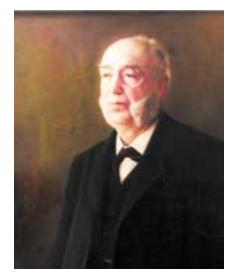


Featured on the Cover

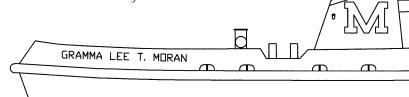
Two CEO's, both visionaries, both successful, both committed to a tradition of innovation.



Today Paul Tregurtha leads MORAN as its CEO and Chairman of the Board, Mr. Tregurtha has fostered a spirit of innovation and growth throughout the company. He came to Moran Towing Corporation in 1994 when he acquired it with his business partner James Barker. His 31 years of experience in the shipping industry includes work with general cargo, container ships, LNG carriers, oil tankers and self-discharging dry bulk vessels. Mr. Tregurtha worked with vessels operating on the ocean and the Great Lakes as part of Moore McCormack Resources. Since coming to MORAN, he has translated that knowledge into initiatives that have grown the company. MORAN's fleet of tugs and barges has been expanded and updated and additional ports are being served, doubling the size of the company. This growth incorporated the addition of new tractor tugs and double hull technology. The firm has also implemented information technology projects that have revolutionized the way MORAN conducts business. Safety and training programs that have been implemented at MORAN have been widely recognized and have received national awards.



Michael Moran, the founder of Moran Towing Corporation, was a true innovator. In 1860, at the age of 27 he left behind his family and work on the Erie Canal and rode a grain boat down the Hudson River to New York City where he opened a towing brokerage business. His office was as 14 South Street, in the heart of the Port of New York at the point at which she opened her arms to welcome the tall sailing ships that graced her waters. Mr. Moran purchased a one-half interest in the tugboat Ida Miller. She was 60 feet long and weighed 42 tons. Her cost was \$5,200, about \$70,000 in today's terms. Considering the times and that Michael had lived in America only 10 years he embodied the innovative and entrepreneurial spirit of the 19th century.



Drawing of MORAN's newest tug the Gramma Lee T. Moran a 5,100 horsepower twin screw z-drive tug. The Gramma Lee T. Moran makes her home in and around the waters of the ports of New York and New Jersey. She is named after Lee Tregurtha, the wife of MORAN CEO Paul Tregurtha.

Towling

The Magazine of The Moran Towing Corporation

Volume 56

FEATURES

4 O&A Tow Line sits down for an in depth one on one interview with the president of MORAN Ted Tregurtha, the man behind the innovations that will lead MORAN into the future.

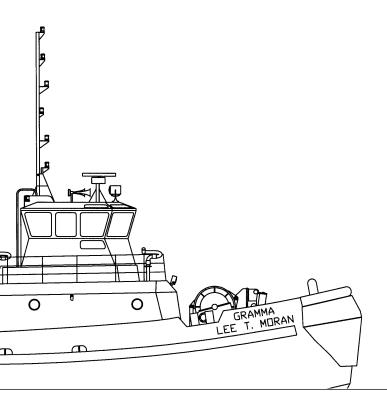
8 Safety & Training You will feel like you are riding in the wheelhouse of the Gramma Lee T. Moran with Capt. Willmot as you read this story that captures a day in the life of this MORAN tugboat Captain.

11 Elba Island Sit back and read about Moran Towing Corporation's tractor tugs and how they are playing a key role in the delivery of liquefied natural gas in the port of Savannah.

14 A Day in the Life Mike Nesbitt has come aboard Tow Line to discuss his role as MORAN's manager of fleet training.

16 MER Tow Line is docking at Moran Environmental Recovery LLC, a newly formed joint venture dedicated to preserving the environment.

19 USS Theodore Roosevelt Tow Line is alongside the impressive United States aircraft carrier USS Theodore Roosevelt to share her story and honor her courageous crew.



Behind Towline

EDITOR Capt. James B. Murray

MANAGING EDITOR Darlene Ferris

ART DIRECTION & DESIGN ArchStreet Design

PUBLISHER Moran Towing Corporation

CONTRIBUTORS Patricia Bennett, Mary Cheek, Peter Keyes, Aislinn Pitchford, Greg Walsh

For questions, letters, or contributions, please contact Darlene Ferris at TowLine@morantug.com

21 Christening The World of ResidenSea

Tow Line is breaking a bottle across the bow of this new cruise ship.

22 Tow Line Honors

Tow Line pays a well-deserved tribute to MORAN employees.



A Q&A Session with MORAN President Ted Tregurtha

Tow Line: Welcome to Tow Line! I know I speak for all our readers when I say we are very excited to have this opportunity to get to know you better and to help us understand the business environment today for MORAN. Lets talk first about the Mission Statement of MORAN, which says:

"Our mission is to provide a marine transportation service that is valued by our customer.

In the pursuit of our goals, we will be hardworking, honest, efficient, and loyal. In everything we do, we will first consider the safety of our fellow employees and the marine environment. We will strive to continually improve. We will be creative and innovative in business; we will be vigilant and careful at sea. We will listen to our customers, to each other, and to our suppliers. We will gauge our success by the success of our customers."

Tells us how this drives the company and its employees?

Ted Tregurtha: A mission statement is a statement of the company's core goals and values that should be integral to the day to day conduct of individual employees and the company as a whole. You might note the word goal in the previous sentence. This word is important because a mission statement is not necessarily a statement of who we are today but rather a statement of what we desire to be. I believe that as a company we have made great progress towards our goals but we still have work to do.

Our customers feature prominently in both the opening and closing of our mission statement. Many organizations forget the fact that without customers, there is no reason for a commercial organization to exist. We must keep our customers' success in the forefront of all our decisions and actions.

