — R.R. Shinn
Katherine Graham — A.B. Trowbridge, Jr.

Auditors: Price Waterhouse & Co.

Annual Meeting: Monday preceding the last Tuesday in April of each year.

No. of Stockholders: Dec. 31, 1976, 66,834.

No. of Employees: Dec. 31, 1976, 33,448.

Corporate Headquarters: Columbia Road & Park Ave., P.O. Box 4000R, Morris Township, NJ 07960. **Tel.:** (201)455-2000.

New York Office: 1221 Ave. of the Americas, New York, NY 10020.

INCOME ACCOUNTS COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
(Taken from reports to Securities and Exchange Commission) (in thousands of dollars)

	1976	1975	[1]1974	[1]1973	[1]1972	[1]1971	[1]1970
Sales & operating revenues	$2,629,567	$2,333,111	$2,215,946	$1,664,551	$1,500,977	$1,325,893	$1,248,479
[2]Cost of goods sold & oper. exp.	2,081,523	1,817,182	1,697,898	1,255,245	1,135,641	984,171	923,113
Depreciation & depletion	136,146	128,596	115,450	108,945	117,431	119,202	119,645
[3]Sell., gen. & adm. exp.	179,820	163,777	152,061	138,751	134,564	135,070	133,973
Gross income from operations	232,078	223,556	250,537	161,610	113,341	87,450	71,748
Dividends & equity income	1,351	1,711	2,207	3,161	2,693	2,063	4,267
Interest and mis. income	10,237	7,500	9,673	19,471	10,483	10,461	9,551
Total income	243,666	232,793	262,417	184,242	126,517	99,974	85,566
Loss on dispos. of oper. assets	cr92,619	.....	.....	6,670	.....	.....	.....
Loss on termination of gas supply contract	95,851	.....	.....	.....	.....	.....	.....
Preoperat. exp. of Allied-General Nuclear Services	6,881	5,334	2,759	.....	.....	.....	.....
Interest & exp. on debt	45,086	40,362	26,349	28,783	30,270	29,184	28,527
Profit on purch. of debs.	1,238	2,532	1,603	.....	.....	.....	.....
[4]U.S. & Canadian income taxes	26,658	16,117	54,973	33,612	12,047	5,859	cr2,706
Deferred income tax	24,399	48,012	25,218	18,813	12,939	6,235	11,113
Other income taxes	12,343	9,280	8,401	6,139	7,946	6,153	5,359
Income bef. extraord. items	126,305	116,194	144,320	90,225	63,315	52,543	43,273
[9]Extraordinary items	dr9,506	.....	.....	.....	cr582	cr3,595	cr25,289
Net income	116,799	116,194	144,320	90,225	63,897	56,138	68,562
Retained earnings, beginning of year	703,345	637,439	535,666	481,010	450,183	427,121	391,943
[7]Common dividends (cash)	50,348	50,223	42,547	35,569	33,070	33,067	33,206
[10]Other debits	.....	65	.....	.....	.....	9	178
Retained earnings, end of year	$769,796	$703,345	$637,439	$535,666	$481,010	$450,183	$427,171
SUPPLEMENTARY P. & L. DATA							
Maintenance & repairs	$207,302	$165,561	$150,988	$123,916	$111,413	$113,119	$107,147
[12]Taxes other than income	70,219	65,070	61,279	52,142	44,338	40,500	37,949
Rents	46,125	43,321	40,030	37,112	35,419	35,476	33,600
Royalties	6,508	5,617	5,468	4,498	3,875	3,672	3,925
Wages, salaries & empl. benefits	642,274	554,637	503,019	457,739	420,035	393,485	380,746

[1]Restated to reflect adjustment for deferred taxes on intangible drilling costs on oil and gas properties.

[2]Includes related portions of items shown under "Supplementary p. & l. data" below statement.

[4]1976-73 includes foreign income taxes.

[7]Represents net payments exclusive of amount applicable to treasury shares.

[9]1976: Consists of $9,506,000 extraordinary charge after related tax benefit of $4,660,000 in connection with the Kepone problem at Hopewell, Va.

1972: Consists of: $1,492,000 gain after related tax of $488,000 on disposition of a marketable security and a net loss of $910,000 after related tax benefit of $1,270,000 associated with shutdown of a small, unprofitable business.

1971: consists of: $4,253,000 gain on sale of Company's investment in a domestic affiliate and a net loss of $658,000 from the disposition of facilities and processes.

1970: Consists of: $19,873,000 gain on sale of 800,000 shares of Owens Illinois, Inc. common stock; $3,834,000 gain on sale of certain foreign investments; $1,582,000 net credits relating to completion of certain matters initially provided for in 1968.

[10]1975, 1971-70: Excess of cost over market of treasury stock disposed of.

[12]Includes payroll taxes (1976, $32,108,000).

General Note

No charges made to income to provide for amortizing intangible asset included in consolidated balance sheet as patents, processes, goodwill, etc. Since organization, company's policy has been to charge to income all expenditures incurred for research, development and acquisition of patents, processes and trademarks.

Statement of Changes in Financial Position (in thousands):

Resources were provided by:	1976	[1]1975
Inc. bef. extraord. charge	$126,305	$116,194
Deprec., depl. & amort.	136,146	128,596
Deferred inc. taxes	33,825	48,012
Equity in losses of unconsol. subs. & affil.	6,260	4,057
Def. inc. realized in current yr.	(6,079)	(14,431)
Loss on termin. of gas contract	95,851	.....
Gain on tfr. of gas res.	(87,624)	.....
Extraord. charge using work. cap., net	(9,506)	.....
Proc. from prop., plant & equip. retired or sold	31,217	19,086
Issu. of debs., notes & other finan.	44,364	149,250
Proc. from poll. control rev. bd. & note oblig.	.....	53,566
Proc. from exer. of stk. options	2,983	4,243
Gain on transfer of gas res.	87,624	.....
Reclassif. of accr. pension oblig.	22,322	(13,100)
Add. to deferred income	16,806	13,531
Total	500,494	509,004
Resources were used for:		
Add. to prop., plant & equip.	346,776	304,685
Add. to inv. & lg.-tm. rec.	1,609	24,036
(Decr.) inc. in goodwill, patents, licenses & def. chgs.	(12,323)	30,123
Cash dividends	50,348	50,223
Payment of lg.-tm. debt	20,272	22,665
Loss on termin. of gas contract	95,851	.....
Other, net	7,364	8,913
Total	509,897	440,645
Net (decr.) incr. in working capital	($9,403)	$68,359

[1]Restated for comparative purposes.

