

APPENDIX A

PART 6 OF 6

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1 MR. WIGGER: The problem with taking
2 manual tank soundings, it varies, of
3 course, by the individual. And it is sort
4 of a finesse type.

5 You got to land a weight at the
6 bottom of the tank, but you don't want to
7 sort of roll. And then, of course, you
8 have -- and the touch is important. And
9 then do you may have the ship rolling and
10 that's going to affect the sounding.

11 And so, generally, when we go aboard
12 to do a test, say the oily water
13 separator, we'll just have the person take
14 three soundings in succession.

15 Not to really do a very detailed
16 calculation, but to make sure that the
17 soundings are somewhat consistent, that we
18 don't have one sounding that might be
19 35 centimeters and then another one 45 or
20 something like that. And that has
21 occurred depending upon the rolling.

22 So just to get a good -- because you
23 could have quite a bit of difference and
24 then you have these numbers with -- to
25 account for.

1 But we think it's a good procedure
2 not do to -- again, just to take
3 verification sounding, maybe, you know, we
4 say three, but not to do, you know, a, you
5 know, detailed calculation.

6 But just to make sure you have
7 consistency in the soundings, especially
8 when you are comparing it to the
9 electronic soundings that are being taken
10 by the SWOMS, which those are -- those can
11 vary too, obviously. So --

12 MS. TSOCHLAS: Yeah.

13 MR. WIGGER: And we all know it's an
14 estimate and it's not an accurate
15 calculation. So --

16 MR. BUNDY: So at the end of the day,
17 is there a -- I think perhaps the way
18 Captain Joshi phrased it, something like
19 that there would be three separate
20 soundings required with mathematical
21 calculation of the average and then that
22 be entered into the sound -- into the
23 book.

24 What it sounds to me what you're
25 saying is your practice is generally to

1 just require whoever is doing the
2 soundings, to be aware -- to take at least
3 an informal, if that's the right word,
4 verification sounding, to make sure that
5 the original sounding that they took
6 wasn't wildly off the mark.

7 MR. WIGGER: Exactly.

8 MR. BUNDY: And I mean, not that
9 everything would have to be written down
10 and recorded, but just as a way, a
11 recommendation to a seafarer to take a
12 sounding would be, it's often good
13 practice for instances in cases where the
14 vessel is rolling to take a second or
15 third soundings to verify your first
16 sounding, something like that?

17 And is that -- would some -- would
18 some kind of recommendation to the
19 seafarers in that regard or part of the
20 training, would that make sense,
21 Ms. Tsochlas?

22 MS. TSOCHLAS: Yes.

23 That wouldn't be a problem to do
24 that.

25 MR. WIGGER: And really, that's what

1 we are recommending as you used the term
2 "informal." The think, not the intent
3 wasn't they lay out these in the
4 calculation and record those calculations.

5 Just a verification, informal to make
6 sure what they were getting was reasonable
7 and they didn't, you know -- they weren't
8 too far off. And if they were, they would
9 take the third sounding.

10 If you take one sounding and you get
11 another sounding, that's right in the --
12 almost the same or close to, you may not
13 need to take a third.

14 But if you take one and take another
15 one and they're a little bit different and
16 then you may take a third.

17 You say, Okay, this is our best
18 guess, best estimate of the accuracy of
19 the tank. But again, not to record that
20 but to make an informal process.

21 MR. BUNDY: You think that would go
22 towards satisfying the recommendations in
23 the audit report?

24 MR. WIGGER: Yes, I do.

25 MR. BUNDY: Okay.

1 MR. CHALOS: Mr. Bundy, the objection
2 wasn't so much to the verification
3 sounding, it was to averaging the three,
4 which I think leads to more mistakes and
5 more discrepancies than it solves.

6 So I don't think they've objected to
7 having a verification sounding or two, if
8 you need two or three.

9 MR. BUNDY: That was my understanding
10 as well. Okay. Thank you.

11 MS. TSOCHLAS: Then Observation No.
12 14 was to do with the fuel oil drain tank
13 and the scavenger air box drain tank. We
14 have the same situation here as we do have
15 on the Theo T.

