

LATEXTRA

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Photographs by CAROLYN COLE Los Angeles Times

CASUALTY: Members of the Coast Guard carry a dead brown pelican found on a Breton Island, La., beach where booms have been placed to fend off oil from the slick. Officials said the bird had oil on its wings.

BP concedes leak is bigger

A tube draws large amounts of oil from a broken pipe, but more spews into the gulf.

JULIE CART
AND BETTINA BOXALL

BP's success at drawing oil from a leaking pipe has proved that official estimates of the size of the Gulf of Mexico spill have been too low.

The company effectively admitted as much Thursday when it said that a tube inserted into the broken pipe connected to its blown-out well is collecting as much as 5,000 barrels of oil and 15 million cubic feet of gas a day, even as a live video feed shows large volumes continuing to billow into gulf waters.

"There's still oil leaking there. We're not saying otherwise," BP spokesman Mark Proegler said Thursday.

After the company released a video of the gushing leak last week, independent scientists estimated the amount of oil spewing into the gulf could be 14 times as great as the 5,000-barrel-a-day figure officials have used for weeks to describe the month-old spill.

"From the beginning, we've been working with the [National Oceanic and Atmospheric Administration] and the Coast Guard, and



GROUNDING: A laughing gull is unable to fly. It was rescued and will be tested for oil contamination.

they are the source, using visual observations, of the size of the leak," Proegler said. "We have asserted that there's no way of accurately measuring from the end of the flow pipe. Others are taking issue with that, and that's fine."

NOAA administrator Jane Lubchenco said Thursday that 5,000 barrels, or 210,000 gallons, "was always understood to be a very rough estimate. That number was useful and the best estimate at the time." She added that the federal government established an interagency task force this week "to get to the bottom of the flow rate in a scientific fashion."

Since the company placed a 4-inch suction tube into the broken riser pipe Sunday, it has gradually drawn off greater amounts

of oil and gas and sent it 5,000 feet to the oil-processing ship Enterprise. Engineers had to ramp up the process carefully, Proegler said, to avoid pulling in water that would mix with natural gas and promote the formation of pipe-clogging hydrates.

"We're not done," Proegler said. "We're going to continue to increase the rate on the insertion tube as high as we can."

The company plans to attempt a "top kill" this week-end or early next week that could plug the blown-out wellhead by injecting heavy fluids into it.

The oil giant has come under sharp criticism for not being more forthcoming about the results of testing and monitoring of the spill. Homeland Security Secretary [See Oil spill, AA6]

Costner to gulf's rescue?

LOUIS SAHAGUN

The "Kevin Costner solution" to the worsening oil spill in the Gulf of Mexico may actually work, and none too soon for the president of Louisiana's Plaquemines Parish.

Costner has invested 15 years and about \$24 million in a novel way of sifting oil spills that he began working on while making his own maritime film, "Waterworld," released in 1995.

Years later, BP and the U.S. Coast Guard plan to test six of his massive, stainless steel centrifugal oil separators next week. Plaquemines Parish President Billy Nungesser welcomed the effort, even as he and Louisiana officials blasted the U.S. Army Corps of Engineers for delays in approving an emergency plan to build sand "islands" to protect the bayous of his parish.

"It certainly is an odd thing to see a 'Kevin Costner' and a 'centrifugal oil separator' together in a place like the Gulf of Mexico," said actor Stephen Baldwin, who is [See Costner, AA6]

Senate OKs financial overhaul

The most sweeping rewrite of regulations since the Depression passes on 59-39 vote.

JANET HOOK
AND JIM PUZZANGHERA
REPORTING FROM
WASHINGTON

The Senate on Thursday approved the most sweeping rewrite of financial rules since the Great Depression, a milestone in President Obama's drive to expand government oversight and safeguard against another crisis like the Wall Street meltdown of 2008.

The 59-39 vote was mostly along party lines: Four Republicans joined all but two Democrats in supporting the legislation.

Obama applauded as the Senate neared the end of its three-week debate on a top administration priority.

"Our goal is not to punish the banks but to protect the larger economy and the American people from the kind of upheavals that we've seen in the past few years," Obama said. "And today's action was a major step forward in achieving that goal."

An exultant Senate Majority Leader Harry Reid (D-Nev.) was less diplomatic.

"When this bill becomes law, the joyride on Wall Street will come to a screeching halt," Reid said.