The balance of our mission statement speaks to our beliefs as to how we should go about the business of providing value to our customers. Each word was carefully chosen and was intended to either support the things we already do well or to bolster our sense that improvement is needed. I genuinely believe that Moran employees are hardworking, honest, efficient, and loyal. Similarly we have made great strides in safety, both in the development of programs and in actual measurable results.

In most instances where a problem arises in achieving our goals, I believe that communications are either part of the problem or are the source of the problem. This is natural; we have experienced tremendous growth over the past decade, there are new faces, new ways of doing things, and more complicated relationships involving more people today than when Moran was a smaller company.

I believe that if we all live by the thoughts expressed in our mission statement that we will be a stronger company in the marketplace and a company that we can all be proud to work for.

What have been the greatest challenges you have faced in your first two years as President of MORAN?

The single biggest challenge has been trying to develop a greater sense of team spirit and to solidify some of the changes we have made in our corporate culture over the past few years. The company's growth and larger size requires that tasks that were once performed independently be worked on collaboratively. Collaborative efforts can only be successful with good open communications and a genuine desire to work together as a team.

Going forward what goals do you have for the company in the next year?

Our primary goal is to find new and better ways to serve our customers. One of the key ways in which we achieve this is to continue our investment in new equipment. Over the past few years we have acquired 11 new tractor tugs, one new offshore towboat, one coastwise barge, 7 inland hoppers and two pushboats. We will continue to invest in new equipment which will include at least one new tractor tug, a new double hull barge named the Tennessee, developing additional new double hull barge projects, and obtaining at least one or more high horsepower offshore towboats. From the people perspective we need to continue to build on our recruitment and training programs. We need to continue to work on finding cost effective ways for all our employees to receive both the regulatory training – STCW etc—and the practical job skills training that they require. On the safety front, we have successfully completed our Responsible Carrier Program audit and we are now committed to taking





our safety programs to a new level with an ISM/ISO development program which is underway.

What were some of the success stories for MORAN this year?

We have had a number of successes commercially with new long term contracts for tugs and for barges and operationally with greater equipment availability, but it is on the safety front that I think we should all be most proud. Moran has made huge strides over the past couple of years on the safety front and the rate of improvement really accelerated during 2002. These improvements have been on all fronts, environmental, personal injuries, and equipment damages. Our zero spill policy has really paid off with the almost complete elimination of all fueling spills during 2002. Whether it is the policy, the management attention, crew awareness, the investment in fueling bags, changes in procedures, or other factors the end result has been to get us almost all the way to our goal of no spills.

What sets MORAN apart from the competition?

Ultimately any organization's success comes from its people. All the other attributes of a corporation such as range of services, quality of equipment, size, geographic scope – are only a reflection of the things that have been achieved by our people. We believe it will continue to be our people, their skill, dedication, and effort that will set us apart from our competitors.

This past June you added the Gramma Lee T. Moran to your tug fleet. Tell us a little about her and the MORAN fleet in general.

The Gramma Lee, which is named after my mother (who has 14 grandchildren), is a 5100 HP tractor tug and is currently assigned to shipdocking in NY har-

bor. This was the eighth 92 foot tug we built at Washburn and Doughty. The combination of this type of power in a comparatively small hull form provides the company with a highly maneuverable tug that really meets the needs of our shipdocking customers. Along with ten other tractor tugs, Moran clearly has the largest fleet of modern tractor tugs on the east coast. Moran's fleet as a whole also stacks up quite well as one of the most modern and powerful tug fleets in the United States.

On the dry bulk side Moran has five ocean going barges, four of which have an average age of 10 years. Our inland bulk fleet of nine barges is fairly new and in good shape. On the petroleum side we are currently operating four double hull barges and will take delivery of the 80,000 bbl double hull Tennessee in December. We do have some replacement requirements (the Florida, Texas, and Pennsylvania) in the next couple of years and are committed to making these investments at the appropriate time.

MORAN is so often associated with tugboats but there are other successful lines of business. Can you share with us a little about the business units within MORAN?

I previously mentioned our barge fleet which in total is more than 30 dry and wet bulk units. On the dry bulk side we carry a wide range of commodities for a diverse group of customers. Our staples are coal and grain but we also haul scrap, fertilizer, project cargoes, cement, aggregates and just about anything else that moves by water.

On the petroleum side we have both clean and dirty units that operate up and down the East Coast, the Gulf Coast, and in Puerto Rico. Our smallest unit, a 15,000 bbl double hull barge, carries fuel oil for a Florida utility.





Our largest unit a 250,000bbl barge, carries clean products for an oil major in the cross gulf trade. Between these two extremes is a fleet of barges that works for oil majors, utilities, and trading companies.

We are also a joint venture partner in Moran Environmental Recovery, an environmental services company. This venture is a bit removed from our mainstream maritime activity which is why it was established as a joint venture with Environmental Recovery Group of Jacksonville. We have found our access to their expertise to be very valuable to us and to our customers in our core maritime businesses.

As we look closely at the 1,000 employees that make up MORAN we see a diverse group. How does MORAN attract and continue to motivate these employees?

MORAN was owned by the Moran family for 134 years before being sold to my family and the Barker family. Similarly, Turecamo was owned by the founding family from inception until our merger. Each of these four families has a long history in the maritime business and brought a common love of the business and different but complementary approaches and cultures which, when mixed all together created the distinct Moran culture that exists today. I think this family culture is a key element that many employees find attractive.

I believe the company's growth and the potential for new opportunities is very important to all of our employees. In the short term, people evaluate the job they do, the people they work with, and their pay and benefits. In the longer term, one of the ways an employee measures his or her future at any company is to evaluate the degree to which the company is reinvesting in its future. Over the past 10 years Moran has made consistent and significant investments in

its future and our employees are aware of this investment and commitment.

