

**The original documents are located in Box 8, folder “Energy - President's Program (1)” of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.**

### **Copyright Notice**

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

ATTACHMENT 1

Probable Committee Jurisdictions Over Energy Initiatives in President's Program

Senate

House

Interior & Insular Affairs

Interstate & Foreign Commerce

1. Decontrol of petroleum prices
2. Price control authority
3. Facility siting
4. Strip mining
5. Standby energy authorities
6. Emergency storage

1. Decontrol of petroleum prices *we know csp*
2. Price control authority *csp*
3. Facility siting *csp*
4. Standby energy authorities *csp*
5. Emergency storage *csp*
6. Clean air act amendments *PHE*  
including coal conversion
7. Natural gas deregulation *csp*
8. Natural gas excise tax *WTH*
9. Electric Utility - limited *csp*  
price override

Public Works

1. Clean air act amendments including coal conversion

Finance

1. Windfall profits
2. Tariffs
3. Electric Utilities  
10% tax credit  
preferred stock dividend
4. Thermal incentives

Interior & Insular Affairs

1. Strip Mining

Ways & Means

1. Windfall profits
2. Tariffs
3. Electric Utilities  
10% tax credit  
preferred stock dividend
4. Thermal incentives

Commerce

1. Natural gas deregulation
2. Natural gas excise tax
3. Electric Utility - limited  
price override

Armed Services

Armed Services

- NPR-1
- NPR-4

- NPR-1
- NPR-4

Banking, Housing & Currency

Banking & Currency

Thermal Standards

Thermal Standards

*Approp.*

*Approp. (Jurisdictional)*

*Rules*



OMNIBUS ENERGY BILL PACKAGE -  
SUPPLY/DEMAND STRUCTURE APPROACH

The below approach offers the advantage of explaining the National program in terms of the supply/demand components of the energy problem. This should facilitate an understanding by Congress and others on what is proposed and why.

PART I - Increasing domestic energy supplies

- Title     I - Natural gas deregulation  
          II - Strip mining  
          III - Coal conversion  
          IV - NPR-1  
          V - NPR-4  
          VI - National Strategic Reserves  
          VII - Decontrol domestic crude prices  
          VIII - Facility Siting  
          IX - Electric Utility - 10% tax credit & preferred  
              stock dividend

PART II - Demand restraint

- Title     I - Tariffs - imported oil  
          II - Excise tax - natural gas  
          III - Thermal standards & incentives  
          IV - Electric utilities - limited Federal override

PART III - Special Energy Impact Authorities

- Title     I - Standby energy emergency authorities  
          II - Windfall profits

PURSUANT TO THE AUTHORITY VESTED IN ME BY CLAUSE 5, RULE X AND CLAUSE 2, RULE XXIV, I HAVE EXAMINED THE COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING THE PROPOSED ENERGY INDEPENDENCE ACT OF 1975, AND HAVE DIVIDED THE COMMUNICATION FOR INITIAL REFERENCE AS FOLLOWS:

- TITLE I: (RELATING TO NAVAL PETROLEUM RESERVES) TO THE COMMITTEE ON ARMED SERVICES;
- TITLE II: (RELATING TO A NATIONAL STRATEGIC PETROLEUM RESERVE (CIVILIAN) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)
- TITLE III: (AMENDMENTS TO THE NATURAL GAS ACT) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE IV: (EXTENSION OF AND AMENDMENTS TO THE ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT OF 1974) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE V: (CLEAN AIR ACT AMENDMENTS OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE VI: (FURTHER AMENDMENT TO THE CLEAN AIR ACT) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.
- TITLE VII: (UTILITIES ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.
- TITLE VIII: (ENERGY FACILITIES PLANNING AND DEVELOPMENT ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)
- TITLE IX: (ENERGY DEVELOPMENT SECURITY ACT OF 1975) TO THE COMMITTEE ON WAYS AND MEANS
- TITLE X: (BUILDING ENERGY CONSERVATION STANDARDS ACT OF 1975) TO THE COMMITTEE ON BANKING, CURRENCY AND HOUSING (Initially)
- TITLE XI: (WINTERIZATION ASSISTANCE ACT OF 1975) TO THE COMMITTEE ON BANKING, CURRENCY AND HOUSING
- TITLE XII: (NATIONAL APPLIANCE AND MOTOR VEHICLE ENERGY LABELING ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE XIII: (STANDBY ENERGY AUTHORITIES ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)

3 pm Tues

961-6112  
Adair

2/4  
Broyhill's office

THE WHITE HOUSE  
WASHINGTON

Charlie --

Tom Loeffler called with the following info --

Mr. Zarb will meet with Cong. Armstrong,  
Sam Steiger and Broyhill on Friday, Jan. 31  
at 3:00 p.m. - can make it for approx. 1 hour.  
Can you set up and let him know. He needs to  
know where it will be held.

Neta

1/29/75

Neta

Please call their offices  
to see if we can hold a  
joint meeting for all three  
Armstrong, Broyhill & Steiger

Date: 2/4/75 - Tuesday

Time: 3 pm

Place: Broyhill's office 2227 Rayburn

See if we can do it in Broyhill  
office. Once formed up let me  
know & call Loeffler. Th clear.



Armstrong x4422 - Mary  
 Steiger Sam 4576 - Patty Karber 2 There  
 Broyhill 2576 - Lynn Clayton

-- Charlie

-- Tom Leffler called with the following info

3pm Tues

Monday - ~~PLD~~ <sup>OK</sup> ~~9:00~~ ~~4:00~~

Steiger OK ~~4:00~~

Broyhill = OK ~~4:00~~  
 2227

5/2/78  
 3/6

late: 2/4/78 - Tuesday  
 time: 3pm  
 place: Broyhill office  
 see if we can get a engineer  
 office. See James up for me  
 James Broyhill. To com.

THE WHITE HOUSE  
WASHINGTON



Charlie -

Can you give me an idea  
what questions they will  
ask or is Barb going to  
discuss strategy, etc -

They want detailed  
Net: Explanation of P's Energy  
program so they can act as  
spokesmen for the P's program,  
work on other members +  
answer questions on the floor.

CHAS.

3 pm Tues

961-6112  
Adair

2/4  
Broyhill's office

THE WHITE HOUSE  
WASHINGTON

Charlie --

Tom Loeffler called with the following info --

Mr. Zarb will meet with Cong. Armstrong,  
Sam Steiger and Broyhill on Friday, Jan. 31  
at 3:00 p.m. - can make it for approx. 1 hour.  
Can you set up and let him know. He needs to  
know where it will be held.

Neta

1/29/75

Neta

Please call their offices  
to see if we can hold a  
joint meeting for all three  
Armstrong, Broyhill & Steiger

Date: 2/4/75 - Tuesday

Time: 3 pm

Place: Broyhill's Office 2227 Rayburn

See if we can do it in Broyhill  
office. Once figured up let me  
know & call Loeffler. TK clear.



File

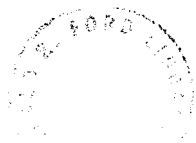
THE WHITE HOUSE  
WASHINGTON

January 30, 1975

TO: DOUG BENNETT

FROM: RUSS ROURKE *R*

Pursuant to our conversation of  
today.



