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## Oil executives talk of Stevens' support in video

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ANCHORAGE - During a secret meeting to discuss what prosecutors say was a dirty deal to keep Alaska oil taxes low, two oil contractors said they had a powerful ally coming to town who could help build support for the plan: Sen. Ted Stevens.

The FBI played a videotape of the 2006 meeting Tuesday in a corruption trial against former Alaska House Speaker Pete Kott, who is accused of taking gifts and favors in exchange for supporting oil interests.

In the grainy video, VECO Corp. executives Bill Allen and Rick Smith can be heard talking about how to ensure passage of an oil tax bill. If approved, the bill would increase chances that a natural gas pipeline would be built, a deal that could mean huge profits for VECO.

Allen and Smith said they wanted to ensure Stevens was asked "good questions" that would steer him toward discussing the bill and the pipeline. The senator, Allen said, would make clear that "we need oil."

Stevens, the longest serving Republican in the Senate, has not been charged in the case. He has come under federal scrutiny, however, for his close ties to Allen, who oversaw a 2000 renovation project at Stevens' home. FBI agents recently searched the senator's Alaska home as part of the same corruption investigation the surveillance video was taken as part of.

Stevens has denied any wrongdoing. He has supported energy projects, including the gas pipeline, for years.

The videotape played Tuesday underscores the senator's close ties to Allen and his long-standing support for the oil industry and development in his home state. Prosecutors did not suggest the video was evidence that Stevens was involved in VECO's alleged effort to stack the vote on the tax bill.

Days after the discussion on the videotape took place, Stevens arrived in Alaska to deliver his annual address to state lawmakers. He championed the pipeline project and said the tax bill would create a good investment climate to make that deal happen.

"This is something that must be done by this legislature, both oil pricing and the gas line. It's extremely important," Stevens said.

Kott, a rank-and-file House member at the time, is accused of pushing through the oil pricing deal at VECO's behest. During Stevens' address, Kott asked how long it would take federal regulators to approve the pipeline. Stevens thanked him for the question, said he'd push for quick approval but encouraged lawmakers to move quickly.

"We can't start the process and I can't use my club on those guys until you act," Stevens responded. "It's absolutely essential for you to finish this gas pipeline this year. Please, it's absolutely necessary."