If you take a look at the back page of this magazine you will see our listing of 5, 10, 15 even 40 year anniversaries. This level of retention of capable and highly skilled individuals is a source of strength for the company and evidence that our approach works.

What role does technology play in running a tug and barge Company?

Technology plays an increasingly important role. Fifteen years ago, technology was confined to supporting the accounting department. Now technology has become a key component of all facets of our business. One of the first areas where technology's role grew was in communications and, over time, we have become increasingly sophisticated in our use of technology. Virtually every shoreside employee uses computers every day from e-mail to databases to electronic charts to planning tools. Afloat much the same is going on albeit at a somewhat slower pace.

What do you see for the future of MORAN with respect to technology advances?

MORAN will continue to invest in its technology base. By the time this interview appears we expect to have deployed our new operations management software and to have initiatives underway in both the personnel and purchasing areas. These initiatives are all part of our strategy to fulfill our mission statement. Technology allows us to operate more efficiently and ultimately with greater safety. We will continue to apply technology any time it can advance either of those two goals. Thank you for visiting with us and taking the time to answers the questions that most interest our readers. We look forward to another visit!

It's all About Training,

says veteran tug skipper with new MORAN tractor tug.

By Greg Walsh



Captain John Willmot of MORAN.

John Willmot is old enough to have worked as a deckhand on one of the last steam-powered tugs in New York harbor, but still young enough to have become captain of Moran Towing Corporation's newest and most modern tractor tug.

In an industry that has gone through radical technological change in the past century, Captain Willmot's career span is interesting. Growing up on New York's Staten Island, he watched the comings and goings of MORAN's tugboat fleet from a favorite shoreline vantage point. When old enough, he was taught the rudiments of tugboating as a young deckhand aboard the tug *Brooklyn*, where he wrestled with heavy manila hawsers and helped the engineer maintain the tug's triple-expansion steam engine.

Willmot's position today, however, almost always finds him in the wheelhouse of one of the newest and most modern tugboats in the U.S. As captain of MORAN's new 5,100 hp Z-drive tractor tug *Gramma Lee T. Moran*, based in New York, he represents a company whose history parallels the entire technological history of the tugboat industry. And as he proudly explains, there is very little technology in common between the tug he currently skippers and the old steam tug *Brooklyn*.

Despite decades of experience as a tugboat captain, Willmot, 63, had to "go to school" for months before taking over *Gramma Lee T. Moran* this past summer — and even so, he adds modestly, it may be some time

before he considers himself truly proficient with such a technologically advanced vessel.

"It's a whole new world of boat handling," Willmot explains. "Everything is different from what I learned years ago, and from what I practiced and perfected all my life on many different types of tugboats."

Willmot's new tug is the eleventh Z-drive-style tractor tug in MORAN's fleet of more than 90 tugboats. The company also has several tugs that are driven by conventional single-screw propulsion aft and a retractable, azimuthing Z-drive thruster located forward. The fleet is in fact the largest collection of tractor-style tugs operating on the Eastern Seaboard, and the third-largest operating in the U.S.

Willmot, who lives in Florida, is actually the newest of about two-dozen trained tractor-tug skippers working for MORAN. He spent three months in Savannah training aboard a sister ship, *Diane Moran*, before taking delivery of his own tug at the Washburn & Doughty Shipyard in Maine during the summer.

"That was a very humbling experience," he remarks. "For the first two days I just stood back and watched the crews down there. And then when they finally let me get into the chair, it was all I could do for a couple of days just to steer a straight course or perform the most basic maneuvers. It was four or five days before I would dare to go near a ship or a dock. And those guys were right with me all the time."

The controls of aft-mounted, azimuthing Z-drive thrusters are known to be intimidating to almost all new tractor-tug skippers. The tug's two electronic joysticks operate independently and in a counter-intuitive manner. Turning one of the joysticks to the left (in a counter-clockwise direction) for example, would direct thrust to starboard, which would turn the tug's bow to starboard. A typical technique for stopping the motion of the tug would be to direct each thruster towards the other, creating opposing forces that cancel one another.

"It's all in the hands and the link with the brain, and it's pretty scary at first," says Willmot. "One of the hardest achievements for me was just learning to land the boat at a dock with tidal current running, and with all the variables of current and wind, and just learning to get alongside the dock in a proper manner."

More recently, Willmot has been properly getting alongside some of the largest ships to call in the Port

of New York, and has begun training some of his fellow captains and mates.

Peter Keyes, MORAN's vice president of operations, says Willmot has a classic teacher's type of personality. "That was my primary reason for pushing John toward taking over this type of tug," he comments. "Training is something that John does well. He relates well to the younger guys. That's an important part of his new tractor tug career, because as he continues to develop mastery of this vessel, his natural role will be to spread the skills to others."

Willmot's previous tug was the 1,800 hp, conventional twin-screw tug *Kathleen Turecamo* (Moran acquired Turecamo Maritime in 1998). Towing barges and doing ship assist work all over the Northeast, Willmot developed a reputation as *the* training captain for aspiring mates.

"During the 1990s, whenever we were moving a person from deckhand into a steering position, we would try to



send them to work under John," says Keyes. "He taught them the ropes. Over a period of 10 years or so we probably had at least a dozen mates who were groomed under John, so he is certainly accustomed to training."

Willmot, along with most other wheelhouse personnel aboard MORAN tugs, has also attended a weeklong bridge resource training course at Marine Safety International (MSI), in Newport, R.I. After undergoing hands-on training from Willmot, other skippers and mates aboard the *Gramma Lee T. Moran* will also attend the MSI program, which includes both simulator and classroom training.

When sister ship *Diane Moran* was introduced to service in Savannah in 2000, Moran sent all related personnel and key pilots from the Savannah River to attend a custom-designed MSI training course, in anticipation of scheduled work with liquid natural gas tankers calling at the port.