THE WHITE HOUSE  
WASHINGTON

*M*

January 29, 1975

Meeting with Representative Al Ullman

The President met this afternoon at 3:00 p.m. with Al Ullman together with John O. Marsh and Max Friedersdorf. The purpose of the meeting was to discuss the President's energy program.

After an exchange of pleasantries, Ullman opened the conversation by describing briefly the situation in Committee and to point out that three separate panel sessions has appeared before the Committee and that none of the economists who testified supported the President's energy program, but on the contrary some expressed strong views against his import levy and pricing approach. He pointed out that legislation comes on the Floor on the debt ceiling and the levy suspension amendment next week and that a vote will occur to separate the two measures. He is of the view that Republicans will vote to separate.

The President outlined the stages of his levy program to point out the consideration for the Northeast and mentioned that a omnibus bill, encompassing all of his energy proposals will go to the Hill tomorrow.

Ullman indicated the Speaker was putting together some type of legislative task force which will probably get this bill. This is a new approach. The President inquired if the task force was bi-partisan and Ullman indicated he was uncertain but felt it should be.

Ullman went on to explain that the Congress will not accept the President's \$2 proposal on the price of oil. He said they will head for a quota system on imports with an allocation arrangement (it might be discretionary) backed up with a two-tier rationing system passed on pricing. He added that consideration might be given to banning Sunday sales. He felt that coupons should be redeemable. He pointed out that economist Heller has raised questions about the Administration's program particularly a two-priced system on oil. Ullman said

1975

that it would be necessary to raise the price of domestic crude but on a very gradual basis perhaps \$1 a year.

Ullman stated that the President was not in the best position in a long-run sense insofar as working with Congress. He said the President's position was one of confrontation and he understood that it was necessary to demonstrate action and decision.

The President made a passing reference to his Executive power which could be reviewed and vetoed by the Congress within five days. He pointed out that his main concern was getting something done and his attention and proposals had gotten the action which has occurred thus far.

Ullman mentioned that the Lincoln Day recess was called off and he hoped to have the tax bill out by mid-February.

Returning to the energy program, he urged the President to hold off for 90 days on implementing his \$3 cumulative levy package and if there was no action in 90 days, to go ahead and take the action he proposed to take. Ullman stated he felt the House could act in less than 90 days on QAR (Quota Allocation Rationing) but it may take longer in the Senate and that it could be six months before the President has the bill on his desk.

The President inquired if he withheld the levy for 90 days and the House had acted but the Senate had not, would they seek to rescind his authority? Ullman's response was uncertain but indicated there might be some legislation but indicated it would not have strong Ways and Means backing.

In response to a direct question as to what he would do after 90 days if the House had not acted, would he try to rescind the President's authority. Ullman responded that he would not push for a rescission in that event.

In describing his QAR program, Ullman said that the best allocation would be by car and not by driver and that after a basic allowance, a driver could obtain additional gas by paying a higher price. He told the President there is not support in the Congress for the program he has presented which is basically a price mechanism approach. The President inquired how under QAR you stimulate R&D.

Ullman responded that the Committee was aware of this problem and would seek other means legislatively ~~to be~~ based on some type of incentive approach. He stated that they would abolish the depletion allowances. He said that the

proposal for deregulation of gas was in trouble and legislation was not sufficient but he thought a phased deregulation program could be considered.

The President suggested trading windfall profits for deregulation which Ullman said was not a sufficient trade. At this point he mentioned the part that Long would be playing in the legislative process in this field.

In commenting on the six months time frame to get QAR to his desk, Ullman wondered what means could be used to keep pressure on the Congress.

The President pointed out the problem of backing off the Proclamation because of the national security justification that had been cited and the effect it would have on certain court actions. He raised a number of objections to a quota and allocation system as to why he had rejected it. Ullman responded with some of his arguments in favor of such a system. In passing, he mentioned that eventually we would have to place a tax on new cars whereby higher consumption models would cost more but that was five years down the road. The President countered by stating his views on the change in auto emission standards to the California level.

The meeting ended with Ullman expressing his deep concern about the legislation program next week whereby this issue would be voted on. He mentioned this several time during the conversation and indicated he really did not know how to come up with some solution that would be satisfactory to all concerned. It is obvious that his concern about next week is genuine. Nothing came out of the meeting in any way which indicated a modification of his view or the President's, or otherwise was in anyway a compromise acceptable to both parties on the immediate question of the vote next week.



House Committee and Subject  
B. Interior and Insular Affairs

Subcommittee and Members

1. Strip Mining

Full Committee on Interior and Insular  
 Affairs

Haley (Fla) Chmn	Skubitz (Kans)
Taylor (N. C.)	Steiger (Ariz.)
Johnson (Cal.)	Clausen (Cal.)
Udall (Ariz)	Ruppe (Mich.)
Burton (Cal.)	Lujon (N. M.)
Foley (Wash.)	Sebelius (Kans.)
Kastenmeier (Wis)	Steelman (Tex)
Mink (Hawaii)	Ketchum (Cal.)
Meeds (Wash)	Young (Alaska)
Kazen (Tex.)	Bauman (Md.)
Stephens (Ga.)	Symms (Idaho)
Vigorito (Pa.)	Johnson (Colo.)
Melcher (Mont.)	Lagomarsino(Calf
Roncalio (Wyo)	Smith (Neb.)
Bingham (NY)	
Seiberling (Ohio)	
Runnels (N. Mex)	
Won Pat (Guam)	
deLugo (V.I.)	
Eckhardt (Tex.)	
Byron (Md.)	
Benitez (P. R.)	
Santini (Nev.)	
Tsongas (Mass.)	
Howe (Utah)	
Weaver (Oreg.)	
Carr (Mich)	
Miller (Cal.)	
Risenhoover (Okla)	

House Committee and SubjectC. Ways and Means

## 1. Windfall Profits

## 2. Tariffs

3. Electric Utilities 10% tax  
credit preferred Stock dividend

## 4. Thermal Incentives

## 5. \*Natural Gas Excise Tax

Subcommittee and MembersFull Committee on Ways & Means

Ullman (Oreg) Chmn	Schneebeli (Pa.)
Mills (Ark)	(Collier)
Burke (Mass.)	(Broyhill)
(Griffiths)	Conable (N. Y.)
Rostenkowski (Ill)	(Chamberlain)
Landrum (Ga)	Pettis (Calif)
Vanik (Ohio)	Duncan (Tenn.)
Fulton (Tenn.)	(Brotzman)
Burleson (Tex.)	Clancy (Ohio)
Corman (Calif)	Archer (Tex.)
Green (Pa.)	
Gibbons (Fla)	
(Carey)	
Waggoner (La.)	
Karth (Minn.)	

Same as #1 - Possible referral to the Subcommittee on Trade.

Same as #1

Same as #1

Referral will probably be to Committee on Ways and Means and not Interstate and Foreign Commerce. If so Full Committee on Ways and Means will handle legislation.

