

University; and Paul Jordan, the state analyst who was working on the feasibility study. Dr. Ferrell, after signing a secrecy agreement, was allowed to view the Phillips process and laboratory procedures while the rest of the group discussed other aspects of the project. They flew home satisfied, even though they did not talk with the people at the federal energy research laboratory in the same town, a facility that has been doing waste oil research for years.

Reassured by Garrison and Department of Administration representatives, the Advisory Budget Commission approved the project on August 26. Members of the commission were told by the Budget division that the General Assembly had appropriated an estimated \$1.3 million that the department would not need—money that could thus be used to build the plant. The commission also authorized Prison Enterprises to provide up to \$250,000 to get the plant into operation. Later the same day the agreement with Phillips was signed, and the Governor announced “the location in North Carolina of a unique oil recycling plant that will save the state money as well as fuel.” When asked about the apparent rush of all of these events on the same day, the Governor’s office replied: “We were in no real hurry. We had the opportunity to take the lead, we were advised by technical experts at N. C. State University that this was a unique opportunity for the state and we conducted our own feasibility study.”

Perhaps the most interesting part of the agreement with Phillips has to do with

publicity. The company can use the plant as a showpiece for visitors and publicize its location using photographs, provided it uses discretion and gets the state’s approval before “publishing any advertisement that would constitute an endorsement” by the state. Even the plant site was subject to Phillips’ approval. The company has already obtained some publicity from the sale at meetings around the country, including hearings of a U. S. House subcommittee, and in letters sent to some waste oil reclaimers.

The Phillips agreement does require two test runs before the plant will be accepted by the state. But the state has not included in the contract rigorous standards for Phillips to meet. The product must only be what is described as “usable as a high grade engine lubricating oil,” a meaningless definition unless accompanied by further technical specifications, according to a representative of the Society of Automotive Engineers. In addition, the contract says that the state “shall be provided with a full opportunity to monitor the test” but it contains no specific provision that allows the state or an outside laboratory to conduct separate tests.

Perhaps North Carolina can get Phillips to agree to tests that offer some real assurances of quality. In the meantime, the state will do well to take a much closer look at the economics of the entire project. Whether or not a suit is brought against the state, it ought to be a matter of special concern that the state not launch a venture that can be just as well undertaken by private business. ■

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When the 1973 General Assembly appropriated about \$1.8 million to construct and operate a building for the National Driving Center (NDC) in the Research Triangle near Raleigh, legislators were told that the NDC, an affiliate of Duke University, would do just about everything that needed doing in traffic safety research with the help of a steady flow of research grants.

By the time the building opened in early 1976, however, the NDC has become the Edsel of the traffic safety research field. Having fallen on hard times from a lack of research grants, the NDC never occupied the attractive building that today stands empty except for a security guard who answers the telephone.

Help is on the way. As a final gesture of its impatience with the entire project, the 1977 General Assembly transferred the building to the University of North Carolina Board of Governors for use by the new Institute for Transportation Research and Education, an amalgam of the remnants of the National Driving Center and UNC’s own National Highway Safety Research Center, which already was in operation when NDC was still an affiliate of Duke University in 1973.

The new research center may have the building open for business in time to celebrate the second anniversary of its completion.