16 These tanks were included in the Form
17 B of the IOB at the time of the build of
18 the vessel.

19 But as we first prepared the SWOMS
20 onboard the Theo T, the configuration for
21 the Fidias was based on what we had done
22 on the Theo T. So those two tanks were
23 not included.

24 In combination, we do not think it
25 would be practical to include those tanks

1 in the monitoring of the SWOMS. For the
2 same reasons we've already discussed for
3 the Theo T.

4 MR. BUNDY: Right. Understand.

5 MS. TSOCHLAS: Item 15 is to do with
6 the ODME. The monthly ODME testing was
7 not being recorded in the oil record book
8 Part 2.

9 We are not required to report that
10 testing in the oil record book Part 2.

11 These are one of those additional
12 requirements that we've included in the
13 instructions that we have included in the
14 environmental management plan.

15 MR. BUNDY: All right.

16 MS. TSOCHLAS: Here we have the link
17 showing those additional instructions
18 regarding entries to be made in the oil
19 record book Part 2 at the top.

20 MR. WIGGER: I believe that was a
21 scope of work requirement?

22 MS. TSOCHLAS: Yes, it was.

23 And then Item 16 is to do with the
24 oil transfer procedures that are required
25 by the relevant CFR.

1 Our ship operations manual is not
2 fully in alignment with those
3 requirements. So we are reviewing those
4 procedures and we'll be correcting them.
5 And that should be done by September.

6 MR. BURGESS: I got a question.

7 What did Captain Joshi, what did he
8 actually see?

9 The reason why the oil transfers were
10 not in full alignment.

11 Did he write any notes down?

12 MR. WIGGER: He probably saw what I
13 saw because I had the same observation
14 onboard the Theo T. Generally, what you
15 have for vessels that don't trade to the
16 US on a regular basis, you have bumper
17 procedures, which are essentially the oil
18 transfer procedures.

19 But the US rules, CFR 155.720 have
20 specific requirements what shall be
21 contained in those oil transfer
22 procedures.

23 And have some either their -- they're
24 in the form that of the US requirement or
25 there is a reference to the US

1 requirement. And that's what we are
2 looking at here.

3 In actuality, it is very possible
4 that everything is covered within the
5 bunker procedures or the cargo transfer
6 procedures. But it's not in a format.

7 And really, this is an item that a
8 lot of Coast Guard officers will write a
9 deficiency for in the event that they, you
10 know, look at the transfer procedures and
11 they're not in alignment with the
12 regulations.

13 I mean, they are adequate but they
14 are not technically in alignment with the
15 regulations. So --

16 MS. TSOCHLAS: So we'll be correcting
17 that.

18 Now 17 was to do with the flexible
19 hose inventory. Our environmental
20 management plan requires that all flexible
21 hoses are identified and labeled.

22 And the vessel has verified that the
23 flexible hoses onboard are identified and
24 labeled and you can see that in the
25 picture here.

1 MR. CHALOS: Mr. Bundy, I would add
2 that in looking at Mr. Joshi's report, he
3 has the same photograph in his report.

4 So I don't know why he made that
5 comment.

6 MR. WIGGER: The comment that he made
7 is really beyond the identification. It's
8 really controlling how the hoses might be
9 checked out. They have been identified
10 with the purpose, they are inventoried.

11 But the question is: Where are they?
12 Can anyone just go in there and pick out a
13 hose and use it for their purpose? Is
14 there a sign out log that they must use?
15 Are the hoses stored in say a locked cage?

16 We've seen that on some ships that
17 they actually put it in the steering room
18 where you do have some cages for chemicals
19 and stuff that they put hoses in there.

20 They have sort of a lock that the
21 chief engineer has just to control the use
22 of those hoses.

23 But you are right, the inventory is
24 there, they are identified. But there was
25 no procedure so much for the control. And

1 I'm looking at, he says "To ensure they
2 are properly controlled for the intended
3 use."

4 MS. TSOCHLAS: It says earlier in his
5 comment, it says, "There were no tags or
6 labels to identify."

7 MR. WIGGER: There were no tags?

8 MS. TSOCHLAS: Yeah. That's why the
9 confusion comes.

10 MR. WIGGER: Let me just look back,
11 because I think I --

12 MS. TSOCHLAS: He says "There are,
13 however, no tags or labels to identify
14 each."

15 MR. WIGGER: Yeah. I had a similar
16 recommendation on mine.

17 But, again, even on mine, the ship I
18 did, part of it was that there should be
19 some control. But as you point out, the
20 tags are in place.