"We have found it to be very beneficial to put the pilots and wheelhouse people together for training," comments Bill Muller, MORAN's senior vice president. "That way everybody's on the same page when they get out there working together."

One of the biggest training considerations, says Muller, is vocabulary. One way that a tractor-style tug is different from a conventional tug, he explains, is that it may not be working bow-on to a ship. A tractor tug could also have its side or stern in contact with the ship and still be able to apply needed force vectors. The possibilities of different means of alignment by the more modern tug demand different forms of communication between pilot and tug skipper. "You have to think in terms of a tug potentially operating around 360 degrees, instead of just the traditional bow-on perspective," said Muller. "So a command like 'Come ahead easy' would not necessarily have the same meaning that it might have with a conventional tug, and it needs to be interpreted for the modern tug skipper."

John Willmot notes that when he first got started with the tractor-style tugs, the vocabulary of commands was the last thing on his mind. "For me," he observes, "it was first just learning how to make a circle or come alongside a moving vessel, and then later it got into some of the more complex maneuvers like indirect towing techniques. But once you get beyond that stage and start putting the tug to work, communication with the pilots is all-important. Without communication and clear understanding of what's required, we can't provide the true potential of these types of tugs."

Helping to harness the true potential of MORAN's newest tractor tug after her delivery was Terry Briggs, the company's senior tractor tug captain from Norfolk. Briggs, who works on every type of tug in the company fleet and has a reputation as a versatile boat handler, spent several weeks in New York in June and July working with the tug's main and alternate crews. "We've been getting the fine tuning from Terry, and he started with us almost as soon as we arrived in New York," says Willmot. "We've been working on everything from techniques for staying out at a 90-degree angle to techniques of indirect towing. We have also been working on getting the most out of the tug where we take those 1,000-foot ships around the corner at Bergen Point. There's a lot to cover and it includes both the main crew and the alternate crew."

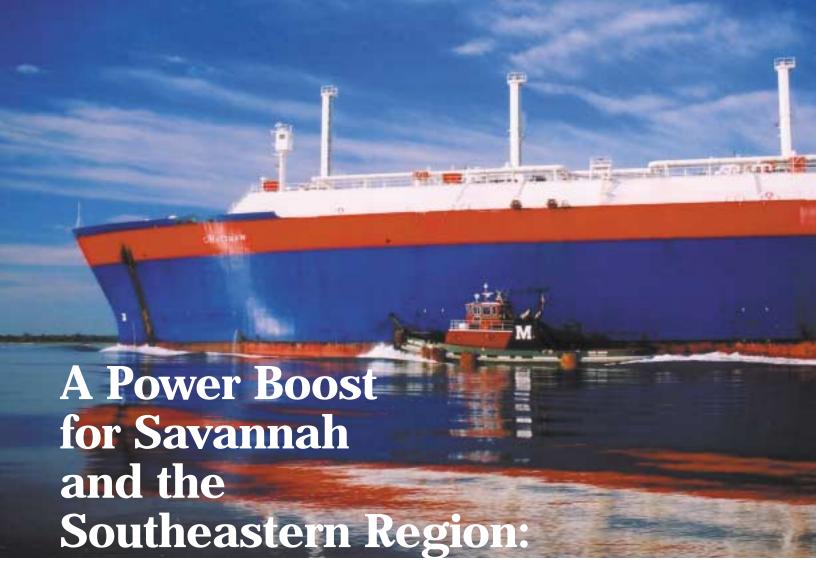
The *Gramma Lee T. Moran*, powered by a pair of EMD 12-645 F7B diesels providing up to 5,600 hp, does indeed have considerable potential for ship assist work. Designed collaboratively by MORAN and Bruce Washburn of the Washburn & Doughty shipyard, the tug is capable of providing 136,000 pounds of bollard pull and an escort speed of 13 knots. The engines meet the latest air emissions standards, and the tug is classed by ABS as A1 Ocean Towing with a fire fighting endorsement.

Gramma Lee T. Moran also has enhanced fire fighting capability in the form of two Skum 1,500 gpm fire monitors, fed by a 3,000 gpm Aurora fire pump powered by a 400 hp Caterpillar engine.

The tug is equipped with a Markey electric hawser winch on the bow and Markey capstan on the stern. The bow winch is equipped with 400 feet of nine-inch-circumference Plasma Line provided by Puget Sound Rope of Seattle.

This newest tug in the MORAN fleet is named to honor Lee Tregurtha, wife of Moran Chairman and CEO Paul Tregurtha. 'Gramma' is the name by which she is known to her 14 grandchildren.





Elba Island LNG Facility Reopens

By Patricia Bennett

In October 2001, MORAN assisted in the docking of the liquefied natural gas carrier Matthew, which delivered approximately 125,000 cubic meters of liquefied natural gas to Southern LNG's Elba Island terminal. The terminal is located 10 miles down the Savannah River from the city of Savannah, Georgia. The docking was noteworthy because Matthew is the first liquefied natural gas cargo ship to arrive at the Elba Island facility since 1982.

Southern LNG, a part of El Paso Corporation, built the liquefied natural gas processing terminal at Elba Island in 1978 to supply natural gas to the growing population and industrial base of the southeastern United States. The terminal, which occupies 140 acres of the 840-acre island, includes three doublewalled LNG storage tanks with a combined storage capacity of approximately 4 billion cubic feet. It also

comprises regasification facilities, four electric generators and an unloading dock equipped with a berth, mooring dolphins and LNG unloading arms. Elba Island's dock facilities are designed to accommodate vessels up to 950 feet in overall length and 141 feet in width. They can be used to unload a 125,000-cubic meter ship and prepare it for sailing within 24 hours, and are capable of receiving the newer 135,000-cubic meter ships.

