



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

ASSISTANT SECRETARY

MAR 10 1975

MAR 12 1975

Dear Mr. Tsongas:

I am now able to respond to your expressed interest in, and support of, the waiver of the provisions of the Jones Act requested by New England LNG Inc., and to inform you of the results of Treasury's investigation of this matter.

The Congress has seen fit to give the Secretary of the Treasury authority to waive the provisions of the Jones Act only under the limited condition prescribed in an Act of December 27, 1950, which provides, ". . . The head of such department or agency is authorized to waive compliance with such laws to such extent and in such manner and upon such terms as he may prescribe, either upon his own initiative or upon the written recommendation of the head of any other Government agency, whenever he deems that such action is necessary in the interest of national defense." [Underscoring supplied]

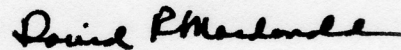
The Department of the Treasury obtained the views of other Government departments as to whether the requested waiver action was, indeed, "necessary in the interest of national defense." Obviously, requests for such a waiver may have much merit in alleviating energy shortages or otherwise promoting the economic welfare of a section of the nation without qualifying under the narrow criterion established by the Congress.

After giving due consideration to the assertions of the applicant and to the opinions of cognizant Government departments, Secretary Simon

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found that he was unable to approve the request for waiver. A copy of his decision letter, addressed to the attorney for New England LNG Inc., is enclosed for your reference.

Sincerely yours,



David R. Macdonald
Assistant Secretary
(Enforcement, Operations,
and Tariff Affairs)

The Honorable
Paul E. Tsongas
House of Representatives
Washington, D. C. 20515

Enclosure