House Committee and SubjectSubcommittee and MembersD. Armed Services1. National Petroleum Reserve  
#1Full Committee on Armed Services

Hebert (La.) Chmn	Wilson (Calif.)
Price (Ill)	(Bray)
(Fisher)	(Arends)
Bennett (Fla.)	(Gubser)
Stratton (N. Y.)	(King)
Pike (N. Y.)	Dickinson (Ala.)
Ichord (Mo.)	(Hunt)
Nedzi (Mich)	Whitehurst (Va.)
Randall (Mo.)	Spence (S. Car.)
Wilson (Cal.)	(Powell)
Leggett (Calif)	(Price)
Hicks (Wash)	Treen (La.)
White (Tex)	Armstrong (Colo.)
Nichols (Ala.)	O'Brien (Ill)
Brinckley (Ga.)	Beard (Tenn.)
Mollohan (W. Va.)	Mitchell (N. Y.)
Daniel (Va.)	Holt (Md.)
Montgomery (Miss.)	R. Daniel (Va.)
Runnels (N. Mex.)	Hillis (Ind.)
Aspin (Wis.)	
Dellums (Calif)	
Davis (S. Car.)	
Jones (Okla)	
Schroeder (Colo.)	
Murtha (Pa.)	

E. Banking & Currency

## 1. Thermal Standards

Subcommittee on Housing.

Barrett (Pa.) Chmn	(Widnall)
Sullivan (Mo.)	Brown (Mich)
Ashley (Ohio)	Stanton (Ohio)
Moorhead (Pa.)	(Blackburn)
Stephens (Ga.)	Heckler (Mass.)
St. Germain (R. I.)	Rousselot (Calif)
Gonzalez (Tex.)	
Reuss (Wis.)	
(Hanna)	



House Committee and SubjectSubcommittee and MembersF. Appropriations

- |  |   |
|--|---|
| 1. Decontrol of Petroleum prices.                        | Subcommittee on State, Justice, Commerce<br>and Judiciary<br>(Rooney (NY)) Cederberg (Mich)<br>Slack (W. Va.) Andrews (N. Dak.)<br>Smith (Iowa) (Wyatt)<br>Flynt (Ga.)<br>Sikes (Fla.)  |
| 2. Price Control Authority                               | Same Subcommittee as #1.  |
| 3. Facility Siting                                       | <u>Subcommittee on Public Works.</u><br>Evins (Tenn) Chmn (Rhodes)<br>Boland (Mass) (Davis)<br>Whitten (Miss.) (Robison)<br>Slack (W. Va.) Myers (Ind.)<br>Passman (La.)  |
| 4. Standby Emergency Authority                           | Same Subcommittee as #1.  |
| 5. Emergency Storage                                     | Same Subcommittee as #1, or<br>Same Subcommittee as #3, or<br><u>Subcommittee on Defense</u><br>Mahon (Tex) Chmn (Minshall)<br>Sikes (Fla) (Davis)<br>Flood (Pa.) (Wyman)<br>Addabbo (N. Y.) Edwards (Ala.)<br>McFall (Calif)<br>Flynt (Ga.)<br>Giaino (Conn.)<br>Whitten (Miss.) |
| 6. Clean Air Act Amendments<br>including coal conversion | <u>Subcommittee on Agriculture, Environ-<br/>mental &amp; Consumer Protection.</u><br>Whitten (Miss) Chmn<br>Shipley (Ill) Andrews (N. Dak.)<br>Evans (Colo.) Michel (Ill.)<br>Burlison (Mo.) (Scherle)<br>Natcher (Kty) Robinson (Va.)<br>Smith (Iowa)<br>Casey (Tex.)           |
| 7. Natural Gas deregulation                              | Same Subcommittee as #1.  |

House Committee and Subject

8. Natural Gas Excise tax
9. Electric Utility - limited price override.
10. Strip Mining
11. Windfall profits
12. Tariffs
13. Electric Utilities  
10% tax credit preferred  
Stock dividend
14. Thermal Incentives
15. National petroleum reserves

Subcommittee and MembersCommittee on Ways and Means

See Sec. C. #5 above.

Same Subcommittee as #1.

Subcommittee on Interior and Related Agencies

(Hansen) (Wash.) Chmn	McDade (Pa.)
Yates (Ill)	(Wyatt)
McKay (Utah)	(Veysey)
Long (Md.)	
Evans (Colo.)	

Committee on Ways and Means

Committee on Ways and Means

Committee on Ways and Means

Committee on Ways and Means

Subcommittee on Defense

Mahon (Tex) Chmn	(Minshall)
Sikes (Fla.)	(Davis)
Flood (Pa.)	(Wyman)
Addabbo (N. Y.)	Edwards (Ala.)
McFall (Calif)	
Flynt (Ga.)	
Giaino (Conn.)	
Whitten (Miss.)	

House Committee and SubjectSubcommittee and MembersF. Appropriations

## 16. Thermal Standards

Subcommittee on HUD, Space, Science  
and Veterans

Boland (Mass.) Chmn	Talcott (Calif)
Evins (Tenn)	McDade (Pa.
Shipley (Ill)	(Scherle)
Roush (Ind.)	(Ruth)
(Tiernan)	
Giaimio (Conn.)	

G. RulesCommittee on Rules

(will grant rules on all legislation)

Madden (Ind.) Chmn	(Martin -Neb.)
Delaney (N. Y.)	Anderson (Ill.)
Bolling (Mo.)	Quillen (Tenn.)
Sisk (Calif.)	Latta (Ohio)
Young (Tex.)	Clawson (Calif.)
Pepper, (Fla.)	
Matsunaga (Hawaii)	
Murphy (Ill)	
Long (La.)	
(McSpadden)	

(Committee member's name in brackets indicates that Member is leaving the Committee and will be replaced by another Member)

THE WHITE HOUSE

WASHINGTON

January 20, 1975

MEMORANDUM FOR:

MAX FRIEDERSDORF

FROM:

BOB WOLTHUIS

SUBJECT:

Probable Committee and  
Subcommittee Jurisdictions  
Over Energy Initiatives in  
President's Program

PROBABLE COMMITTEE AND SUBCOMMITTEE  
JURISDICTIONS OVER ENERGY INITIATIVES  
IN PRESIDENT'S PROGRAM

SENATE COMMITTEES

INTERIOR & INSULAR AFFAIRS

1. Decontrol of Petroleum prices
2. Price Control Authority
3. Facility Siting
4. Strip Mining
5. Standby Energy Authority
6. Emergency Storage

FULL OR SUBCOMMITTEE JURISDICTION

Subcommittee on Minerals, Materials  
& Fuels\*

Lee Metcalf, Chairman  
Henry Jackson            James Buckley  
Bennett Johnston        Clifford Hansen  
Gaylord Nelson           Dewey Bartlett

\*In the past the full Interior  
Committee has usually handled  
most energy legislation. The above  
subcommittee would handle all six  
items if the full committee does not.