Natural gas is transported and stored in liquid form because as a liquid it is nonflammable, and requires only 1/600th of the space it occupies in its gaseous form. When ready for pipeline delivery, liquefied natural gas is returned to its gaseous state. Nearly one-half-million horsepower of compression is generated to move natural gas from Elba Island's terminal through two 30-inch pipes connecting it to Southern

Natural Gas Company's pipeline network. Connections from this network to the interstate pipeline grid enable natural gas from Elba Island to help service the energy needs of Southern LNG's immediate market area, encompassing seven states from Florida to East Texas. Access to the Mid-Atlantic, Northeast and Mid-West is also available via the interstate grid.

Southern LNG operated the Elba Island facility from 1978 to 1982, but closed it down when the demand for natural gas fell dramatically in the early 1980's. Since that time, preventative maintenance has been performed at the facility to keep it at a limited state of readiness. As prospects for an increase in demand improved, Southern LNG decided to re-activate the facility. It received approval from the Federal Energy Regulatory Commission (FERC) to reopen and upgrade the complex in 2001. Southern's plans include building a new 1,500-foot-wide turning basin, which will provide a clearer and wider margin of safety for all shipping traffic, and creating another slip to accommodate additional LNG ships.

The process of reopening the terminal included the preparation by the U.S. Coast Guard of a marine environmental safety report, which established recommendations for safe operating procedures and mandated that a minimum of two tractor tugs be utilized for the docking and sailing of LNG tankers. To ensure safe passage on the Savannah River, the Coast Guard also stipulated that two tugs must escort all ship traffic past the Elba Island facility when LNG tankers are docked there.

Safe navigation of the Savannah River will be further assured by the fact that MORAN's crews are comprised of many local, long-time employees who have extensive experience in navigating the Savannah River. Some of these crewmembers were involved in the docking and sailing of LNG ships at Elba Island more than twenty years ago, when the facility first began operations. As additional preparation for the reopening of the terminal, crewmembers participated in MORAN's Tractor Tug Training Program, which provides the opportunity to experience the intricacies of the tractor tug through a series of controlled, hands-on



The Diane Moran assisting the LNG carrier Matthew.

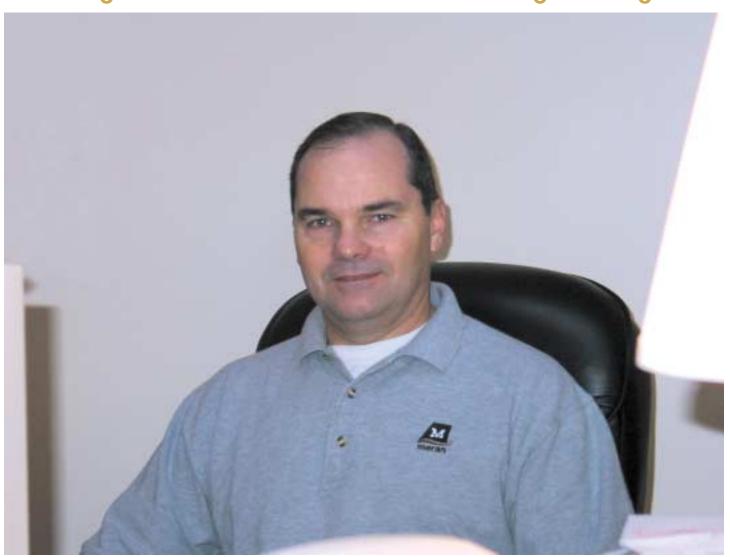


The careful docking of the Matthew at the Elba Island facility.

maneuvers and test drills. Additional, simulator-based training was provided by Marine Safety International in Newport, Rhode Island, enabling crewmembers to explore the limits of the tractor tug under conditions specifically formulated for LNG carriers. After crewmembers have completed initial training, their performance on the Savannah River is continually monitored and evaluated by seasoned MORAN tractor tug personnel, until each new operator is qualified as proficient to handle all aspects of tractor tug operation. This extensive training process has placed a full complement of qualified tug operators onboard MORAN's tractor tugs in Savannah. Southern LNG will also utilize the services of Crescent Towing in order to ensure seamless equipment coverage.

MORAN has a history of focusing on safety and environmental concerns. As a transporter of significant quantities of petroleum, and as in fact the first company to build and operate an LNG barge in the U.S. — more than twenty years ago — MORAN's performance has been thoroughly examined by the energy companies it serves. In addition to its ongoing safety and training programs, MORAN participates in voluntary Coast Guard inspections and is certified as a Responsible Carrier under the American Waterways Operators Program. As a result, MORAN is ideally suited to assist Southern LNG with the safe operation of its LNG facility at Elba Island.

A Day in the Life: At Large with MORAN's Fleet Training Manager



By Greg Walsh

We recently caught up with Mike Nesbitt, MORAN's manager of fleet training, while he was on the job observing one of our Bridge Resource Management Training Programs at Marine Safety International

Mike Nesbitt

(MSI) in Newport, R.I. While there, Mike was also reviewing and updating the curriculum of the Z-drive training classes that prepare wheelhouse personnel for work with MORAN's new tug group at Elba

Island, the LNG facility in Savannah, Georgia. As new business like Elba Island comes in, Mike explains, MSI is developing precise simulations of MORAN's newest tugs and the environments in which they operate, including wheelhouse controls and whatever docking facilities are involved.

"It's kind of exciting that the engineers at MSI are developing simulators with tractor tug consoles that are typical of those found aboard MORAN's newest tugs. MSI will also create simulations of several of the facilities serviced by MORAN, he says. Future simulation training will nicely complement MORAN's existing Z-drive training program, which is a requirement for all wheelhouse personnel before they are cleared to work on board any of Moran's 11 Z-drive or four MORTRAC vessels.