Most Republicans opposed the legislation, saying it went too far in expanding government oversight of the economy and not far enough in ending the possibility of future government bailouts.

"In my opinion, it's an overreach," said Sen. Bob Corker (R-Tenn.), one of a handful of Republicans who spent weeks working with Democrats to craft a bipartisan compromise, only to vote against it in the end. "We could have made it better. We didn't."

The legislation would establish a bureau within the Federal Reserve to protect consumers in the financial marketplace, impose tough regulations on complex financial derivatives, grant shareholders a nonbinding vote on executive compensation and give the government authority to seize and dismantle teetering firms

whose failure would pose a danger to the economy.

The House in December passed its version of the bill, which is in some respects more industry-friendly than the Senate's — a reflection, in part, of the intensification of anti-Wall Street sentiment in the last six months. Those differences will have to be resolved in House-Senate negotiations that Democrats hope to wrap up in a [See Overhaul, AA5]



CHIP SOMODEVILLA Getty Images

DENNIS C. BLAIR
His strained relations with the White House were an open secret.

U.S. SPY CHIEF TO STEP DOWN

Obama's confidence in him fell after apparent intelligence failures, officials say.

DAVID S. CLOUD
AND CHRISTI PARSONS
REPORTING FROM
WASHINGTON

National Intelligence Director Dennis C. Blair announced his resignation Thursday after a rocky 16-month tenure during which he found himself on the losing end of turf battles and struggled to develop a close relationship with President Obama.

The White House has been interviewing candidates to replace Blair but has not chosen one, several officials said.

Blair's departure surprised his staff and many members of Congress. He had told associates that he intended to remain in the job for four years.

But he never seemed to form a close bond with Obama, and one senior official said Thursday that the retired Navy admiral had been forced out. Several officials spoke on condition of anonymity because they were not authorized to comment publicly.

After a series of attempted terrorist attacks and intelligence breakdowns that included the 13 shooting deaths last year at Ft. Hood, Texas, and the failed Christmas Day airliner bombing attempt, Obama's confidence in Blair had suffered, several officials said.

In a statement, Blair said he was stepping down with "deep regret." He said the intelligence community had "worked tirelessly to provide intelligence support for two wars and to prevent an attack on our homeland."

Blair had won plaudits for improving coordination among the 16 U.S. intelligence [See Intelligence, AA6]

Shift in welfare would hit counties

Taxpayers would still have to foot the bill under governor's plan to halt state payments.

JACK DOLAN
REPORTING FROM
SACRAMENTO

Gov. Arnold Schwarzenegger's plan to save \$1.6 billion a year by eliminating welfare is the budgetary equivalent of rearranging deck chairs on the Titanic, say county officials: The cost would simply get shifted to them, and California taxpayers would end up paying about the same amount for a smaller social safety net.

Under state law, counties are the welfare providers of last resort. Most of the roughly 580,000 families who would lose state aid would qualify for county assistance grants. In Los Angeles County, where more than 167,000 families get state welfare, the new claims would cost local taxpayers \$450

million a year, said Phil Ansell, assistant director of the county Department of Social Services.

In San Bernardino County, more than 47,000 state welfare recipients would end up on county grants costing local taxpayers about \$162 million a year, according to county spokesman David Wert.

A similar story would play out in the rest of California's 58 counties, amounting to a bookkeeping shift, said Frank Mecca, executive director of the County Welfare Directors Assn. of California. The money would come from local property and sales taxes instead of the state budget.

"We're not talking about a savings to the taxpayer," Mecca said. "It's a savings to the state's general fund."

The counties would have some flexibility over the amount they would have to spend. They can adjust eligibility requirements for welfare recipients. But even financially conservative estimates [See Welfare, AA8]



GENARO MOLINA Los Angeles Times

Remembering crash victims

Friends and relatives mourn two UCLA graduates killed earlier this month in a traffic accident in Maine. The two, undocumented students attending graduate school on the East Coast, worked to help others attain legal status. AA3

Hearing set on night firefighting

A U.S. Senate panel will review a policy barring night missions by Forest Service aircraft, a rule that some say allowed the Station blaze to rage out of control. AA4

Improper use of resources alleged

A taxpayer group says a Schwarzenegger aide used public resources for a political campaign against an effort to delay the state's anti-global warming law. AA5

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Weather: Morning fog followed by sunshine. Los Angeles Downtown: 74/56. AA8