ARMED SERVICES

1. NPR-1
2. NPR-4

Subcommittee on National Stockpile  
and Naval Petroleum Reserve

Howard Cannon, Chairman  
Stuart Symington        William Scott  
Sam Nunn                 Barry Goldwater

BANKING, HOUSING & URBAN AFFAIRS

1. Thermal Standards

Subcommittee on Housing and  
Urban Affairs

John Sparkman, Chairman  
William Proxmire        John Tower  
Harrison Williams       Edward Brooke  
Alan Cranston            Bob Packwood  
Adlai Stevenson

1. Auto Emission Standards
2. Nuclear Power Plants
3. Clean Air Act Amendments and Coal Conversion

Subcommittee on Agriculture,  
Environmental & Consumer Protection

Gale W. McGee, Chairman  
 John Stennis           Hiram Fong  
 William Proxmire       Roman Hruska  
 Robert Byrd           Milton Young  
 Daniel Inouye          Mark Hatfield  
 Birch Bayh             Henry Bellmon  
 Ernest Hollings  
 Thomas Eagleton

NPR-1  
NPR-4

Subcommittee on Defense

John McClellan, Chairman  
 John Stennis           Milton Young  
 John Pastore           Roman Hruska  
 Warren Magnuson       Clifford Case  
 Mike Mansfield        Hiram Fong  
 Alan Bible             Edward Brooke  
 Gale McGee

Thermal Standards

Subcommittee on Housing and Urban  
Development, Space, Science and  
Veterans

William Proxmire, Chairman  
 John Pastore           Charles McC.Mathi  
 John Stennis           Clifford Case  
 Mike Mansfield        Hiram Fong  
 Daniel Inouye          Edward Brooke  
 Birch Bayh             Ted Stevens  
 Lawton Chiles

Auto Emission Standards

Subcommittee on Transportation

Robert Byrd, Chairman  
 John Stennis           Clifford Case  
 Warren Magnuson       Ted Stevens  
 John Pastore           Charles McC.Mathi  
 Alan Bible             Richard Schweiker  
 Mike Mansfield

Facility Siting  
Emergency Storage  
Nuclear Power

Subcommittee on Public Works, AEC

John Stennis, Chairman  
 John McClellan        Mark Hatfield  
 Warren Magnuson       Milton Young  
 Alan Bible             Roman Hruska  
 Robert Byrd           Clifford Case  
 John Pastore           Ted Stevens  
 Gale McGee            Richard Schweiker  
 Joseph Montoya        Henry Bellmon

## PUBLIC WORKS

Clean air act amendments  
including coal conversion

Subcommittee on Environmental  
Pollution

Edmund S. Muskie, Chairman	
Jennings Randolph	James Buckley
Joseph Montoya	Howard Baker
Lloyd Bentsen	Robert Stafford
Dick Clark	James McClure
Joseph Biden	Pete Domenici

## FINANCE

1. Electric Utilities, the  
10% tax credit and the  
preferred stock dividend
2. Thermal incentives
3. Windfall profits
4. Oil depletion
5. Three dollar tariff on  
foreign oil

Full Committee\*

Russell B. Long, Chairman	
Herman Talmadge	Carl Curtis
Vance Hartke	Paul Fannin
Abraham Ribicoff	Clifford Hansen
Harry Byrd	Bob Dole
Gaylord Nelson	Bob Packwood
Walter Mondale	William Roth
Mike Gravel	_____
Lloyd Bentsen	

\*The subcommittees of Finance are oversight subcommittees and not legislative. Therefore the full committee will probably handle the entire energy package. However, the tariff on foreign oil may also be considered by one or both of the following subcommittees;

Subcommittee on International Trade

Abraham Ribicoff, Chairman	
Herman Talmadge	Paul Fannin
Gaylord Nelson	Carl Curtis
Walter Mondale	Clifford Hansen
Lloyd Bentsen	Bob Packwood

Subcommittee on Energy

Mike Gravel, Chairman	
Walter Mondale	Bob Dole
Lloyd Bentsen	Clifford Hansen

COMMERCE

1. Natural Gas deregulation
2. Electric utility  
limited price override
3. Appliance labeling
4. Insulation standards

Committee on Commerce

Warren Magnuson, Chairman

John Pastore

Vance Hartke

Philip Hart

Howard Cannon

Russell Long

Frank Moss

Ernest Hollings

Daniel Inouye

John Tunney

Adlai Stevenson

James Pearson

Robert Griffin

Howard Baker

Ted Stevens

J. Glenn Beall

\_\_\_\_\_

\_\_\_\_\_



THE WHITE HOUSE

WASHINGTON

February 5, 1975

MEMORANDUM FOR:

JACK MARSH  
MAX FRIEDERSDORF  
MIKE DUVAL  
GLENN SCHLEEDE

THRU:

VERN LOEN VL

FROM:

CHARLES LEPPERT

SUBJECT:

Speaker's referral of Omnibus Energy  
bill

The Speaker of the House has divided the President's omnibus energy bill, -- the "Energy Independence Act of 1975," by titles and referred the various titles to the Committees listed on the attached document.

cc: Bill Kendall  
Pat O'Donnell

PURSUANT TO THE AUTHORITY VESTED IN ME BY CLAUSE 5, RULE X AND CLAUSE 2, RULE XXIV, I HAVE EXAMINED THE COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING THE PROPOSED ENERGY INDEPENDENCE ACT OF 1975, AND HAVE DIVIDED THE COMMUNICATION FOR INITIAL REFERENCE AS FOLLOWS:

- TITLE I: (RELATING TO NAVAL PETROLEUM RESERVES) TO THE COMMITTEE ON ARMED SERVICES;
- TITLE II: (RELATING TO A NATIONAL STRATEGIC PETROLEUM RESERVE (CIVILIAN) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)
- TITLE III: (AMENDMENTS TO THE NATURAL GAS ACT) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE IV: (EXTENSION OF AND AMENDMENTS TO THE ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT OF 1974) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE V: (CLEAN AIR ACT AMENDMENTS OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE VI: (FURTHER AMENDMENT TO THE CLEAN AIR ACT) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.
- TITLE VII: (UTILITIES ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.
- TITLE VIII: (ENERGY FACILITIES PLANNING AND DEVELOPMENT ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)
- TITLE IX: (ENERGY DEVELOPMENT SECURITY ACT OF 1975) TO THE COMMITTEE ON WAYS AND MEANS
- TITLE X: (BUILDING ENERGY CONSERVATION STANDARDS ACT OF 1975) TO THE COMMITTEE ON BANKING, CURRENCY AND HOUSING (Initially)
- TITLE XI: (WINTERIZATION ASSISTANCE ACT OF 1975) TO THE COMMITTEE ON BANKING, CURRENCY AND HOUSING
- TITLE XII: (NATIONAL APPLIANCE AND MOTOR VEHICLE ENERGY LABELING ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE XIII: (STANDBY ENERGY AUTHORITIES ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)

## THE WHITE HOUSE

WASHINGTON

February 7, 1975

MEMORANDUM FOR:

JACK MARSH  
MAX FRIEDERSDORF

FROM:

CHARLES LEPPERT *CLP.*

SUBJECT:

Dingell Hearings on President's  
Energy Program

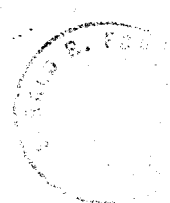
Rep. John Dingell (D-Mich), Chairman of the Subcommittee on Energy and Power of the House Interstate and Foreign Commerce Committee announced at a press conference today, his intention to hold hearings on the Administration's energy program as outlined in the State of the Union address and that he so notified the President by letter dated February 5, 1975.

Attached for your information are:

- (1) Copy of Rep. Dingell's letter to the President;
- (2) Copy of a GAO Report to Rep. Dingell on a proposed alternative to the Administration's energy program, and
- (3) Copy of Rep. Dingell's bill to temporarily freeze the price of domestic crude, residual and refined petroleum products (H. R. 2991).

I met briefly with Chairman Dingell and the Subcommittee staff following the press conference on the following items:

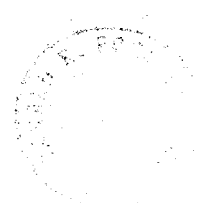
- (1) Rep. Dingell and his staff were perturbed by Nessen's comment "that the President was disappointed at Congress' failure to act on his energy program" and stated that such statement is an unwarranted attack on the Congress which has only had the President's energy program for three days.
- (2) Who would be the Administration's main contact on the Administration's energy program and for staff resources -- Morton as head of ERC or Zarb of FEA?