Catching up with Mike is no easy task. He lives in Philadelphia, but spends more than 50 percent of his time traveling. On any given day, he could be working with MORAN's port managers at any of 13 locations to determine the needs and requirements of the seagoing professionals among MORAN's roughly 1000 employees. Or, he could be conducting training classes, representing MORAN at industry meetings, evaluating training facilities, negotiating training rates, or attending training sessions himself. "I see what I do as a service to both the company and all of our seagoing employees," he says. "My mission is to keep all of our boats moving by making sure that everyone meets the requirements of their professional licenses and regulations, as well as the requirements of the individual port locations and, of course, our customers."

Mike graduated from the U.S. Merchant Marine Academy in 1977 and sailed as tug skipper with Maritrans for 12 years before becoming that company's fleet training officer in 1997. He joined MORAN

Mike Nesbitt leading a training class at one of Moran's 13 port locations.



in 2000. He has attended innumerable safety and training programs, and most recently earned a certificate as a Coast Guard-approved Designated Examiner. "With a company the size of MORAN, this [approach to training] is really the only way to go," he maintains. "In many cases I can get the training and the certifications myself, and then train others within the company. There are so many requirements nowadays that the more we are able to train ourselves, the more efficiently things run for the company as a whole and for all of our personnel." As we left Mike, he was already contemplating the benefits of an MSI training plan being developed for a new service that MORAN expects to begin early next year.

Moran Environmental Recovery LLC





Two Industry Leaders Combine the Assets of Their Respective Subsidiaries to Form a New Company Dedicated to Protecting and Cleaning Up the Environment. *By Patricia Bennett*

oran Towing Corporation and Environmental Recovery Group, Inc. have formed a joint venture combining their respective environmental management and remediation subsidiaries. The new company, Moran Environmental Recovery LLC, merges the operations of MORAN's subsidiary, Turecamo Environmental Services, with those of Environmental Recovery, Inc., a subsidiary of Environmental Recovery Group, Inc. Environmental Recovery Group is a leading provider of industrial cleaning, emergency spill response and hazardous material management services.

Moran Environmental Recovery operates with more than 100 full time employees and one of the largest inventories of specialized environmental service equipment in the southeastern U.S. It offers a full range of marine and land-based industrial cleaning and environmental contracting services, from one contact point.

Prior to the creation of the joint venture, MORAN's subsidiary, Turecamo Environmental Services, was typically involved in waste oil removal, emergency oilspill response, pre-positioning of oil containment booms and bilge water transfers. With the additional personnel and equipment provided by Environmental Recovery, Inc., Moran Environmental Recovery's scope of environmental work has been broadened to include land-based projects such as hazardous material site remediation, facility decontamination and pollutant storage system construction. Through affiliated entities, Moran Environmental can also provide asbestos cleanup, lead abatement, wastewater disposal and used oil recovery services.

Moran Environmental Recovery takes particular pride in the range of skills and quality of the personnel that it now makes available to its clients. Whether a job is Repackaging hazardous materials (left page, left). Chlorine tank car damage assessment (left page, right). MER's 5300 CFM dry vac with HEPA filtration (right page, left). Beach clean-up crews (right page, right).





an emergency response to a marine oil spill or a land-based hazardous material site remediation project, the company has the specialized personnel and equipment to meet all of its clients' needs. All operations staff must complete an accreditation program which includes the following courses: OSHA 40 Hr. HAZWOPPER; Competent Personal Training; API Tank Demolition; Confined Space Entry; First Aid; CPR; Asbestos Worker; Lead Worker; HM181 HAZ-MAT; OPA90; Fit Testing; and Medical Surveillance. In addition, various field personnel are skilled welders, electricians, and specialized equipment operators. Moran Environmental's impressive array of specialized equipment includes: a fleet of fully equipped environmental emergency response trucks and trailers: a vacuum truck fleet; marine based work boats; a recovery barge; skimmers; and a variety of protective booming, oil spill cleanup and transfer equipment. A complete list of available equipment can be viewed on Moran Environmental's web site at www.moranenvironmental.com. Moran Environmental has all of the requisite licenses from the U.S. Coast Guard, the U.S. Department of Transportation and the U.S. Environmental Protection Agency to handle both marine and land-based work.

Moran Towing heightened its focus on safety and protection of the environment in the late 1980's with the implementation of an extensive employee education and training program dealing with environmental safety issues, including training in cleanup operations and hazard recognition in a spill environment. Responding quickly to environmental mishaps was a natural step for Moran because it already had crews and equipment on the water around the clock. When

Unknown drum recovery (bottom, left). Steel plant decontamination involving heavy metals and low level radiation (bottom, right).





MORAN acquired the Turecamo Companies in 1998, its ability to provide specialized services was enhanced by the addition of Turecamo's Charleston subsidiary, Turecamo Environmental Services (which earlier had purchased Coastal Divers & Pollution Control in Savannah, Georgia).

MORAN's new joint venture with Environmental Recovery, Inc. will enable it to continue expanding its involvement in environmental safety. Turecamo Environmental Services and Environmental Recovery, Inc. had been working together for almost two years before combining their operations, and had become a well known team in the Southeast. They were awarded the LSCC Emergency Spill Response contract for the

Charleston, South Carolina Cooperative in January, 2001, and served as lead response contractors in three major industry-led USCG PREP exercises in Charleston, South Carolina, Savannah, Georgia, and Jacksonville, Florida.

Moran Environmental's headquarters is located in a 19,000 square foot office/warehouse complex on a 5-acre site in Jacksonville, Florida, with branch offices located in Savannah, Georgia and Charleston, South Carolina. Steve Jenkins from Environmental Recovery Group is president, with MORAN senior vice presidents Bill Muller and Peter Nistad serving on the board of directors. Moran Towing Corporation will continue to expand the scope of its commitment to environmental safety with its participation in this joint venture.

