

Mr. DONDERO. I think if I understood your statement correctly, the substance of it is this, that in your opinion the quickest way to solve our problem is by the pipe-line method.

Major PARTEN. That is true, but if we had tankers it would be that much better. But without tankers it is the pipe-line problem that is the major key. We must use all the facilities we have, but we must have that pipe line to do this job. That is the opinion of all the authorities in the oil industry today.

Mr. HALL. You spoke about the proposal to build an 8-inch pipe line across Florida?

Major PARTEN. Yes.

Mr. HALL. What is the status of that proposal?

Major PARTEN. That proposal has been made by a pipe-line company in Texas which owns a pipe line now operating or now existing between Houston and the Gulf coast. They have made a proposal whereby they desire to take over that line and move it to Florida.

Mr. HALL. To whom have they made that proposal?

Major PARTEN. To the Office of the Petroleum Coordinator. It has been in our office since a few days, and we are in collaboration with the Office of Defense Transportation on that now. They will have to have Government financing for that, but I think we may get something started on that very quickly. It is in the negotiation stage now.

Mr. HALL. Do you feel that you need enactment of the bill before us in order to build that pipe line?

Major PARTEN. No, sir.

Mr. HALL. In other words, you have full authority, as you look at it, to build a pipe line across Florida, and you are now considering a proposal like that?

Major PARTEN. I think that the authority is there, under the law. I do not believe any new law is necessary for the building of this pipe line.

The CHAIRMAN. The authority is there if the President issues a proclamation to that effect.

Major PARTEN. This being a pipe line that is proposed by a corporation that owns the pipe, I doubt if any legislation is necessary, except to get a right-of-way.

The CHAIRMAN. If they go in there as a common carrier that is a different thing.

Major PARTEN. It will be a common-carrier line.

The CHAIRMAN. We have the authority of law, if the President issues a proclamation.

Mr. GREEN. That is only for one 8-inch pipe line?

Major PARTEN. That is an 8-inch pipe line.

Mr. HALL. I understand you decided on an 8-inch pipe line because you felt that was the only quantity you could handle efficiently.

Major PARTEN. We think we could handle the capacity of either an 8-inch or a 10-inch pipe line. An 8-inch pipe line would have a capacity of 40,000 barrels a day, and the capacity of a 10-inch pipe line would be about 60,000 barrels a day.

We think we can have the barge facilities available, and distribute that up and down the intracoastal canal on the east coast, and we think we can supply it by using the waterway from Texas, and we have a backlog of protected tanker support at St. Joe if we get short of barge