- (3) The first day of the initial week of hearings on February 17 will be for Administration witnesses. This hearing will be to examine the broad outline and implications of the President's energy program. Emphasis was repeatedly made on the need for Administration spokesmen to be detailed and specific in testimony. The Administration will be expected to lay out in detail including source information the basis and rationale for the President's energy program and not legislation.
- (4) Following the initial day of hearings testimony will be from regional, local and state governments, then labor, industry and economists.
- (5) Some emphasis will probably be placed on H. R. 2991 by Dingell on the decontrol of old oil. This may be the real basis for the hearings.
- (6) The need to coordinate and cooperate in the conduct of hearings by providing Administration witnesses having first line responsibility for energy policy and the need to supply staff with Administration resource material to save time.

cc: Jim Cavanaugh  
Mike Duval  
Glenn Schleede  
John Hill

Sec. Roger Morton  
Sec. William Simon  
Frank Zarb  
Alan Greenspan



Congress of the United States  
House of Representatives  
Committee on Interstate and Foreign Commerce  
Room 2125, Rayburn House Office Building  
Washington, D.C. 20515

February 5, 1975

The President  
The White House  
Washington, D.C. 20500

My dear Mr. President:

I am writing to you in my capacity as Chairman of the Subcommittee on Energy and Power of the Interstate and Foreign Commerce Committee. As you know, on February 4, 1975, the Speaker made assignment of the Administration's proposed omnibus energy bill---The Energy Independence Act of 1975. This comprehensive package of proposals has been assigned to four standing committees in the House: Title I to the Armed Services Committee; Title IX to the Ways and Means Committee; Titles X and XI to the Committee on Banking, Currency, and Housing; and, Titles II, III, IV, V, VI, VII, VIII, XII, and XIII to this Committee. Of those titles assigned to this Committee, we have been given initial (and not exclusive) jurisdiction over Titles II, VIII and XIII.

As you will readily see, the principal responsibility for the consideration of your energy program has been placed in this Committee.

I share your view that the energy problems which confront our nation today are both extensive and complex. It is equally clear that the time when we could comfortably defer addressing these problems is at an end. I have already begun consideration of a legislative

February 5, 1975

schedule for the consideration of the several titles of the Energy Independence Act of 1975 which have been assigned to this Committee. In advance of our proceeding to the consideration of the legislative detail of your proposal, however, I believe it is imperative to hold an initial set of hearings--- within the term of one week---to examine the broad outlines and implications of your energy policy proposals as these relate to national and regional economic and energy supply problems. This will allow our Subcommittee to develop a point of reference for our efforts.

In the initial stage of this proceeding we will focus on the Administration's energy program outlined in your State of the Union Address to the Congress, with particular emphasis on those aspects which you propose to implement by administrative action. The entire first day of hearings, February 17, 1975, will be reserved for Administration witnesses. I would not presume to select spokesmen on your behalf from among members of your Cabinet or the Executive Branch. Accordingly, I respectfully request that you designate appropriate representatives to appear that day in testimony before the Subcommittee.

Undoubtedly, a number of policy alternatives were considered in the process of developing your final program. Enforced gasoline rationing was most certainly one of those. It is my understanding that position papers on each of the various alternatives have been prepared and that these include an identification and evaluation of the relative pros and cons. Inasmuch as the Congress must itself sort through various alternatives in its attempt to make a proper evaluation of your program or to develop viable alternatives to it, it would greatly expedite our work and, in that sense, would be of considerable benefit to the interest of the people of this Nation which we serve if the Committee were given an opportunity to review these documents in advance of the hearings. We, of course, will want to discuss policy

alternatives with Administration witnesses and to reach beyond the general outlines of the program to the specifics of the underlying supporting analyses and data base.

Again, let me assure you that we share an identity of view as to the urgency of this matter and I can pledge that this Subcommittee will devote its full capacities to the development of a cohesive, comprehensive, and rational energy policy at the earliest possible date.

Sincerely,

A handwritten signature in cursive script, appearing to read "John D. Dingell". The signature is written in dark ink and is positioned above the typed name.

JOHN D. DINGELL, M.C.  
Chairman, Subcommittee  
on Energy and Power

JDD:aj



COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D.C. 20548

February 4, 1975

The Honorable John D. Dingell  
Chairman  
Subcommittee on Energy and Power  
Interstate and Foreign Commerce Committee  
House of Representatives

Dear Congressman Dingell:

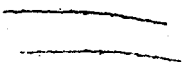
At the request of members of the Congress, we have attempted to put together a package which would avoid both rationing and the tax on oil imports.

I believe that the proposals which we have set forth in the enclosed would accomplish the energy conservation and supply objectives with greater certainty than those proposed by the executive branch and would avoid, at the same time, the inflationary impact which the import duty obviously would have.

Sincerely,

Elmer B. Staats

Enclosure





## DECLARATION OF PURPOSE

The Congress hereby declares that the general welfare of the Nation requires that it move towards more self-sufficiency and reduce its reliance on foreign oil imports by taking positive action to adjust the Nation's energy habits and expectations and close the gap between the production and consumption of energy resources.

To best achieve these objectives, the Congress finds it necessary to develop a comprehensive program which will gradually curtail oil imports coupled with explicit conservation strategies, including the maintenance of an effective allocation program, and the establishment of incentives to improve domestic consumption patterns, improve supply availability in key areas, and carefully manage the Nation's vital energy resources. Congress also finds it necessary to provide the President with standby rationing authority should the other measures fail to effect a significant reduction in energy consumption patterns.

The Congress further finds that the main target areas for improving domestic consumption patterns are (1) the automobile, (2) industrial uses, and (3) residential and commercial uses and that vigorous programs and strong leadership are required to take advantage of the conservation opportunities in each of these areas. Also, the Congress finds the need for a vigorous truth in energy program, coupled with conservation education.

To improve the domestic energy supply situation, the Congress finds it necessary to provide for exploration and development of naval petroleum

reserves, developing strategic crude oil reserve programs to guard against future supply disruptions, and providing greater incentives for development of coal and natural gas. Also, because much of the Nation's remaining oil and gas resources are located on the Outer Continental Shelf, the Congress deems it necessary to undertake a vigorous program of exploration and development in frontier areas of the Outer Continental Shelf in order to develop improved programs for leasing such areas for commercial development.

In view of the fragmentation of responsibility for energy programs among many departments and agencies, the Congress finds it necessary to legislate organizational changes which will consolidate in one department the key responsibilities for energy and related natural resources programs.

The purpose of this Act is to establish a comprehensive program to directly restrict foreign oil imports, improve domestic petroleum consumption habits, and improve supply availability in key areas.

## TITLE I: ENERGY CONSERVATION PROGRAMS

Sec. 101--The following programs are authorized for the purpose of encouraging energy conservation in the transportation sector which now accounts for about one-fourth of total energy use and over one-half of gasoline use, almost 75 percent of which is consumed by trucks and automobiles.