Theodore Roosevelt Supports Operation Enduring Freedom

By Patricia Bennett







The USS Theodore Roosevelt (CNV 71) being assisted by MORAN's Marci-class tugboats. The Roosevelt is a Nimitz-Class nuclear aircraft carrier. It was built in 1981 at Newport News Shipbuilding in Virginia and is stationed at the Norfolk Naval shipyard.

On September 19, 2001 MORAN was proud to assist the aircraft carrier Theodore Roosevelt as she left the Norfolk Naval Station for deployment to the North Arabian Sea, where she participated in Operation Enduring Freedom, the campaign waged against the Taliban and Al Qaeda forces in Afghanistan. Prior to the September 11th attack on the World Trade Center and the Pentagon, the Roosevelt was preparing to participate in routine military exercises with Egypt and other Middle Eastern allies, and her crew looked forward to port calls in Greece, Italy and Spain. Instead, with almost no warning, she was re-deployed as one of the first ships to participate in the United States' mili-

tary response to the terrorist attacks. Sailors and pilots on the Roosevelt had to suddenly brace themselves for hazardous combat duty, on a mission that ended up entailing the most consecutive days at sea in recent aircraft carrier history.

Prior to the carrier's departure, survivors of the fire and rescue crews who lost so many members on September 11th presented the "Ground Zero" American flag to the Roosevelt's fire fighting crew. The flag, which had flown above the World Trade Center site in the immediate aftermath of the buildings' destruction, has become a symbol of the unity

and resolve of the United States in defending itself. It was passed hand-over-hand, a Naval tradition for honoring the dead, before it was raised on the yardarm of the Roosevelt's Signal Bridge. It remained with the ships of the Roosevelt Battle Group until the carrier returned to port in March, 2002, 189 days after its deployment.

The Roosevelt and its crew are formidable adversaries for anyone who decides to attack the United States. The 1,093 foot long aircraft carrier weighs almost 100,000 tons and can carry up to 85 aircraft in hangars below deck. She was commissioned in 1986 and is the fourth of eight of the nation's Nimitz-class nuclear-powered aircraft carriers. During her tour in support of Operation Enduring Freedom, aircraft from the Roosevelt dropped more than 1.7 million pounds of ordnance on the enemy, and her pilots logged over

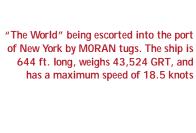
30,000 flight hours. Her crew prepared and serviced aircraft that flew 60 to 80 combat flights a day, with pilots routinely flying 14 hours a day. The pilots and crew successfully completed over 10,000 arrested landings via tail hook, and the Roosevelt accomplished all of this without sustaining any casualties.

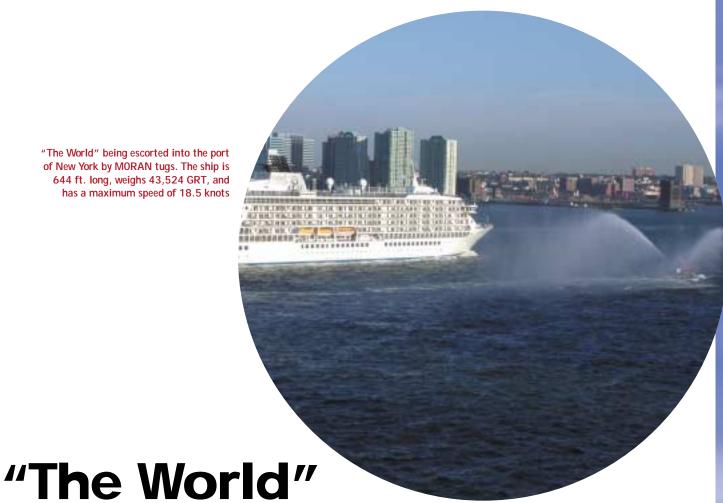
On March 26, 2002, the Roosevelt returned to her homeport with the "Ground Zero" American flag flying high, to the jubilant celebration of her crew and their families. The giant ship, aptly nicknamed the "Big Stick", was again assisted by MORAN's tugs. MORAN provides towage services to all of the Navy's ships at the Norfolk Naval Station under a long-term contract. In keeping with its long tradition of service to the Navy, MORAN and its crews provide the best possible equipment and service to help these ships do their important work.

The USS Theodore Roosevelt (CVN 71)
flight deck is 1095 feet long or
4.5 acres, its height of 244 feet is equal
to a 24 story building, and it has
two anchors each weighing 30 tons









of ResidenSea Arrives in New York

n September 5, 2002, the world's first oceangoing luxury resort, The World of ResidenSea, arrived in New York Harbor. As befits such a momentous occasion, the Gramma Lee T. Moran — MORAN's newest Z-drive reverse tractor tug — greeted the ship with water sprays and a warm welcome.

The World of ResidenSea provides 110 spacious, fully furnished residences and 88 guest suites for discerning adventurers looking to venture beyond the conventional joys of owning oceanfront property. The ship has a maximum capacity of 976 residents, guests and crew.

A full-time crew of 320 seafarers and hospitality staff runs the ship and serves residents and guests. The vessel combines the comforts of a private home with the best features of cruising and the luxurious atmosphere of an exclusive resort. It offers homes ranging in size from 1,106 to 3,200 square feet, priced from U.S.\$2.25 million. At that price, a more viable option for some worldly wanderers might be to live on board a tug; MORAN will gladly develop prices upon request!