Record of Earnings, year ended Dec. 31 (in thousands of dollars):

Year	Net Sales	Cost and Expenses	Balance	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1957	683,079	602,422	80,656	8,014	88,669	37,432	51,237	29,762	9,922,192	5.16
1958	635,532	570,492	65,039	d2,812	62,228	28,002	34,226	29,776	9,929,119	3.45
1959	719,662	618,225	101,437	d1,559	99,878	49,837	50,041	31,311	19,906,318	2.51
1960	765,796	661,697	104,098	d510	103,488	52,202	51,286	35,889	19,976,839	2.57
1961	746,574	648,476	98,048	d1,472	96,576	49,371	47,206	36,039	20,076,023	2.35
1962	869,131	757,052	112,079	d5,052	107,027	49,049	57,978	46,544	26,466,991	2.19
1963	963,141	830,856	132,285	d4,175	128,109	55,872	72,237	47,654	26,076,062	2.77
1964	1,043,133	909,589	133,544	d404	133,139	52,129	81,010	47,346	26,296,636	3.08
1965	1,121,289	988,149	133,139	d2,117	131,023	46,676	84,347	50,686	26,833,672	3.14
1966	1,245,636	1,098,966	146,669	d7,521	139,149	49,935	89,215	51,791	27,490,269	3.25
1967	1,243,411	1,129,357	114,054	d9,273	104,781	34,983	69,798	52,937	27,974,781	2.50
1968	1,278,071	1,206,076	71,995	d16,107	55,888	15,048	40,840	48,372	28,054,055	1.46
[1]1969	1,316,063	1,224,336	91,727	d2,561	89,166	20,573	68,593	33,526	27,744,706	2.47
1970	1,248,479	1,176,731	71,748	d14,709	57,039	13,766	43,273	33,206	27,554,899	[2]1.57

[1]Restated in 1975 to reflect adjustment for deferred taxes on intangible drilling costs on oil and gas properties.

[2]Before extraordinary items. After, 1970, $2.47.

BALANCE SHEETS COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF DEC. 31
(Taken from reports to Securities and Exchange Commission) (in thousands of dollars)

ASSETS	1976	1975	[14]1974	[14]1973	[14]1972	[14]1971	[14]1970
Cash	$22,262	$26,858	$17,293	$20,033	$29,856	$22,962	$35,296
Short term secur. & time deposits	33,701	59,121	55,497	105,604	74,034	63,188	.....
[5]Accts. & notes receiv., net	339,838	296,991	269,838	274,537	281,990	246,838	246,131
[6]Inventories	333,247	303,941	287,919	226,855	205,194	220,281	207,102
Other current assets	14,321	15,376	11,298	11,654	8,457	8,228	5,508
Total current assets	$743,369	$702,287	$641,845	$638,683	$599,531	$561,497	$494,037
[1]Marketable securities, cost	3,538	3,640	3,728	3,861	3,956	4,152	5,539
[3]Investments & advances, cost	128,612	133,263	113,284	88,881	80,511	66,372	69,223
[6]Property, plant & equipment cost	2,976,976	2,751,971	2,562,657	2,360,042	2,249,957	2,235,645	2,156,296
[6]Less: Res. for depreciation, etc.	1,522,871	1,477,279	1,444,968	1,413,965	1,356,697	1,315,511	1,239,767
Net property account	1,454,105	1,274,692	1,117,689	946,077	893,260	920,134	916,529

BALANCE SHEETS (cont'd):

	1976	1975	[14]1974	[14]1973	[14]1972	[14]1971	[14]1970
Patents, goodwill, etc.	52,991	52,991	52,991	85,034	84,053	59,764	60,950
Deferred charges	56,712	69,035	38,912			24,785	35,570
Total	$2,439,327	$2,235,908	$1,968,449	$1,762,536	$1,661,311	$1,636,704	$1,581,848
LIABILITIES							
Accounts payable & accr. liab.	$316,453	$270,058	$257,182	$221,528	$184,490	$162,446	$154,522
Notes payable	21,860	16,126	6,231	9,789	3,624	23,144	71,423
Taxes accrued	22,051	24,190	53,148	28,067	22,410	16,520	18,237
Interest accrued	11,309	10,814	7,818	.....	.....	.....	.....
Long term debt due in one year	[7].....	[7].....	4,726	.....	.....	.....	.....
Total current liabilities	$371,673	$321,188	$329,105	$259,384	$210,524	$202,110	$244,182
Long-term debt	527,615	503,523	354,071	354,228	383,856	399,354	337,895
Res. for pensions & contingencies	71,109	48,787	61,887	74,086	84,900	94,150	103,353
[10]Deferred income	37,721	26,994	27,894	18,985	19,086	19,412	2,580
Deferred income tax	206,694	176,842	136,664	112,322	96,180	84,760	78,088
Cap. lease obligations	110,227	113,720	84,123	74,406	55,140	56,183	58,129
Common stock (par $9)	364,305	364,305	364,305	364,305	364,305	364,305	364,305
[13]Retained earnings	769,796	703,345	637,439	535,666	481,010	450,183	427,121
Total stockholders' equity	1,134,101	1,067,650	1,001,744	899,971	845,315	814,488	791,426
[8]Less: Treasury stock	19,813	22,796	27,039	30,846	33,690	33,753	33,805
Net stockholders' equity	1,114,288	1,044,854	974,705	869,125	811,625	780,735	757,621
Total	$2,439,327	$2,235,908	$1,968,449	$1,762,536	$1,661,311	$1,636,704	$1,581,848
Net current assets	$371,696	$381,099	$312,740	$379,299	$389,007	$359,387	$249,855
PROPERTY ACCOUNT—ANALYSIS							
Additions at cost	$346,776	$304,363	$301,652	$184,518	$127,658	$129,780	$138,336
Retirements or sales	121,771	115,371	100,780	74,433	113,346	52,403	38,809
[4]Other additions	.....	322	6,641	.....	.....	1,972	876
DEPR. & DEPL. RES.—ANALYSIS							
Additions chgd. to income	$136,146	$128,596	$115,450	$108,943	$117,431	$119,202	$119,645
Retire renewals chgd. to res.	90,554	96,285	86,132	35,011	59,298	33,815	27,330
[2]Other additions	.....	.....	1,685	.....	.....	624	83
[11]Other deductions	.....	.....	.....	16,666	16,947	10,267	5,093

[1]Market value: 1976, $9,916,000.