21 MR. BUNDY: So is he saying that -- I
22 notice he's got a couple of pictures in
23 his audit report with the tagged hoses.

24 When he says "no tags or labels to
25 identify each hose," does he mean that he

1 found some hoses without labels and that
2 has since been remedied by labeling the
3 hoses?

4 Or was he just mistaken in suggesting
5 that there weren't any tags on the hoses?

6 MR. WIGGER: No. I think his
7 statement is an error. I think there were
8 tags and he may have referred back to a
9 finding in the Theo T audit, where there
10 were no tags.

11 Is that -- and tags were subsequently
12 put on. And then they were always done on
13 Fidias. So it probably -- not probably,
14 but it is an error on his part to indicate
15 no tags.

16 So it is incorrect that -- especially
17 since he has included, you know, a photo
18 with the tags. And I have also talked to
19 him about that specific finding as well.

20 But beyond that, in his comments it
21 was also more important that there be some
22 control of how the hoses are issued and
23 used and that kind of thing. So that was
24 more the intent of the observation.

25 MR. BUNDY: All right. So it seems

1 to me that the recommendation might not
2 have put the company on specific notice
3 that the control issue was more of a
4 question than the tagging. So maybe that
5 will be topic for some future discussion.

6 I don't know. But that appears to me
7 to be the grounding of that
8 recommendation.

9 MR. WIGGER: Yes.

10 And I think when we do another audit
11 aboard, you know, the next vessel, that
12 will be one of the areas that we'll look
13 at and be more specific with any
14 observations, if an observation is
15 required.

16 MR. BUNDY: Okay. All right. Thank
17 you.

18 MS. TSOCHLAS: Item 18 was to do with
19 the Fleet Engineering survey. We amended
20 that form on the 22nd of March, 2010 and
21 distributed it to the fleet.

22 The chief engineer onboard at the
23 time had signed on the vessel on the 24th
24 of October, 2009, and completed the Fleet
25 Engineering survey in its original format

1 then.

2 When we distributed the revised form
3 to the fleet, he believed that he was
4 supposed to complete the form again.

5 But then when reading the
6 instructions, the instructions required
7 that it should be completed within three
8 months of signing on.

9 So he misunderstood and recorded the
10 date of completion as the date he had
11 completed the original form, before the
12 revision. So that was just a confusion on
13 the part of the chief engineer.

14 He misunderstood our instructions.

15 MR. BUNDY: Okay.

16 MS. TSOCHLAS: Item 19 was to do with
17 the chief engineer holding the anonymous
18 reporting box.

19 If you remember from the previous
20 hearings, we originally had a box onboard
21 the vessel and an anonymous report form
22 that we completed by seafarers and then
23 placed in the box.

24 But we discovered that we had
25 problems with that because the integrity

1 of each time he sends those forms to be
2 completed to the company and our
3 superintendents board our vessels
4 approximately once every six months
5 period.

6 So we discontinued the use of the
7 box. But for some reason the chief
8 engineer kept it in his cabin, and Captain
9 Joshi found it in his cabin.

10 So that's been disposed of now. And
11 we made sure that everybody is aware of
12 the proper procedures that we have in
13 place right now.

14 Item 20 was to do with the prejoining
15 training form. Before the implementation
16 of the environmental management plan, we
17 had a form that was kind of like the
18 declaration of the environmental
19 commitment.

20 That form was discontinued, but the
21 Manning Agent misunderstood and didn't
22 discontinue the form. And there -- our
23 seafarers were signing both forms.

24 We have sent out instruction to the
25 Manning Agent to discontinue that form and

1 we'll make sure when we board our vessels
2 in the future that it is not continued to
3 be used.

4 Item 21 had two separate parts. The
5 first part is to do with the chief
6 engineers hand-over report and it
7 recommends that the CO log is included in
8 his hand-over report.

9 So if we go over to the next slide it
10 is included in his hand-over report.

11 As you can see, Item 5 is the engine
12 seal log book. And then, the spare seals
13 are reported in the spare seal inventory.