SERVICE AWARDS 2002

★5 Years of Service

William Allbritten
Thomas Best
Brian Boothe
Elwood Brown
William Carlson
Douglas Carter
Thomas Cheney
Paul Ciaburri
Ronald Colbert
Michael Dalton
Steven Deniston
Larry Diehl
Christopher Dye
James Fleming

Donald Frank
Geraldine Garrison
Sean Hammock
James Hennessey
David Hickman
John Hightower
Thomas James
Mark Jones
Frederick Junge
Gregory Kiefer
William Kingsbury
Stephanie Kirton
Julio LaCroix
Jessie Lafata

John Lee
Simon Lin
Charles Martin
James Masingale
Shane Mason
Michael McArdle
Robert McCarty
Robert Milliken
Patrick Molchan
Barbara Monk
Andrew Morris
Daniel O'Brien
Jerome Placette
David Paden

James Robb
Shawn Rosenthal
Peter Rocha
Raleigh Robinette
Karl Senff
Gina Sikes
Edward Sloyan
Stephen Smith
Michael Switzer
Sonja Tate-Davis
Jerry Thomas
Joel Touseull
Jason Underwood

★★10 Years of Service

Robert Barry
James Burton
Harold Butler
Joaquin Calix
Thomas Cassidy
Cruz Castro

Rene DeRussy Dalton Deslatte Kevin Hanna Mark Hershey Thomas Jarrell Jeffrey J. McAulay William Morris Aislinn Pitchford Kenneth Rolley David Rushing Stephen Williams Kevin Walsh Roger Warren James Waters Louise Williams Jarret Youngblood

★★★15 Years of Service

Wayne Browning Harold Cheramie James Coyne David Culbertson Gary Elliott Ernest Gingles Theodore Garvin Margaret Keown William Lucas David Morton Eddy Sanders Mark Scanlon

★★★★20 Years of Service

Mark Burger

Alan Marchisotto

Robert Trainor

★★★★★25 Years of Service

Cliff Champaign

Lawson Doughty

William Muller

Walter Naef

******** Years of Service

Thomas Evans Karl Placette Eugene Poissant

Thurston Powell

Niclas Svensson

RETIREES

Thanks to these former employees for their dedicated service to Moran.

Harold Cheramie Barbara Cromwell **14 yrs** 1987-2002 **27 yrs** 1975-2002

Diane Kay

10 yrs 1992-2002

John F. Murphy 33 yrs 1969-2002

PROMOTIONS

Mark D. Vanty

Mark has been with Moran for 16 years and has worked in and/or managed a variety of operating units. Mark will be relocating to Norfolk, Va. where he will work with Paul Horsboll as Vice President and Assistant General Manager of the rapidly growing Norfolk operation. Mark will bring his expertise to the management of the increasingly complex Norfolk operation and will become integral to the management of our second largest port.

Mike McVay

Mike has been with Moran for 6 years and has worked through positions of increasing responsibility in Moran's petroleum barge operations. Mike is being promoted to Assistant Vice President of Moran's Petroleum Barge operation. In this role, Mike will formally assume overall responsibility for the chartering and operations of Moran's petroleum barges. Mike will continue to report to Bruce Richards who has overall responsibility for Moran's Transportation Division.

Jimmy Coyne

Jimmy has been with Moran for 15 years and currently overseas maintenance and repair activities for our Mid and South Atlantic Ports. Jimmy plays a vital role, not only in vessel maintenance and repair but also in supporting new projects, troubleshooting problems as a regular participant in the QSC, and supporting port and corporate management in countless other ways. In recognition of the importance of Jimmy's contribution and the key role that he plays in the organization he is being promoted to Vice President - Moran Towing Corporation.

OBITUARIES

Capt. Eugene F. Poissant

I am saddend to report that Capt. Gene Poissant passed away this morning, after loosing his battle with emphysema and cancer. He was 64 years old and had a long and colorful history with Moran. Gene brought with him a unique and unmatched charm and humor, which he disseminated over the airways for the past 35 years. His talent and dedication are irreplaceable.

"17" .. Margaret... You can head to the yard.

Peter Keyes Vice President and General Manager Port of New York and New Jersey

Larry White, Port Engineer, Dies at 51

Larry White, Port Engineer for Moran's Savannah Division, died suddenly on Sunday, November 24, 2002 at the Memorial Medical Center, Savannah, Georgia. He was 51 years old.

For nearly three decades Larry was a dedicated employee of MORAN. Originally from Virginia, he started his career in his mid twenties working on harbor and offshore tugs as an engineer for MORAN's Virginia division. He received his Chief's License and became Chief Engineer in 1975. In 1990 Larry came ashore and moved to Baltimore to become Port Engineer for MORAN's Maryland division. In addition to handling routine dry dockings and engine overhauls, Larry oversaw the operation of the barge MARYLAND and other barge movements. For a period of time, Larry assumed Port Engineer responsibilities for the Port of Philadelphia as well as Baltimore. Since June, 2001, Larry worked at MORAN's Savannah Division as Port Engineer for this growing southern port.

Larry was a happy, easy-going man who genuinely liked people. Those that worked with him rarely heard him utter an angry word. He was competent, dependable, and had a can-do attitude. He gave his fullest to everything that he did, whether repairing an engine on a tug or replacing a flat tire for the pier secretary. There was always a feeling that if Larry were on the scene, then everything would be fine. He will be greatly missed by his friends, coworkers and family. His wife, Jacqueline, five daughters and 12 grandchildren, survive him.

John S. Bull–12-Jan-02 Retiree, Director, Officer Moran Towing & Transportation

Marion Pyle–18-Jan-02 Former Moran Towing & Transportation retiree

Marie Kuehn-25-Mar-02 Former Curtis Bay Maryland retiree. Moran Towing of Maryland

Helen Parks–13-May-02 Former Curtis Bay Virginia retiree Moran Towing of Virginia



The Gramma Lee T. Moran, Newest Member of Moran's Tug Fleet



Moran Towing Corporation

Two Greenwich Plaza Greenwich, CT 06830

Tel. 203.625.7800 Fax. 203.625.7857

www.morantug.com