(a) As an incentive to purchase automobiles capable of achieving higher miles-per-gallon, a program of cash rebates from the Treasury Department for the purchase of new automobiles is authorized. The program is to be designed by the Federal Energy Administration within the constraints of a minimum rebate of \$200<sup>1/</sup> for automobiles achieving at least 17 miles-per-gallon in model year 1975, 19 miles-per-gallon in model year 1976, and 21 miles-per-gallon in subsequent model years. The average miles-per-gallon figures obtained in Environmental Protection Agency tests for urban and highway driving will be used in determining eligibility for cash rebates. The program shall extend for a 3-year period beginning with the effective date of this Act.

(b) The Federal Energy Administration working together with the Energy Research and Development Administration, the Environmental Protection Agency, the Department of Transportation, the National Bureau of Standards, and such other agencies as necessary, shall

---

<sup>1/</sup> This amount is consistent with the automobile companies' present rebate plan for new automobile purchases. It is not clear whether \$200 is a sufficient incentive to achieve the purposes of this section. It was purposely set as a minimum so that it can be increased. It may be desirable to add a maximum limit of \$500.

design a mandatory program for improving the efficiency of new automobiles. The program shall include a graduated schedule which will take effect in model year 1978 and be designed to insure that the average miles-per-gallon of automobiles in use at January 1, 1985, will be not less than 20 miles-per-gallon and that all environmental standards are met.

(c) An additional excise tax of 20 cents on motor gasoline will be imposed at the pump in four 5-cent increments, the first increment to be imposed 90 days after the enactment of this Act and the remaining increments to follow at 6 month intervals.

(d) The Federal Energy Administration working together with the Energy Research and Development Administration, the Environmental Protection Agency, and the Department of the Treasury shall design an excise tax program to begin in model year 1978 to discourage the purchase of large, inefficient automobiles. The tax shall be collected at the time of purchase and will be \$1,000 for cars receiving 10 or less miles-per-gallon decreasing to no tax for those cars receiving more than 20 miles-per-gallon. The average miles-per-gallon figures obtained in the Environmental Protection Agency tests for urban and highway driving will be used in determining eligibility.

(e) The revenue generated from the excise taxes authorized in Section 101(c) and (d) shall be placed in a special fund in the Treasury.<sup>1/</sup>

---

<sup>1/</sup> Alternatively, one-half of these revenues could be placed in the Social Security Trust Fund for immediate return of part of the income to wage earners as the revenue is collected.

These revenues, and any other funds Congress shall appropriate to this special fund, will be used to finance programs developed by the Department of Transportation in consultation with the Federal Energy Administration, the Energy Research and Development Administration, and such other agencies as appropriate, for the purpose of improving efficiency of the use of privately-owned automobiles and expansion of public transportation opportunities, including subsidized public transportation for low-income persons, the purchase of buses, development of fringe parking facilities and express bus lanes and other such short-term, high pay off programs. These funds also will be made available to State and local jurisdictions for the development of plans and programs to implement the objectives of this Section and for the implementation of such programs.

Sec. 102--Almost one-third of the energy used in the United States is consumed in the residential and commercial sector. Significant opportunities exist for energy conservation through greater use of energy-saving devices and energy-efficient equipment.

(a) The Federal Energy Administration in cooperation with the Department of Housing and Urban Development and the Department of the Treasury shall, within 6 months of the effective date of this Act, develop and implement a program of tax credits and low interest loans to encourage the installation of energy-saving measures such as storm windows and doors and insulation. Tax credits shall be available to all citizens and shall be equal to not less than 50 percent of the costs incurred by a taxpayer up to \$500 and 25 percent of the costs incurred in excess of \$500 to install such energy-saving measures. In addition, persons having a gross income of less than \$12,000 may apply to the Secretary of the Treasury for a direct, low interest loan to cover the entire cost of installing such energy-saving measures. New applications under this program shall not be honored after 3 years following the effective date of this Act.

(b) The Department of Housing and Urban Development in cooperation with the Federal Energy Administration, the Energy Research and Development Administration, and the National Bureau of Standards shall develop a model building code which specifies minimum thermal performance standards for new homes and buildings. Such standards will be applied to all Federal facilities on which construction is

started within one year from the effective date of this Act, and on all homes and buildings financed after that date under the various loan guarantee programs of the Federal Government. The Department of Housing and Urban Development and the Federal Energy Administration shall undertake a program to encourage the incorporation of such standards into local building codes throughout the country. Funds will be made available to State and local jurisdictions to develop model codes for their respective localities consistent with the model Federal codes. If such codes are not developed within two years from the effective date of this Act, the Federal Government will set codes for the localities and States.

(c) The Federal Energy Administration in cooperation with the Federal Power Commission shall develop a model electric rate structure based upon the concept of peak-load pricing and designed to reward the conservation of electricity. The two agencies shall work together to encourage State regulatory agencies and public and private utilities to use the principles embodied in the model rate structure. An advisory board composed of representatives of State regulatory agencies and the utility industry will be established to provide advice and assistance in this effort.

Sec. 103--About one-third of United States energy consumption occurs in the industrial sector and over two-thirds of that occurs in five key industries. Significant opportunities exist for improving energy conservation through the use of more energy-efficient equipment and industrial processes. Such opportunities are not being fully realized, however, because of a reluctance to invest in energy-saving measures.

(a) The Federal Energy Administration in cooperation with the National Bureau of Standards, the Energy Research and Development Administration, the Department of Commerce, and such other agencies as appropriate, shall develop by December 31, 1975, model performance standards for industrial processes in key energy-using industries based on the most efficient technology available, and shall annually update those standards. These standards shall include but not be limited to, increased efficiency in steam generation, heat recuperation, and materials recycling. An advisory board representative of the key energy-using industries will be established to provide advice and assistance in this effort.

(b) Beginning with tax year 1975 and for 10 years thereafter, industrial firms will be provided an investment tax credit of 10 percent in addition to the investment tax credits provided under other legislation for the installation of equipment which will result in improved energy efficiency. The Federal Energy Administration shall be responsible for developing standards and strict criteria for determining the types of equipment which will qualify for such credits, particularly in regards to the model standards developed pursuant to section 103(a).



TITLE II: REDUCTION OF OIL IMPORTS

Sec. 201--The Federal Energy Administration is hereby authorized to establish a program for restricting imports by law. The goal of the program shall be to reduce imports at a regular monthly rate from their level at January 1, 1975, by one million barrels a day by no later than 18 months from the effective date of this Act, and by two million barrels a day by no later than 30 months from the effective date of this Act.

Sec. 202--The oil supplies remaining after the curtailment of oil imports authorized in Section 201 shall be allocated by the Federal Energy Administration in a manner designed to alleviate any hardship on geographical areas or segments of society.

Sec. 203--The President shall establish a standby gasoline rationing program in a manner similar<sup>1/</sup> to the Gasoline Rationing Contingency Plan as published by the Federal Energy Administration in the January 16, 1974, Federal Register. The President shall make a determination every 6 months for a period of 3 years following the effective date of this Act as to whether the standby gas rationing program should be implemented and report to the Congress on the basis for such determination. Should the President determine the need to implement the program, he shall do so not later than 30 days following his determination. Once implemented, no further determinations as to need will be required unless the President shall choose to stop rationing prior to the expiration of this Section. The authorization for a standby rationing program shall expire 3 years after the effective date of this Act.<sup>2/</sup>

---

1/ As an alternative, the statute could specify specific features that should be included in the standby gasoline rationing program such as negotiable coupon, basic weekly gallon entitlement per licensed driver, allotments to commercial users based on use during a base year, State fuel set aside for emergency and hardship cases, provision for local appeals, and periodic coupon distribution through the Postal Service system.