[2]Represents property and accumulated depreciation acquired from Co.'s initially consolidated during the year.

[3]1976-70: Includes subsidiary and 50% owned companies: 1976, $111,764,000; 1975, $108,578,000; 1974, $86,988,000; 1973, $52,719,000; 1972, $26,306,000; 1971, $13,974,000; 1970, $41,528,000.

[4]Result of companies consolidated initially during year.

[5]After reserves (1976, $12,990,000).

[6]Inventories, at lower of cost or market are itemized as follows:

	1976	1975
Raw materials	$74,547	$72,082
Work in process	23,512	24,944
Finished products	140,943	119,754
Supplies, etc.	94,245	87,161
Total	$333,247	$303,941

[7]Included in notes payable (not shown separately).

[8]Common shares: 1976, 470,894; 1975, 565,147; 1974, 716,174; 1973, 829,511; 1972, 915,124; 1971, 917,732; 1970, 919,206.

[9]1976: Property, plant and equipment:

	Cost	Reserves
Land & land improv.	$80,947,000	$37,023,000
Oil & gas prop. mines & quarries	339,576,000	127,567,000
Buildings	300,850,000	184,015,000
Office furniture	32,122,000	18,225,000
Trans. equip.	36,555,000	17,543,000
Mach. & equip.	1,949,190,000	1,113,203,000
Construct. in progress	237,736,000	.....
Total	$2,976,976,000	$1,497,576,000
Depletion:		
Oil & gas prop., mines & quarries	.....	25,295,000
Total	$2,976,976,000	$1,522,871,000

[10]1976-70: Relating to sale of interest, nominal in relation to Co.'s proven reserves, in certain future oil and coal production.

[11]1973-70: Represents accumulated depreciation applicable to property sold during respective years.

[13]Retained earnings of $315,833,000 restricted as to payment of cash dividends at Dec. 31, 1976.

[14]Restated in 1975 to reflect adjustment for deferred taxes on intangible drilling costs on oil and gas properties.

General Notes

(a) Consolidated financial statements include accounts of all wholly-owned subsidiaries which are considered significant. Minor subsidiaries, principally in foreign countries, are carried as investments.

(b) Inventories are valued at lower of cost or market using last-in, first-out method (LIFO) for substantially all qualifying domestic inventories and the average cost method for other inventories.

(c) Property, Plant and Equipment, other than oil and gas properties, are carried at cost and are depreciated on a composite basis for asset groups using estimated service lives or amortized using unit of production rates for mines and quarries. For financial statement purposes depreciation is computed principally on sum-of-the-years-digits method for assets acquired prior to Jan. 1, 1970, and on straight-line method for assets subsequently acquired. For tax purposes depreciation is computed by accelerated methods based on allowable useful lives.

(d) Maintenance and Repairs are charged to income and renewals and betterments are capitalized. On normal retirement or replacement, cost of property (less salvage) is charged to accumulated depreciation. Gains or losses arising from other retirements or sales are included in income currently.

(e) Oil and Gas Property Investments are grouped by individual areas and are valued at lower of amortized cost or estimated realizable value of underlying proved oil and gas reserves. Lease acquisition costs and other unproved acreage costs are capitalized by individual area and amortized during exploration to the extent that these costs, based on past experience, are likely to relate to unproductive acreage. Other exploration costs, including dry holes, are expensed. Amortization of productive well intangible drilling and development costs, lease costs, tangible well equipment and related producing facilities, including certain machinery and equipment, and producing leaseholds is computed by unit of production rates.

FINANCIAL AND OPERATING DATA

	1976	1975	[3]1974	[3]1973	[3]1972	[3]1971	[5]1970
Statistical Record							
Earned per share—common:							
On year end shares	[1]$4.51	$4.16	$5.20	$3.26	[1]$2.30	[1]$1.91	[1]$1.57
[2]On average shares	$4.52	$4.17	$5.19	$3.27	$2.30	$1.91	$1.57
Dividends per share—common	$1.80	$1.80	$1.53	$1.29	$1.20	$1.20	$1.20
Price Range—common	44⅞-33⅜	42-27	54¼-23	49-28⅛	36¾-26⅛	34⅝-23⅜	28-16⅛
Net tangible assets per sh.—common	$39.79	$35.54	$33.20	$28.36	$26.40	$26.16	$25.28
Fixed charges earned:							
Before income taxes	5.21	5.70	9.22	6.17	4.18	3.43	3.00
After income taxes	3.80	3.88	6.09	4.13	3.09	2.80	2.51
Price range—deb. 5.20s, 1991	81½-73¾	74⅜-67⅛	77¾-65⅜	80⅞-73⅞	82-78	82⅛-73½	77-66
—deb. 6.60s, 1993	91-83¼	83⅞-75½	88⅝-71½	94¾-85	96-91	95-84	88⅛-80
—deb. 7⅞s, 1996	101¾-84	92-81	99⅝-82	105-95½	105¼-102½	104½-102¼	.....
—deb. 4s 1978	.....	93-91	87-75½	89⅝-89	89¼-88⅛	85-70	81⅜-72
—deb. 9s, 2000	103¼-102	103¾-95	.....	.....	.....	.....	.....
—8¾% notes, 1983	106½-99	102⅞-97¼	.....	.....	.....	.....	.....
Net tang. assets per $1,000 lg.-tm. debt	$3,012	$2,970	$3,877	4,023	4,456	4,567	3,853
Net cur. assets per $1,000 lg.-tm. debt	$705	$757	$883	$1,071	$ 013	$900	$739
Number of shares—com. (year end)	28,003,211	27,968,958	27,757,931	27,644,594	27,558,981	27,556,373	27,554,899
com. (avg.)	27,969,121	27,894,552	27,799,317	27,572,959	27,558,267	27,555,906	.....
Financial and Operating Ratios							
Current assets÷current liabilities	2.00	2.19	1.95	2.46	2.85	2.78	2.02
% cash and secur. to current assets	7.53	12.24	11.34	19.67	17.33	15.34	7.14
% inventory to current assets	44.83	43.28	44.86	35.52	34.23	39.23	41.92
[4]% net current assets to net worth	33.36	36.47	32.09	43.64	47.93	46.03	32.98
% property depreciated	51.15	53.69	56.39	59.91	60.30	58.84	57.49
% annual depr. & depl., to gross prop.	4.57	4.67	4.51	4.62	5.22	5.33	5.55
Capitalization:							
% long-term debt	32.13	32.52	26.65	28.96	32.11	33.84	30.84
% com. stk. surp. & surp. res.	67.87	67.48	73.35	71.04	67.89	66.16	69.16
Sales÷inventory	7.89	7.68	7.70	7.34	7.31	6.02	6.03
Sales÷receivables	7.74	7.86	8.21	6.06	5.32	5.37	5.07
% sales to net property	180.84	183.03	198.26	175.94	168.03	144.10	136.21
% sales to total assets	107.80	104.35	112.57	94.44	90.35	81.01	78.91
% net income to total assets	4.79	5.20	7.33	5.12	3.81	3.21	2.74
[4]% net income to net worth	11.34	11.12	14.81	10.38	7.80	6.73	5.71
Analysis of Operations	%	%	%	%	%	%	%
Total gross sales and revenues	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales and operating expenses	79.16	77.89	76.62	75.41	75.66	74.23	73.94
Depreciation & depletion	5.18	5.51	5.21	6.55	7.82	8.99	9.58
Selling, general and other expenses	6.84	7.02	6.86	8.34	8.97	10.18	10.73
Gross operating income	8.82	9.58	11.31	9.71	7.55	6.60	5.75
Dividends and other income	0.10	0.27	0.48	1.36	0.88	0.94	1.10
Total income	8.92	9.85	11.79	11.07	8.43	7.54	6.85