14 So if we can go to the next list.
15 And the spare seal inventory is included
16 in environmental hand-over report.

17 As you can see, it's Item 4. So we
18 think we covered this part of the
19 recommendation with these two forms.

20 Now, the second part of the
21 recommendation is to do with spare
22 filters, which we talked about earlier on.
23 And the requisition was dated the fifth of
24 November, 2009.

25 However, the vessel actually sent

1 that requisition into the company on the
2 first of February 2010.

3 So we -- it's a practice that
4 engineers have onboard and they start
5 preparing requisitions. And when the time
6 comes, they send it to the company.

7 There may be a difference in the data
8 of when they begin the completion of a
9 requisition and when they actually send it
10 in.

11 When it was sent in to the company in
12 February, the spare filters weren't
13 available on the market from the makers,
14 so some time passed before we could
15 actually provide it to the vessel. But
16 they were delivered onboard the vessel on
17 the 24th of June.

18 This is getting scary. So here we
19 have the correspondence. Here in this
20 e-mail you can see that the requisition
21 was sent from the vessel to our technical
22 department on February 1st.

23 The next page is the actual
24 requisition, which is dated fifth of
25 November, 2009, but sent on February 1st.

1 And then this was a correspondence where
2 we delivered the spare parts to the
3 vessel.

4 So the highlighted airway bill
5 numbers refer to spare parts in that
6 requisition.

7 And the next page shows the
8 confirmation -- the confirmation receipt
9 provided by the master.

10 MR. WIGGER: Just going back on the
11 seals, and I apologize for probably not
12 looking or verifying this before.

13 But was the chief engineer's
14 hand-over notes, was that section
15 completed and also the masters for the --
16 did they indicate the number of seals?

17 MS. TSOCHLAS: Yes.

18 MR. WIGGER: So it was completed?

19 MS. TSOCHLAS: Yes.

20 MR. WIGGER: Okay. So --

21 MS. TSOCHLAS: What I think may have
22 happened, but I'm not 100 percent sure is,
23 we have two hand-over reports.

24 We have the environmental report and
25 the safety management system hand-over

1 report. The safety management system
2 hand-over report doesn't include these
3 items and I have a feeling that Captain
4 Joshi probably looked at that.

5 MR. WIGGER: I think so. Okay.

6 Is there -- eventually when you -- in
7 the long term I would think you would want
8 to integrate your EMS and instead of
9 having two sets of hand-over notes, would
10 you eventually integrate that into --

11 MS. TSOCHLAS: Yes, we will.

12 Our intention was actually based on
13 your first recommendation on the initial
14 audit on M/T Theo T, that we separate the
15 environmental management people become
16 familiar with it and slowly integrate it
17 into our safety management system. So as
18 time passes, at some point we will
19 integrate it.

20 Then Item 22 has to do with
21 engineering staff and the auditor
22 recommends that we rotate engineering
23 staff on the vessels covered by the
24 probation.

25 Up until now, there were only two

1 vessels, so we did try to do that to the
2 best of our ability.

3 But when there's only two vessels
4 it's sometimes not always -- we can't
5 always achieve it.

6 Now that we are expanding coverage to
7 the additional two vessels, we'll probably
8 find that easier to do.

9 But, generally, our engineering
10 officers are very familiar with our
11 environmental management plan and the
12 scope of work. And that was referred to
13 in other parts of the auditor's report.

14 Again, in Item 23, has to do with the
15 chief engineer's weekly report. And it
16 was noted that there was, in one week, the
17 sludge generated was 691 cubic meters,
18 which is not possible.

19 We investigated that and we saw
20 weekly report. Let's go down further.
21 There.

22 In the red -- in the red circle, the
23 chief engineer entered 0690. He intended
24 to enter comma zero -- zero comma 690.
25 So -- and then because this report carries

1 out automatic calculations, the error
2 carried through. So it was a clerical
3 error.

4 And that's everything.

5 MR. BURGESS: The error the chief
6 engineer, he didn't catch it when he --

7 MS. TSOCHLAS: He filled it out and
8 sent it to the company.

9 MR. BURGESS: Okay.

10 MS. TSOCHLAS: The company then saw
11 it on our side when there was -- that data
12 is then transferred to a spreadsheet so
13 that we can follow the waste generation
14 onboard and that's where it was noticed.

