

STANDING COMMITTEE REPORT NO. 17-75

RE: C.R. NO. 17-80/R&D

SUBJECT: CONFIRMING THE NOMINATION OF MR.
YALMER HELGENBERGER TO THE FSM
PETROLEUM CORPORATION BOARD OF
DIRECTORS

JANUARY 27, 2012

The Honorable Isaac V. Figir
Speaker, Seventeenth Congress
Federated States of Micronesia
Third Regular Session, 2012

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was referred C.R. No. 17-80, entitled:

"A RESOLUTION TO CONFIRM THE NOMINATION OF
MR. YALMER HELGENBERGER TO SERVE AS A
MEMBER ON THE BOARD OF DIRECTORS OF THE
FEDERATED STATES OF MICRONESIA PETROLEUM
CORPORATION.",

begs leave to report as follows:

The intent and purpose of the resolution are expressed in its title.

The nomination of Mr. Helgenberger was transmitted to Congress on November 9, 2011 through Presidential Communication No. 17-137.

Presidential Communication 17-137 urges Congress to favorably consider this nominee to serve as a member of the Board of Directors of the FSM Petroleum Corporation. The Resolution No. C.R. 17-80 recites that the President has

STANDING COMMITTEE REPORT NO. 17-75

RE: C.R. NO. 17-80/R&D

SUBJECT: CONFIRMING THE NOMINATION OF MR.
YALMER HELGENBERGER TO THE FSM
PETROLEUM CORPORATION BOARD OF
DIRECTORS

JANUARY 27, 2012

nominated Mr. Helgenberger "to serve on the Board as a private sector representative."

Pursuant to section 214(a) of title 27, as amended by Public Law No. 15-08, the Board shall compose of seven voting members as follows:

- One director appointed by the President of the FSM with the advice and consent of Congress;
- One director appointed by the Governor of the State of Chuuk with the advice and consent of the Chuuk State Senate;
- One director appointed by the Governor of the State of Kosrae with the advice and consent of the Kosrae State Legislature;
- One director appointed by the Governor of the State of Pohnpei with the advice and consent of the Pohnpei State Legislature;
- One director appointed by the Governor of the State of Yap with the advice and consent of the Yap State Legislature; and
- Two directors appointed by the President of the FSM with the advice and consent of Congress from a list of private sector candidates nominated by the four State governors.

It is further noted that Section 214(a)(2) requires that all of the members of the Petroleum Corporation Board must have experience in public administration, environmental matters, finance, or oil and gas distribution.

The Committee held a hearing on the nomination on January 23, 2012. Witnesses at the hearing were Mr. William Hawley, Chairman of the Board of Directors of the FSM Petroleum Corporation and Mr. Semeon Phillip, representing the President's Office. The nominee was not present and wants to apologize that he was not fully informed of the hearing schedule.

The nominee is currently a member of the FSM Petroleum Corporation Board of Directors however his term as such has expired. It is abundantly clear that Mr. Yalmer

STANDING COMMITTEE REPORT NO. 17-75

RE: C.R. NO. 17-80/R&D

SUBJECT: CONFIRMING THE NOMINATION OF MR.
YALMER HELGENBERGER TO THE FSM
PETROLEUM CORPORATION BOARD OF
DIRECTORS

JANUARY 27, 2012

Helgenberger possesses the experience necessary to continue serving as a member of the Board of Directors of the Petroleum Corporation.

During the hearing, your Committee recommended that consecutive terms in office of Board Members should be reviewed. The Chairman of the Board indicated that currently two board members are not yet confirmed, one representing the private sector and one representing the State of Yap.

Your Committee believes that Mr. Yalmer Helgenberger is qualified to serve on the Board of Directors of the FSM Petroleum Corporation as a private sector representative at the present time.

Your Committee wishes to offer a technical amendment to the resolution as follows:

1. Page 1, line 17, delete "Second Special Session, 2011," and insert "Third Regular Session, 2012" in lieu thereof.

Based upon the information and comments received and discussions with the nominee, your Committee believes that Mr. Helgenberger is well suited to manage the complexities of this position.

Your Committee on Resources and Development is, therefore, in accord with the intent and purpose of C.R. No. 17-80, C.D.1 and recommends its adoption.

STANDING COMMITTEE REPORT NO. 17-75

RE: C.R. NO. 17-80/R&D

SUBJECT: CONFIRMING THE NOMINATION OF MR.
YALMER HELGENBERGER TO THE FSM
PETROLEUM CORPORATION BOARD OF
DIRECTORS

JANUARY 27, 2012

Respectfully submitted,

/s/ Roger S. Mori
Roger S. Mori, chairman

/s/ Yosiwo P. George
Yosiwo P. George, vice chairman

/s/ Florencio A. Harper
Florencio A. Harper, member

/s/ Bonsiano F. Nethon
Bonsiano F. Nethon, member

/s/ David W. Panuelo
David W. Panuelo, member

Joseph J. Urusemal, member

/s/ Peter M. Christian
Peter M. Christian, member