FINANCIAL AND OPERATING DATA (cont'd):

	1976	1975	[3]1974	[3]1973	[3]1972	[3]1971	[3]1970
Interest charges	1.71	1.73	1.28	2.13	2.02	2.20	2.28
Income taxes	2.41	3.15	4.00	3.52	2.19	1.38	1.10
Extraordinary items	0.36	.....	.....	.....	cr0.04	cr0.27	cr2.02
Net income	4.44	4.97	6.51	5.42	4.26	4.23	5.49

[1]Before extraordinary items; after: 1976, $4.17; 1972, $2.40; 1971, $2.01; 1970, $2.47. [2]As reported by Company; before extraordinary items; after, 1976, $4.18; 1972, $2.40; 1971, $2.01; 1970, $2.47. [3]Restated. See footnote [14] under balance sheets. [4]Net worth includes reserve for increased cost replacement (surplus reserve).

LONG TERM DEBT

1. Allied Chemical Corp. debenture 5.20s, due 1991:

Rating—A

AUTHORIZED—$150,000,000; outstanding, Dec. 31, 1976, $119,647,000.
DATED—Apr. 1, 1966.
DUE—Nov. 1, 1991.
INTEREST—M&N1 to holders registered Apr. 15 or Oct. 15 preceding interest date.
TRUSTEE—Chase Manhattan Bank (N.A.), NYC.
DENOMINATION—Fully registered.
CALLABLE—As a whole or in part after Oct. 31, 1971 on at least 30 days' notice to each Nov. 1, incl., as follows:

1975	103.60	1976	103.30	1977	103.00
1978	102.70	1979	102.40	1980	102.10
1981	101.80	1982	101.50	1983	101.25
1984	101.00	1985	100.75	1986	100.50
1987	100.25	1991	100.00		

Also callable for sinking fund at par.
SINKING FUND—Annually, each Nov. 1, 1972-90, to redeem at par, cash (or debs.) as follows: 1972-76, $5,250,000; 1977-81, $6,000,000; 1982-86, $6,750,000; 1987-90, $7,500,000, plus similar optional payments.
CREATION OF ADDITIONAL DEBT—Co. may not create additional funded debt unless net tangible assets and capitalized rents of co. and restricted subsidiaries are more than 200% of funded debt and capitalized rents of Co. and restricted subsidiaries.
SECURITY—Not secured. Co. and subsidiaries may not create any mortgage on property unless debs. are equally secured, except in case of (A) purchase money mortgages on property acquired up to 75% of cost thereof; (b) any mortgage or lien on (1) property of subsidiary which consists of structures constructed after Mar. 31, 1966; (2) real estate but not in excess of 75% of cost; (c) any mortgage on subsidiary already in existence; (d) other existing mortgages.
SECURITY—Not secured by mortgage, pledge or other lien. Company and any subsidiary will not mortgage property unless debentures are equally and ratably secured therewith, except for (1) purchase money or existing mortgages up to 66⅔% of lower of cost or fair value of property, as provided and (2) other permitted liens. If on any consolidation or sale of substantially all properties, any property would become subject to mortgage, debentures will be secured by direct prior lien thereon except for any existing lien.
RIGHTS ON DEFAULT—In event of default (30 day grace period for payment of interest or fixed sinking fund), trustee or holders of 25% of debentures may declare debentures due and payable.
INDENTURE MODIFICATION—Indenture may be modified, except as provided, with consent of holders of 66⅔% of debentures.
INDENTURE AMENDMENTS—Amendments in supplemental indenture dated Feb. 1, 1963 includes (i) allow foreign subsidiaries to operate free from provisions relating to mortgaging property, incurring and guaranteeing debt, issuing additional shares of stock, selling assets and effecting mergers, (ii) allow newly acquired domestic subsidiaries to retain certain debt and mortgages existing at time of acquisition, (iii) allow domestic subsidiaries to create and refund certain construction mortgages and (vi) include a specific provision covering creation and assumption of certain liens in connection with oil and gas production.
PURPOSE—Proceeds for general purposes.
LISTED—On New York Stock Exchange.
OFFERED—($150,000,000) at 100 (proceeds to Co. 99⅛) on Apr. 14, 1966 thru Lazard Freres & Co., Lehman Brothers, and Carl M. Loeb, Rhoades & Co., NYC, and associates.

