

Mr. PETERSON. The idea was to get this oil to the Atlantic seaboard from the nearest oil field.

Mr. WALKER. Yes.

Mr. PETERSON. With the idea to get it from the first oil field.

Mr. WALKER. As much as we could.

Mr. PETERSON. And then, if need be, to go farther on?

Mr. WALKER. That is correct.

Mr. RANKIN. Before whom is your application pending, the War Production Board?

Mr. WALKER. I have before me, and I shall be glad to put it in the record, a letter that we wrote to Mr. Donald M. Nelson, then Chairman of the War Production Board, under date of May 15, 1942, in which we have made application for steel. And, also in this letter is a comparison that was made by Mr. Shinkle between the 24-inch pipe line and our proposed pipe line, as well as with the steel barges, to the East.

The CHAIRMAN. You want to insert that in the record?

Mr. WALKER. Yes.

The CHAIRMAN. Without objection, it will be made a part of the record.

(The letter referred to follows:)

TRANS-AMERICAN PIPELINE CORPORATION,
Washington, D. C., May 15, 1942.

In re application for project rating with suitable priorities and allocations for pipe and machinery for trans-American pipeline corporation

Mr. DONALD M. NELSON,
Chairman, War Production Board,
Washington, D. C.

DEAR MR. NELSON: We are addressing you by virtue of the authority vested in you and your Board by Executive order of January 16, 1942, which established the War Production Board, which, in part, states:

"Determine the policies, plans, procedures, and methods of the several Federal departments, establishments, and agencies in respect to war procurement and production, including purchasing, contracting, specifications, and construction; and including conversion, requisitioning, plant expansion, and the financing thereof; and issue such directives in respect thereto as he may deem necessary or appropriate."

It is apparent that this Executive order invests you and your Board with the responsibility and authority to issue such directives as may be required to put this pipe line in operation for the alleviation of the rapidly growing gasoline and fuel oil shortage which now menaces our war effort.

Since the first of the year, the oil situation, in the Atlantic coast areas, has steadily grown more critical. This was anticipated by all familiar with the oil business. Yet, no resort has been had to the most logical channels through which the situation might have been, and now, may be ameliorated. Rationing of oil is upon us with the result that our domestic economy is retarded and the war effort made more difficult.

Under date of January 6, 1942, anticipating this situation, we applied to your office, then Supply Priorities and Allocations Board, for a project rating and priorities on the steel required for the construction of Tapco, the crude oil pipe line project proposed by our company. This application was accompanied by supporting schedules prepared by our consulting engineer.

We have never received any direct advice from your office of the rejection of our application. On February 18, 1942, Deputy Petroleum Coordinator, Ralph K. Davies, advised us by letter as follows:

"Mr. A. C. C. Hill, Jr., Assistant to the Chairman of the War Production Board, has forwarded to me a letter from Mr. Nelson advising that the application for the Trans-American Pipeline Corporation for a project rating to cover the construction of a crude-oil pipe line from the K. M. A. field in west Texas to Savannah, Ga., has been denied."