



OSG AMERICA L.P. AND TESORO TO COMMIT TO CLEANER FUEL ON FOUR NEWBUILD VESSELS

- Vessels first in U.S. to receive ABS Environmental Safety Notation Designation -

TAMPA, FL – June 24, 2008 – OSG America, L.P. (NYSE: OSP), the largest operator of U.S. Flag coastal product carriers and barges transporting refined petroleum products, today announced it has signed an agreement with Tesoro Maritime Company to obtain and comply with the American Bureau of Shipping (ABS) environmental safety notations on four Handysize product tankers leased to Tesoro. These vessels, part of OSG America's series of 12 newbuild Veteran Class MT-46 product tankers, constructed by Aker Philadelphia Shipyard, are the first in the United States to receive the designation, which requires that the main engine burn fuel oil with 3% or less sulphur content, well below the current requirement of 4.5%. This type of fuel, to be supplied by Tesoro, reduces sulfur oxides and particulate emissions. Tesoro is an independent refiner and marketer of petroleum products and operates seven refineries primarily on the West Coast.

"OSG America is committed to lessening the environmental footprint of our vessels and our impact on the land, sea and air," said Jonathan P. Whitworth, President and CEO of OSG America. "We are pleased to partner with our long-time customer Tesoro to equip our newbuild product tankers to burn cleaner, more efficient fuel, ultimately reducing our air emissions."

"Across our refining system, we have made investments to produce cleaner burning fuels for our customers," said Everett Lewis, Executive Vice President and Chief Operating Officer for Tesoro Corporation. "We are pleased to provide our transportation partner, OSG America, clean burning fuel for the leased tankers we use to move our crude oils and products."

The ABS environmental safety notation requires vessels to be compliant with all International Maritime Organization (IMO), International Convention for the Prevention of Pollution from Ships (MARPOL), and all U.S. and ABS requirements related to environmental operations, equipment and documentation.

The first newbuild tanker to be delivered under time charter to Tesoro with the environmental safety notation will be the *Overseas Boston*, scheduled to deliver in the first quarter of 2009. Tesoro has time chartered three additional newbuilds from OSG America that will deliver through 2010. The vessels will trade on the West Coast of the United States.

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**ABOUT OSG AMERICA L.P.**

OSG America L.P. (NYSE: OSP) is the largest operator of U.S. Flag product carriers and barges transporting refined petroleum products, based on barrel-carrying capacity. OSP has an operating fleet of 22 Handysize product carriers and tug barges that trade primarily in the Jones Act Market and its newbuild program, including option vessels, totals 14 vessels that deliver through 2011. OSG America L.P.'s limited partner units are listed on the New York Stock Exchange and trade under the symbol "OSP." More information is available at www.osgamerica.com.

ABOUT TESORO CORPORATION

Tesoro Corporation, a Fortune 150 Company, is an independent refiner and marketer of petroleum products. Tesoro, through its subsidiaries, operates seven refineries in the western United States with a combined capacity of approximately 660,000 barrels per day. Tesoro's retail-marketing system includes over 900 branded retail stations, of which more than 445 are company owned under the Tesoro®, Shell®, Mirastar® and USA Gasoline™ brands. More information is available at www.tsocorp.com

CONTACT INFORMATION

For more information contact Jennifer L. Schlueter, Vice President Corporate Communications and Investor Relations, OSG Ship Management, Inc. at +1 212-578-1634 or jschlueter@osg.com.

For more information contact Sarah Simpson, Vice President, Corporate Communications, Tesoro Corporation at +1 210-283-2374 or ssimpson@tsocorp.com.