2. Allied Chemical Corp. debenture 6.60s, due 1993:

Rating—A

AUTH.—$100,000,000; outstg. Dec. 31, 1976, $85,366,000.
DATED—Apr. 15, 1968. DUE—Aug. 1, 1993.
INTEREST—F&A1 to holders registered on 15th day prior to interest payment date.
TRUSTEE—Citibank, N.A., NYC.
DENOMINATION—Fully registered.
CALLABLE—As a whole or in part on at least 30 days' notice to each July 31, incl., as follows:

1977	103.96	1978	103.63	1979	103.30
1980	102.97	1981	102.64	1982	102.31
1983	101.98	1984	101.65	1985	101.32
1986	100.99	1987	100.66	1988	100.33
1993	100.00				

Not callable however, prior to Aug. 1, 1978 from moneys borrowed at an interest cost less than 6.60%.
SINKING FUND—Annually, on or before each Aug. 1, 1975-92, to retire debs., cash (or debs.), equal to $5,000,000; plus similar optional payments.
SECURITY—Not secured. Co. and subsidiaries may not create any mortgage on property unless debs. are equally secured, except in case of (a) purchase money mortgages on property acquired up to 75% of cost thereof; (b) any mortgage or lien on (1) property of subsidiary which consists of structures constructed after Apr. 14, 1968; (2) real estate but not in excess of 75% of cost; (c) any mortgage on subsidiary already in existence; (d) other existing mortgages.
ADDITIONAL DEBT—Co. or any restricted subsidiary may not incur or assume additional funded debt unless thereafter net tangible assets plus capitalized rents of Co. and its restricted subsidiaries are at least 200% of funded debt plus capitalized rents of Co. and its restricted subsidiaries.
SALE AND LEASEBACK—Co. or any restricted subsidiary may not sell and leaseback property unless (a) net proceeds from sale are equal to fair value of property and (b) net proceeds from sale are applied to retirement of debs.
RIGHTS ON DEFAULT—INDENTURE MODIFICATION—Same as deb. 5.20s due 1991.
LISTED—On New York Stock Exchange.
PURPOSE—Proceeds to retire certain bank debt.
OFFERED—($100,000,000) at [illegible] (proceeds to Co. 99.125) on Apr. 17, 1968 thru Loeb, Rhoades & Co., Lazard Freres & Co. and Lehman Brothers and associates.

3. Allied Chemical Corp. debenture 7⅞s, due 1996:

Rating—A

AUTHORIZED—$100,000,000; outstanding, Dec. 31, 1976, $96,887,000.
DATED—Sept. 1, 1971. DUE—Sept. 1, 1996.
INTEREST—M&S1 to holders registered F&A15.
TRUSTEE—Chase Manhattan Bank (N.A.), NYC.
DENOMINATION—Fully registered.
CALLABLE—As a whole or in part at any time on at least 30 days' notice to Aug. 31, as follows:

1975	106.045	1976	105.685	1977	105.325
1978	104.965	1979	104.605	1980	104.245
1981	103.885	1982	103.525	1983	103.165
1984	102.805	1985	102.445	1986	102.085
1987	101.725	1988	101.365	1989	101.005
1990	100.645	1991	100.285	1996	100.000

Not so callable, however, prior to Sept. 1, 1981 thru refunding at cost less than 7.94% per annum.
Also callable for sinking fund, (which see) at 100.
SINKING FUND—Annually on Sept. 1, 1977-95, cash (or debs.) to retire $5,000,000 debs., plus similar optional payments. Sinking fund designed to retire 95% debs. prior to maturity.
SECURITY—Not secured. Co. and subsidiaries may not create any mortgage on property unless debs. are equally secured, except in case of (A) purchase money mortgages on property acquired up to 75% of cost thereof; (b) any mortgage or lien on (1) property of subsidiary which consists of structures constructed after Sept. 1, 1971; (2) real estate but not in excess of 75% of cost; (c) any mortgage on subsidiary already in existence; (d) other existing mortgages and (e) pledges or deposits to secure payment of insurance; deposits to secure public or statutory obligations and payment of taxes; liens, pledges or deposits in connection with Govt. contracts; and any other liens of similar nature.
Co. may not create additional funded debt unless net tangible assets and capitalized rents of co. and restricted subsidiaries are more than 200% of funded debt and capitalized rents of Co. and restricted subsidiaries.
If on any consolidation or sale of substantially all properties, any property would become subject to mortgage, debs. will be secured by direct prior lien thereon except for any existing lien.
Co. will not permit any restricted subsidiary at any time to (a) issue additional stock if subsidiary shall cease to be a subsidiary, (b) permit to exist debt or liabilities other than (i) liabilities incurred in ordinary course of business, otherwise than in borrowing operations, (ii) liabilities for declared but unpaid divs., (iii) debt to Co. or another restricted subsidiary, (iv) obligations permitted by mtges., pledges or liens permitted above, except for section (c), or (v) outstg. debt at time such Co. becomes subsidiary not exceeding 75% fair value of total assets at such time (but subsidiary may have such debt in excess thereof at any time if aggregate debt of all restricted subsidiaries then having such debt in excess of 75% total assets shall not exceed $25,000,000).
SALE AND LEASEBACK—Same as deb. 6.60s, due 1993.
RIGHTS ON DEFAULT & INDENTURE MODIFICATION—Same as deb. 5.20s, due 1991.
LISTED—On New York Stock Exchange.
PURPOSE—Proceeds for debt repayment and corporate purposes.
OFFERED—($100,000,000) at 99.25 plus accrued interest (proceeds to Co., 98.375) on Sept. 21, 1971 thru Lazard Freres & Co., Lehman Brothers, Inc., Loeb, Rhoades & Co. and associates.