2/ Alternatively, the President's determination could be required to lay before Congress for 30 days before going into effect.

TITLE III: TRUTH IN ENERGY AND CONSUMER AWARENESS

Sec. 301--Consumers must have adequate information to make economically sound decisions. A first step to achieving this goal would be the labeling of major appliances and equipment with energy requirements and dollar costs of operation. In addition persons purchasing or renting real estate need accurate information on overall utility costs. The following programs are authorized to increase public awareness of energy savings opportunities in major appliance and real estate purchases.

(a) The National Bureau of Standards working together with the Federal Energy Administration, the Federal Trade Commission, and such other agencies as appropriate, shall design and implement a program for mandatory labeling of major appliances, giving the costs of operation at current prices and stating the energy efficiency rating. Such program shall be extended to other equipment used in homes and buildings to afford purchasers an opportunity to take advantage of the energy savings available through the purchase of more energy efficient equipment.

(b) The Federal Energy Administration shall establish a National program of consumer education to increase public awareness of the importance of energy conservation and methods for reducing energy use.

(c) The Department of Housing and Urban Development in cooperation with the Federal Energy Administration, the Federal Trade Commission, the National Bureau of Standards, and the General Services Administration shall develop and implement a program within six months of the effective date of this Act to require disclosure of heat loss coefficients in terms of dollar costs, including heating and cooling costs to purchasers and renters of housing built after January 1, 1976.

#### TITLE IV: ENERGY SUPPLY

Sec. 401--While the adoption and implementation of conservation measures are of primary importance, action to increase domestic energy supplies and reduce the impact of future supply disruption are also important. The following programs are authorized to stimulate domestic energy supplies and provide for the establishment of National emergency energy reserves.

(a) Naval Petroleum Reserve Number 4 in Alaska is hereby transferred to the Department of Energy and Natural Resources, established under Title V of this Act, which is authorized to embark on an immediate program to fully explore the reserve, including drilling, in order to develop information necessary to proceed with a sound program of commercial leasing. The objective of this program shall be full commercial development within 5 to 10 years from the effective date of this Act. Leases issued during the commercial leasing stage of this program shall be sold competitively.

(b) The Department of the Navy is authorized to complete full development of Naval Petroleum Reserve Numbers 1 (Elk Hills) and 3 (Teapot Dome) within 5 years from the effective date of this Act. The productive capacity developed in those reserves is to be considered part of the National emergency energy reserves established in Section 401(c).

(c) The Secretary of the Department of Energy and Natural Resources established under Title V of this Act is directed to design and develop a system of National emergency energy reserves, and authorized to purchase or construct storage facilities and purchase oil for storage.

(d) The Department of Energy and Natural Resources shall immediately establish an exploratory program, including drilling, on the frontier Outer Continental Shelf areas for the purpose of developing the improved information needed to make decisions regarding leasing of such areas.

(e) The following provisions are authorized to stimulate and increase the Nation's natural gas supplies:

(1) The Federal Power Commission is directed to study and recommend a statutory formula for pricing natural gas. The formula recommended should not result in a National area rate in excess of \$ \_\_\_\_\_<sup>1/</sup> for new natural gas discoveries subject to subsequent annual adjustment for increases in cost of production. Within 4 months of the effective date of this Act, the Federal Power Commission shall provide a report of its findings to Congress and recommend legislation.

---

<sup>1/</sup> Rates under consideration vary from 50 cents to \$1.25 per m.c.f.

(2) The Federal Power Commission shall immediately ban the use of new natural gas for boiler fuel, and phase out the present use over a 5-year period beginning with the effective date of this Act.

(3) The Federal Power Commission is authorized to allocate natural gas from surplus pipelines to shortage pipelines.

(f) The Secretary of the Department of Energy and Natural Resources shall immediately begin to design a program of tax incentives, grants, or subsidies to be made available to the coal industry to stimulate progress in overcoming the health and environmental concerns, labor, transportation, and capital investment problems associated with the increased use of coal. The Secretary of the Department of Energy and Natural Resources shall work closely with the Federal Energy Administration, the Department of the Treasury, the Environmental Protection Agency, the Department of Labor, and the Department of Health, Education, and Welfare in the design of the program. The Secretary of the Department of Energy and Natural Resources shall, within 6 months of the effective date of this Act, submit his incentive program to the Congress along with appropriate conclusions, recommendations and proposals for needed legislation. The goal of this program is to double the production of coal within 10 years.

TITLE V: ENERGY ORGANIZATION

Sec. 501--Responsibility for energy policy and programs is now fragmented among various departments and agencies of the Federal Government. The organizational changes authorized in this Section are designed to improve the Federal Government's ability to deal on a coordinated and cohesive basis with the Nation's growing energy problems.

(a) Effective 60 days from the effective date of this Act, a Department of Energy and Natural Resources shall be created. The Department will consist of the Department of the Interior, the Federal Energy Administration, and the Energy Research and Development Administration.

(b) Because considerable responsibility for energy activities will remain outside the Department of Energy and Natural Resources, a Cabinet-level Energy Resources Council is established to be chaired by the Secretary of the Department of Energy and Natural Resources. All agencies of Government having a significant role in energy shall be represented on the Council, including independent regulatory agencies.

(c) In addition to the liaison provided through the Energy Resources Council established by Section 501(b), the Secretary and the heads of the key regulatory agencies involved in energy policy development--the Nuclear Regulatory Commission and the Federal Power Commission--are required to develop, and make public, programs for continuous liaison at working levels within their various organizations to insure the fullest cooperation possible consistent with their respective roles.



(d) Six months after the effective date of the establishment of the Department of Energy and Natural Resources, the President shall submit a report to the Congress detailing additional organizational changes within the Executive Branch which he deems necessary to provide the optimum organization for the Department of Energy and Natural Resources. The report shall be accompanied by a legislative proposal which would implement those changes the President deems necessary.

(e) The Secretary of the Department of Energy and Natural Resources is required to report to the Congress at December 31, 1978, and every year thereafter on the state of the Nation's energy position. In addition to basic facts and figures, the report shall include an assessment of the Nation's key energy problems, the progress made in correcting them, and new actions or initiatives planned.

(f) Consideration shall be given to a separate statute authorizing the President to establish immediately an Energy Conservation and Production Board to direct and coordinate the Nation's energy effort, pending the creation of the Department of Energy and Natural Resources and the Energy Resources Council. The Board will consist of three distinguished and knowledgeable citizens representing business, labor, and the public, shall operate under broad presidential guidelines, and shall be supported by a small staff.

94th Congress  
1st Session

A B I L L

To amend the Emergency Petroleum Allocation Act of 1973 to provide for a temporary freeze on the national average price of domestic crude oil, residual fuel oil, and refined petroleum products, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following new subsection:

"(h) During the 90-day period which begins on the date of enactment of this subsection, the President may not prescribe any amendment to the regulation under subsection (a), or allow any amendment to such regulation prescribed after January 1, 1975, to remain in effect, if any such amendment

has the effect of permitting the national average price of domestic crude oil or any classification thereof, residual fuel oil, or any refined petroleum product to increase above the national average price of domestic crude oil or classification thereof, residual fuel oil, or any refined petroleum product measured on January 1, 1975. Any proposed amendment prescribed after the expiration of such 90-day period which would have the effect of permitting the national average price of domestic crude oil or any classification thereof, residual fuel oil, or any refined petroleum product to increase above the national average price of <sup>domestic</sup> crude oil or any classification thereof, residual fuel oil, or any refined petroleum product measured on January 1, 1975, shall be deemed an exemption for purposes of subsection (g)(2) of this section and may not take effect except in accordance with the provisions of such subsection."

