

and could conceivably continue to experience growth during the operating period which would help to cover the costs associated with expanded services.

The tanker system is, in the Committee's opinion, more flexible in adjusting to incremental development and absorbing changes to production levels, although the Committee can see an eventual need for both tanker and pipeline systems.

The Committee recommends:

**That transport of hydrocarbons from the arctic region commence by tanker on a small scale and that consideration be given to various combinations of tanker and/or pipeline systems as other factors warrant.**