4. Allied Chemical Corp. debenture 9s, due 2000:

Rating—A

AUTH.—$75,000,000; Outstg., Dec. 31, 1976, $75,000,000.
DATED—Mar. 1, 1975. DUE—Apr. 1, 2000.
INTEREST—A&O 1 to holders registered M&S 15, payable in NYC.
TRUSTEE—Citibank, N.A., NYC.
DENOMINATION—Fully registered.
CALLABLE—As a whole or in part at any time on at least 30 but not more than 60 days' notice to each Mar. 31, as follows:

1976	108.250	1977	107.838	1978	107.425
1979	107.013	1980	106.600	1981	106.188
1982	105.775	1983	105.363	1984	104.950
1985	104.538	1986	104.175	1987	103.713
1988	103.300	1989	102.888	1990	102.475
1991	102.063	1992	101	1993	101.238
1994	100.825	1995	100		

thereafter at 100.
Not callable, however, prior to Apr. 1, 1985 thru moneys borrowed at an interest cost less than 9.07% per annum. Also callable for sinking fund (which see) at 100.
SINKING FUND—Annually, on or before Apr. 1, 1985-99, cash (or debs.) to retire $4,600,000 principal amount of debs., plus similar optional payments. Sinking fund designed to retire 92% of issue prior to maturity.
SECURITY—Not secured. Co. nor any restricted subsidiary may create or assume any mortgage, pledge or lien upon any property which in the opinion of Co.'s directors, is a principal manufacturing property owned or acquired by it, unless the aggregate amount of debt so secured would not exceed 5% of net tangible assets of Co. and its restricted subsidiaries or unless the debs. are secured by such mortgage, pledge or lien equally and ratably with all other debt thereby secured, except for (a) the creation or assumption of any purchase money or existing mortgage, pledge or other lien in connection with property acquisitions, provided, that any such mortgage, pledge or other lien shall not exceed the cost of fair value, whichever is less, of the property covered thereby; (b) the creation of any mortgage, pledge or other lien on (i) any property of a restricted subsidiary which consists of structures or other improvements constructed by or for such subsidiary after Mar. 1, 1975, on any improved land not owned by Co. or a subsidiary on such date or on any unimproved land and (ii) the real estate on which such structures and improvements may be constructed, in connection with the construction of such structures and improvements, provided that any such mortgage, pledge or other lien shall not exceed the cost of such structures or improvements; (c) any mortgage, pledge or other lien on any property of a restricted subsidiary in existence at the time such subsidiary first became a subsidiary and securing indebtedness permitted as stated in clause (5) of paragraph (B) below; (d) any mortgage, pledge or other lien created or assumed in the ordinary course of the business of exploring for, developing or producing oil, gas and other minerals (otherwise than in connection with the borrowing of money) on any property or interest therein acquired or held for the purpose of exploring for, developing or producing oil, gas and other minerals, or production therefrom, or proceeds of such production, or material or equipment located on such property; (e) pledges or deposits to secure payment of insurance; deposits in connection with tenders, bids, contracts or leases; deposits to secure public or statutory obligations, to secure or in lieu of surety or appeal bonds, or to secure the payment of taxes; liens, pledges or deposits in connection with governmental contracts; and any other liens of a similar nature which do not in the opinion of Co.'s directors materially impair the use or value of the related property in the operation of the business of Co. or of any restricted subsidiary.
If upon any consolidation or merger of Co. with or into any other corporation, or upon any sale or conveyance of substantially all its properties, or upon the merger of any other corporation into Co., or upon any acquisition by Co. of all or any part of the property of another corporation, any property of Co. owned immediately prior thereto would thereupon become subject to any mortgage, lien, pledge, charge or encumbrance, Co., prior to such event, will secure the debs. (equally and

ratably with any other indebtedness of Co. then entitled thereto) by a lien on all such property of Co. prior to all mortgages, liens, charges and encumbrances other than any theretofore existing thereon.

Co. will not, nor will it permit any restricted subsidiary to, sell or transfer any property which, in the opinion of Co.'s directors, is a principal manufacturing property, owned at Mar. 1, 1975, or any substantial portion thereof, to anyone other than a subsidiary (or to Co. in the case of restricted subsidiaries) with the intention of taking back a lease of such property, except a lease for a temporary period by the end of which it is intended that the use of such property by the lessee will be discontinued; provided that Co. or any restricted subsidiary may so sell any such property and lease it back if (a) the net proceeds of sale are at least equal to the fair value of such property and (b) Co. shall (unless an equivalent amount of debs. or notes are retired as provided in other indentures) apply the net proceeds of such sale to the redemption of debs. within 120 days after such sale (or if such sale shall take place prior to Apr. 1, 1985, then as soon as practicable after that date) at the optional redemption price, or at its option, for any part of such net proceeds, Co. may deliver to the trustee for cancellation debs. at such optional redemption price.

Co. will not permit any restricted subsidiary at any time (A) to issue any additional shs. of stock if, as a result thereof, such restricted subsidiary shall cease to be a subsidiary; (B) to incur, create, assume, guarantee or permit to exist, any indebtedness or liability other than (1) liabilities incurred in the ordinary course of its business, otherwise than in connection with the borrowing of money, (2) liabilities for dividends declared but unpaid, (3) indebtedness to Co. or to another restricted subsidiary, (4) obligations secured by mortgages, pledges or liens specifically permitted by Section 4.03 of the debenture indenture or (5) indebtedness outstanding at the time such restricted subsidiary first becomes a subsidiary not exceeding 75% of the fair value of its total assets at such time (but any such subsidiary may have such indebtedness in excess thereof at any time if the aggregate indebtedness of all restricted subsidiaries then having such indebtedness in excess of 75% of total assets shall not exceed $25,000,000); or (C) to sell or otherwise dispose of its assets as an entirety or substantially as an entirety, or to consolidate with or merge into any other corporation, unless the corporation formed by or resulting from any such consolidation or merger or to which such assets shall have been sold or otherwise disposed of shall be Co. or a restricted subsidiary, except for cash or obligations equal to the fair value of the assets so sold or disposed of or owned by the restricted subsidiary so consolidated or merged, and unless such subsidiary shall first have sold or otherwise disposed of either to Co. or to one or more other restricted subsidiaries all shs. of stock of every other restricted subsidiary and all indebtedness of and claims against Co. and every other restricted subsidiary then owned by such subsidiary.

CREATION OF ADDITIONAL DEBT—Co. and its restricted subsidiaries will not incur or assume any additional senior funded indebtedness (except renewals, extensions or refundings), other than the debs., unless, after giving effect thereto and to the application of proceeds thereof, net tangible assets of Co. and its restricted subsidiaries shall be not less than 200% of senior funded indebtedness of Co. and its restricted subsidiaries.

