

line and their attitude had anything to do with the aspect that it has been pending for 11 months and still no action has been taken?

Mr. WALKER. I am awfully glad you asked that question, Mr. Peterson, because it shows the analogy between what we are trying to do with the independent pipe line under the jurisdiction of the Interstate Commerce Commission and what you fellows are trying to do by building a canal.

This thing will be for the service of all just the same as the canal would be for the service of all, and they do not like the situation.

Mr. SMITH. Did they really give you the reason why no action had been taken on the application; indicate the reasons?

Mr. WALKER. Yes; and we met a series of objections—we kept pressing, and we are going to continue to press this thing, and they suggested, first of all, that they could not see us getting oil in the line. Then, they questioned the outlet for the oil at the eastern terminal of the line.

It is the same philosophy that has existed all along. They wanted to know who controlled the oil we would put through the pipe line. It is the same kind of philosophy that has been used with reference to the railroads. If you are going to build a railroad, you cannot get permission unless you can show, for instance, that you own all the wheat land out in Kansas through which the road runs; they take it for granted that there is a demand for the wheat and that there are so many people who are going to eat the flour.

But on the oil question the philosophy is, first, you have got to show us that you can get this oil and put it in the line and that you can dispose of the oil at the other end, and if you can show us that, we will give you approval to build a line.

Now, that should not be done, because of the fact that the people who were going to put this oil in the line are independents, who were already connected to the other big oil lines and would not want to break their connections. Now, some of them are for us, but they will not come out and fight for us; they are scared of the results.

Mr. PETERSON. Will you tell us why it is that you selected this particular location?

Mr. WALKER. Why we are proposing this particular location?

Mr. PETERSON. Yes.

Mr. WALKER. Because it is the shortest distance between the Atlantic coast, where we need this oil, and the large quantities of oil in the midcontinent field. We did not pick out Savannah because we were in love with Savannah. We picked out Savannah because it was the shortest distance between two points, which makes for economic operation as well as economy of steel; in other words, a saving in dollars and cents.

Mr. PETERSON. Would this line tap this one field or would it tap several fields?

Mr. WALKER. Oh, it taps several fields—that is, the way the original plan was drawn up—but now, with the shortage of steel, as we understand it, it is more economical to build it from east to west, that portion of the line first. But when we first started it ran through this territory [indicating] and would tap about 22 percent of the proven oil reserves of this country.