

**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515-1803

September 15, 2011

The Honorable David Matsuda  
Administrator  
Maritime Administration  
U.S. Department of Transportation  
West Building  
1200 New Jersey Avenue, SE  
Washington, DC 20590

Dear Administrator Matsuda:

In light of the unprecedented number of Jones Act waivers the Administration has issued to move the recent releases of the Strategic Petroleum Reserve (SPR), I am respectfully requesting the U.S. Maritime Administration (MARAD) perform an analysis of any cost increases or increased delays associated with utilizing vessels with a capacity of less than 300,000 barrels.


As you know, 46 U.S.C. § 501 requires the MARAD Administrator—prior to issuing a Jones Act waiver—to make a determination that there are no U.S. vessels capable of meeting the requirement. In this case, the no-capable-vessel determination was arrived at in large part because of the high minimum lot size. However, the decision on lot size should not have been made without first knowing incremental cost levels associated with different lot sizes. As MARAD is the Federal entity charged with tracking the capabilities of the U.S. fleet, I believe this analysis should be promptly completed by this agency.

The presumption towards using U.S. vessels is also found in the Memorandum of Understanding (MoU) signed by MARAD and the other Federal entities charged with implementing the SPR drawdown. This MoU directs these agencies to utilize “all reasonable efforts” to use U.S. vessels. However, without an analysis of the cost of using domestic vessels, there is no way to know what is reasonable and what is not.

The results of the study I am requesting will provide MARAD and the other Federal entities charged with implementing SPR releases a better understanding of how any future drawdowns should be implemented. As such, I look forward to reviewing the results of your study and hope it will be used to assist your agency and the Federal government in making determinations in the future.

I thank you in advance for your compliance with this request.

Respectfully,



Jeff Landry  
Member of Congress