RIGHTS ON DEFAULT—Trustee or 25% debs. outstg., may declare principal payable and due (30 days' grace for payment of interest).

INDENTURE MODIFICATION—Indenture may be modified, except as provided, with consent of 66⅔% of debs. outstg.

LISTED—On New York Stock Exchange.

PURPOSE—Proceeds for general corporate purposes.

OFFERED—($75,000,000) at 99.250 (proceeds to Co., 98.375) on Mar. 13, 1975 thru Lehman Brothers, Inc., Loeb, Rhoades & Co. and Lazard Freres & Co. and associates.

5. Allied Chemical Corp. 8¾% notes, due 1983:

Rating—A

AUTH.—$75,000,000; outstg., Dec. 31, 1976, $75,000,000.

DATED—Mar. 1, 1975. DUE—Apr. 1, 1983.

INTEREST—A&O 1 to holders registered M&S15, payable in NYC.

TRUSTEE—Citibank, N.A., NYC.

DENOMINATION—Fully registered.

CALLABLE—As a whole or in part at any time after Oct. 1, 1981 on at least 30 but not more than 60 days' notice at 100, plus accrued interest.

SINKING FUND—None.

SECURITY — OTHER PROVISIONS — Same as debs., due 2000 (see above).

LISTED—On New York Stock Exchange.

PURPOSE—Proceeds for general corporate purposes.

OFFERED—($75,000,000) at 99.75 (proceeds to Co., 99.05) on Mar. 13, 1975 thru Lehman Brothers, Inc., Loeb, Rhoades & Co. and Lazard Freres & Co. and associates.

6. Union Sulphur & Oil Corp. sinking fund debenture 4s, due 1978:

Rating—A

AUTHORIZED—$10,000,000; outstanding, Dec. 31, 1976, $2,466,000.

ASSUMED—By Allied Chemical Corp.

DATED—Mar. 1, 1953.

MATURITY—Mar. 1, 1978.

INTEREST—M&S 1 in New York.

TRUSTEE—Chase Manhattan Bank, New York.

DENOMINATION—Coupon, $1,000; registerable as to principal; fully registered, $1,000 and authorized multiples. C&R and denominations interchangeable without limit and without cost.

CALLABLE—As a whole or in part on at least 30 days' notice at any time to the last day of each Feb., incl., as follows:

1977 .....100¼ 1978 100

Also callable on like notice for sinking fund (which see) on each Sept. 1, beginning 1956, at 100.

SINKING FUND—Annually Aug. 31, 1956-77 sufficient to redeem on following Sept. 1, $300,000 debentures plus optional payment annually Aug. 31 sufficient to redeem not exceeding $300,000 debentures. Optional payments may not be credited against subsequent fixed payments. Debentures may be tendered in lieu of cash.

SECURITY—Not secured by any lien. Company and domestic subsidiaries may not create any mortgage on property unless debentures are equally and ratably secured, except in case of (a) purchase money mortgages on property acquired up to 66⅔% of cost thereof; (b) mortgage of Runnels Gas Products Corp. (wholly owned subsidiary) securing 4%-4¼% notes due 1954; (c) renewals of mortgages or liens permitted under (a) and (b); (d) charges on production from oil and gas leases or from real property acquired for producing oil and gas, for payment of purchase price thereof or development cost; (e) existing mortgages and ship mortgages, as provided.

CREATION OF ADDITIONAL DEBT—Additional funded debt, except as permitted above, may not be created unless on consolidated basis (includes domestic subsidiaries only) net tangible assets are at least 200% of consolidated funded debt.

DIVIDEND RESTRICTION—Company will not pay cash dividends in excess of sum of 75% of net income of company and domestic subsidiaries after Dec. 31, 1952 plus $1,250,000 and net cash proceeds of stock sold.

RIGHTS ON DEFAULT—In event of default (30 day grace period for payment of interest), majority of holders of debentures direct proceedings for enforcement of provisions thereof.

INDENTURE MODIFICATION—Indenture may be modified, except as provided, with consent of holders of 66⅔% of debentures.

PURPOSE—Proceeds to repay bank loan of $2,268,750, for acquisition of producing properties, for development and other purposes.

7. Installment Notes: Outstanding Dec. 31, 1976, $23,546,000 at interest rates from 3.5% to 9.1%. No other details reported.

8. Pollution Control Revenue Bonds and Note Obligations: Outstanding Dec. 31, 1976, $27,000,000 at interest rates from 5½% to 8%. No other details reported.

9. Other Debt: Outstanding Dec. 31, 1976, $28,000,000 5.3%-5⅝% notes payable.

Revolving Credit Agreement: Under a new credit agreement with eight banks, company may borrow from time to time on 90-day revolving credit notes up to a maximum of $250,000,000 at any one time outstanding. On Sept. 1, 1978, right of Co. to revolve notes terminates and Co. may convert to a term loan up to $250,000,000, payable in 20 consecutive quarterly installments, beginning Dec. 1, 1978. Co. had not borrowed under the new credit agreement through Dec. 31, 1976.

Interest payable to each bank on the 90-day revolving credit notes is at the best available commercial rate of such bank in effect from time to time.

A commitment fee of ½ of 1% per annum is payable on the average daily unused portion of each bank's commitment for the period Sept. 1, 1975, to Sept. 1, 1978, or termination date, if earlier.

Agreement specifies that Co. will not incur, assume or permit to remain outstanding, commercial paper or other short-term obligations in excess of the total unused commitments of this credit agreement and any other bank lines of credit or bank commitments.

A compensating cash balance of about 10% of each bank's commitment is generally maintained under an informal agreement with each bank. These balances are not legally restricted as to withdrawals.

Dividend Restrictions: At Dec. 31, 1976, under the most restrictive provision of the loan agreements and indentures, $315,833,000 of earnings reinvested was not available for cash dividends.

CAPITAL STOCK

1. Allied Chemical Corp. common; par $9:

AUTHORIZED—32,000,000 shares; issued and outstanding, Dec. 31, 1976, 28,003,211 shares; in treasury, 470,894 shares; reserved for options, 505,970 shares; par $9.