15 MR. BUNDY: Did the company catch the
16 problem before Captain Joshi noticed it in
17 the audit?

18 MS. TSOCHLAS: Yeah.

19 It was a couple of weeks before, so
20 it was caught. It's just --

21 MR. BUNDY: How long did it take the
22 company to catch the error after it was
23 made?

24 MS. TSOCHLAS: The next week it was
25 corrected.

1 So the next chief engineer's weekly
2 report that was corrected.

3 MR. BUNDY: Okay. So it took a
4 week -- the company received the report,
5 reviewed it, and noted the discrepancy?

6 MS. TSOCHLAS: Yes.

7 MR. BUNDY: Okay.

8 MS. TSOCHLAS: I think Captain Joshi
9 has submitted both the chief engineer
10 weekly reports.

11 The first with the error. And the
12 next week which showed the corrected
13 information.

14 MR. BUNDY: Okay. All right. I'll
15 open it up for further questions or
16 comments or discussion.

17 We've gone through this remarkably
18 quickly and mostly because it was
19 well-organized and thought-out. I commend
20 my audience for that. Thank you.

21 MS. TSOCHLAS: Thank you.

22 MR. BUNDY: Could we -- so from the
23 government or Captain Wigger, Mr. Sanborn,
24 Mr. Norton, anyone that has a question or
25 issue that they wish to raise, now this is

1 the time to do it.

2 MR. BROWN: I think we are all set,
3 Mr. Bundy.

4 MR. BUNDY: You think this is fine.
5 You need to take a break and confer?

6 If not, is there any reason why we
7 shouldn't wrap this up in an amazingly
8 quick manner?

9 MR. BROWN: No. Again, I think we
10 are all set.

11 We don't have any additional
12 questions or comments at this time.

13 MR. BUNDY: Okay. All right. Well,
14 thank you, everyone. Again, I want to
15 apologize for not being present.

16 I know it made it more difficult for
17 everybody to get this organized. It
18 certainly made it more difficult for me to
19 listen and pay attention.

20 But I think observed what I need to
21 do and we'll get a transcript and I'll
22 confer, of course, further with Captain
23 Wigger and Mr. Sanborn and produce a
24 report within the required time.

25 If there are any additional things

1 that come to people's mind in the
2 meanwhile, please address them with me.
3 But I expect that the record is pretty
4 much closed right now of this portion of
5 the hearing.

6 If that's agreeable with everybody?

7 MR. CHALOS: Mr. Bundy, we are going
8 to send to everyone the last revisions
9 which were minor revisions to the
10 PowerPoint presentation so everybody has
11 what was put on the screen today.

12 And we'll also send it to the court
13 reporter so he can get the acronyms that
14 have been used.

15 MR. BUNDY: Okay.

16 MR. CHALOS: We thank you for getting
17 up so early in the morning.

18 MR. BUNDY: I'm ready for breakfast.

19 MR. CHALOS: I saw somebody walking
20 behind you. So I guess people are coming
21 to the office.

22 MR. BUNDY: Thanks again for
23 everybody, and for your indulgences and I
24 will sign off and then we'll go off the
25 record.

1 (THEREUPON, THERE WAS A DISCUSSION
2 OFF THE RECORD.)
3 (THEREUPON, THE HEARING WAS CONCLUDED
4 AT 12:01 P.M.)
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C E R T I F I C A T E

I hereby certify that I am a Notary Public,
in and for the State of Connecticut, duly
commissioned and qualified to administer oaths.

I further certify that the witnesses named in
the foregoing hearing were by me duly sworn, and
thereupon testified as appears in the foregoing
hearing transcript; that said hearing was taken by
me stenographically in the presence of counsel and
reduced to typewriting under my direction, and the
foregoing is a true and accurate transcript of the
testimony.

I further certify that I am neither of
counsel nor attorney to either of the parties to
said matter, nor am I an employee of either party to
said matter, nor of either counsel in said matter,
nor am I interested in the outcome of said cause.

Witness my hand and seal as Notary Public
this 27th day of July, 2010.



Clifford Edwards

Notary Public

My commission expires: 9/30/2011