No par shares split 4-for-1 in Aug. 1950; changed from no par to $18 in Apr. 1956, share for share; from $18 to $9 Dec. 21, 1959 by 2-for-1 split.

Dividend Record (In $)

1921	3.00	1922-26	4.00	[1]1927-36	6.00
1937	7.50	1938	6.00	1939	9.00
1940-41	8.00	1942	7.00	1943-45	6.00
1946	8.00	1947-48	9.00	1949	10.00
1950	4.00				
(No par shares—after 4-for-1 split)					
1950	2.00	[1]1951-55	3.00	1956	0.75
($18 par shares)					
[1]1956	2.25	1957-58	3.00	1959	3.15
($9 par shares)					
1960-64	1.80	[1]1965-67	1.90	1968	1.725
1969-72	1.20	1973	1.29	1974	1.53
1975-76	1.80	[2]1977	0.45		

[1]Also paid stock dividends: Jan. 3, 1930, Jan. 3, 1931 and Dec. 15, 1955, 5%; Dec. 14, 1956, 3%; Mar. 29, 1965, 2%; Mar. 29, 1966, 2%; Mar. 27, 1967, 2%.

[2]To Mar. 11.

DIVIDEND RESTRICTIONS—See under Long Term Debt, above.

PREEMPTIVE RIGHTS—Has preemptive rights.

TRANSFER AGENTS—Morgan Guaranty Trust Co., New York; Northern Trust Co., Chicago; Union Bank, Los Angeles, and National Trust Co. Ltd., Toronto, Ontario, Canada.

REGISTRARS—Morgan Guaranty Trust Co., New York, Northern Trust Co., Chicago; Union Bank, Los Angeles, and Montreal Trust Co., Toronto, Ontario, Canada.

LISTED—On NYSE (Symbol: ACD); also listed on Midwest, Pacific and Toronto Stock Exchanges; unlisted trading on Boston and Philadelphia Stock Exchanges.

Allied Chem. & Dye Corp. Debenture Retired: Entire issue 25-year deb. 3.50s, due Apr. 1, 1978, was retired at 100 for s.f. on Apr. 1, 1977 at Citibank, (N.A.), NYC.

HOUSE SPECIAL COMMITTEE ON THE
VALDEZ OIL SPILL SETTLEMENT CLAIM

REQUEST FOR ISSUE TO BE RESEARCHED

DATE 3/20/91

REPRESENTATIVE Finkelstein

REQUEST NUMBER 1

I WOULD LIKE THE FOLLOWING ISSUE(S) TO BE RESEARCHED by Legal Affairs:

Avenues available to include $20 million payment for Kachemak Bay inholdings as part of the action we take on the settlement.

Copy to Committee Staff
Representative Max Gruenberg's office
Capital Room 216

HOUSE SPECIAL COMMITTEE ON THE
VALDEZ OIL SPILL SETTLEMENT CLAIM

REQUEST FOR ISSUE TO BE RESEARCHED

DATE 3-21

REPRESENTATIVE Brown

REQUEST NUMBER 1

I WOULD LIKE THE FOLLOWING ISSUE(S) TO BE RESEARCHED:

On what legal authority does the administration continue to hold confidential the natural resource damage assessments and economic analyses ~~of~~ of PWS?

Copy to Committee Staff
Representative Max Gruenberg's office
Capital Room 216

Find out when Publish in Fed register

Ramona → lawsuits against of the States How will they be funded?
How much to defend the state against claims

Navarre

Ramona → Constitution power of appropriation of State resources does agreement violate this

Navarre → Does keeping scientific data confidential conflict with State law.

Effect this Settlement on Communities effected by the lawsuit

Ramona had Settlement # as present worth

Navare approval of the legislature
Cook no obligation of parties to track out

Hudsons Analisis of the legislatures other options

Gail Phillips Can Trustees act completely independently of State and Federal Government.

~~Barnes~~ Barnes → Are these State assets
part under the settlement no.
Judicial review section

Navarro Sec 11 Page 12 Texas shall have no liability/
liabilities (third party's ??
Are we amending law

Warren How has the State spent on litigation

Tomorrow

HOUSE SPECIAL COMMITTEE ON THE
VALDEZ OIL SPILL SETTLEMENT CLAIM

REQUEST FOR ISSUE TO BE RESEARCHED

DATE 4-3-91

REPRESENTATIVE Foster

REQUEST NUMBER xx

I WOULD LIKE THE FOLLOWING ISSUE(S) TO BE RESEARCHED:

Status of 470 fund Expenditures to date and proposed in FY92 w/ regards to Exxon negotiated settlement.

- Will the state collect on these expenditures?
- Were the expenditures discussed in the negotiations?
- What will become of the 470 fund if the stated intent of the fund was to spend only re-imbursable (defensible) amounts.

Copy to Committee Staff
Representative Max Gruenberg's office
Capital Room 216

Alaska State Legislature

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Pg 1

Official Business

LEGISLATIVE COUNCIL

P.O. Box V
State Capitol
Juneau, Alaska 99811

TO: All Legislators

FROM: Representative Cliff Davidson, Vice Chair
Legislative Council

DATE: 22 March 1991

SUBJECT: Legislative Research Requests on the Exxon Valdez Settlement

The Legislature has only 42 days remaining in which to approve or reject the Exxon Valdez settlement. Given the complexity of the task, it is likely that we will be drawing heavily on the somewhat limited resources of the Legislative Research Agency.

It is also likely that legislators will be asking many similar questions of Legislative Research, but quite possibly slightly different questions that may require considerable unnecessary duplication of effort. Furthermore, there should be little need for <u>most</u> legislative requests to be kept confidential.

Therefore, I would like to request that, in the interests of using our resources in an efficient manner, all legislators waive the confidentiality, <u>in advance</u>, on Exxon Valdez settlement research requests <u>if at all possible</u>. This will allow the personnel at Legislative Research to work with individual offices to see that research requests are concise, accurate, non-duplicative and provide the answers we all need.

Before making a research request, it might also be helpful to contact one of the appropriate staff to the Special Committees on the Exxon Valdez Settlement. They should be able to help you formulate questions to get the information you need and to advise you if similar research is planned or underway.

If you have any questions about this issue, please contact Jay Nelson (3715) in my office. Your cooperation and assistance in this matter will be greatly appreciated.