Sec. 2. Section 4(g)(2) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(2)(A) Subject to the provisions of this paragraph, the President may prescribe an amendment to the regulation under subsection (a) exempting crude oil, residual fuel oil, or any refined petroleum product from the requirement of such regulation as they pertain to either (A) the allocation of any such oil or product, or (B) the specification of price or the manner for determining price of any such oil or product; or both. The President shall support any such proposed

amendment to the regulation under subsection (a) in the case of (A) the proposed exemption of an oil or product, with a finding that such oil or product is no longer in short supply and that exempting such oil or product will not have an adverse impact on the supply of any other oil or product subject to this Act, and (B) any proposed exemption of an oil or product from the pricing provisions of such regulation, with a finding that such exemption is consistent with the attainment of the objectives of subsection (b) and specifically that competition and market forces are adequate to protect industrial and individual consumers from price gouging and to assure that prices of such oil or product will be just and reasonable.

"(B) The President shall transmit (i) any amendment to the regulation prescribed under subparagraph (A) of this paragraph, (ii) the findings required by such subparagraph, and (iii) the evaluation specified in subparagraph (D) of this paragraph, to both Houses of Congress on the same day and to each House while it is in session. Such an amendment may apply only to one oil or one product with respect to either allocation or price.

"(C) Such amendment shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which such amendment is transmitted to it unless, between the date of transmittal and the end of the 15-day period, either House passes a resolution, pursuant to the procedures and provisions specified in section 906(b) and sections 908 through 913 of title 5, United States Code, stating in substance that that House does not favor such amendment.

"(D) To the greatest extent practicable, any amendment which the President transmits to the Congress pursuant to subparagraph (B) of this paragraph shall be accompanied by an evaluation prepared by the President of the potential economic impacts, if any, of the proposed plan and shall include an analysis of the effect of such plan on--

"(i) the fiscal integrity of State and local government;

"(ii) vital industrial sectors of the economy;

"(iii) employment, by industrial and trade sector, as well as on a national, regional, State, and local basis;

"(iv) the economic vitality of regional, State, and local areas;

"(v) the availability and price of consumer goods and services;

"(vi) the gross national product;

"(vii) competition in all sectors of industry;

"(viii) small business; and

"(ix) the supply and availability of energy resources for use as fuel or as feedstock for industry."

THE WHITE HOUSE

WASHINGTON

February 10, 1975

MEMORANDUM FOR:

MAX FRIEDERSDORF

THRU:

VERN LOEN

FROM:

CHARLES LEPPERT, JR. *CLJ*

SUBJECT:

Dingell Hearings - February 17 - on  
President's Energy Program

Rep. Bud Brown (R-Ohio) has written to the President requesting the Administration to send up its top energy advisors for the Dingell hearings. I have not seen the Brown letter but his Subcommittee staff man Jon Vlcek has informed me of the letter and request -- and the need to cooperate.

Max, every attempt to cooperate with the Dingell Subcommittee is important. This will be the work horse committee for our Presidential Energy Program and therefore important to the Administration to work with the subcommittee and committee to establish communication and cooperation. If possible, I suggest that we provide Dingell's subcommittee with the following Administration witness panel for the February 17th hearing to lay out the President's energy program and its overall impact and implications:

Secretary Rogers C. B. Morton

Secretary William Simon

Frank Zarb

Alan Greenspan

cc: Bennett

THE WHITE HOUSE

WASHINGTON

February 11, 1975

MEMORANDUM FOR:

JACK MARSH  
MAX FRIEDERSDORF

THRU:

VERN LOEN

FROM:

CHARLES LEPPERT, JR. *CLJ*

SUBJECT:

Dingell Hearings On President's Energy  
Program - Suggested Witness List

Attached for your information is the proposed witness list for the hearings on the President's energy program before the Subcommittee on Energy and Power of the House Interstate and Foreign Commerce Committee and Chaired by John Dingell.

At the request of Mike Duval and Glenn Schleede we had the two principal subcommittee staff people for a working lunch here at the White House Mess. The purpose of the working lunch was to give Duval and Schleede and the two principal staff people (Curtis and Vlcek) the opportunity to exchange information on the purpose and conduct of the hearings beginning February 17th.

The Subcommittee on Energy and Power is composed of the following members:

Dingell, Chairman  
Staggers  
Murphy (NY)  
Eckhardt  
Ottinger  
Krueger  
Wirth  
Sharp  
Brodhead  
Moffett

Brown (Ohio), Ranking Minority  
Devine  
Broyhill  
Heinz  
Moorhead (Calif.)

cc: Bennett



SUGGESTED WITNESS LIST

February 17

- Administration:

Witnesses to be identified by the President  
[These should include Zarb; Simon; Charles Robinson, Undersecretary  
for Economic Affairs, Department of State]

February 18

p.m. Only

- Panel of Economists:

John C. Sawhill, Former FEA Administrator  
Charles Schultze, the Brookings Institution, Former OMB Director  
under President Johnson

George L. Perry, Senior Fellow, Brookings Institution  
Charles R. Owens, President of Charles Owens and Associates,  
consultants on energy, economics and public policy, Former  
Deputy Assistant Administrator for Policy Planning and Regu-  
lation at FEA and Director of the Energy Division, Cost of  
Living Council

Hazel Henderson, Princeton University

M. A. Adelman, M.I.T.

Hendrik Houthakker, Harvard University

(Alan Greenspan, Council of Economic Advisors, if not present on  
February 17)

*Milton Friedman, U. of Chicago*

February 20

a.m.

- Labor and Consumer Panel

Andrew J. Biemiller, AFL-CIO

Leonard Woodcock, UAW

Lee White, Consumer Federation of America

- Utilities Panel

Thomas J. Galligan, Jr., Boston Edison Company, representing  
Edison Electric Institute

Alex Radin, American Public Power Association

Guy W. Nicholls, on behalf of New England Power Pool and New  
England Electric System

p.m. (February 20)

- Energy Producers Panel

Frank Ikard, American Petroleum Institute  
Witness to be designated, American Gas Association  
Carl Bagge, Coal Association  
Witness to be designated, Independent Petroleum Association of  
America

- Industrial Consumers Panel

Witness to be designated, National Association of Manufacturers  
Milton D. Stewart, National Small Business Association

February 21

a.m.

- Panel of State Governors

Witness to be designated by National Council of Governors, with  
specific request for Dukakis of Mass. and Shapp of Pa.  
*Briscoe of Texas*

- Panel of Mayors and County Executives

Joseph Alioto, Mayor of San Francisco and President of the  
United States Conference of Mayors  
Nicholas Panuzio, Mayor of Bridgeport, Connecticut, on behalf of  
the National League of Cities  
Witness to be designated, National Association of Counties

p.m.

- Panel on Transportation

Paul Ignatius, President, Air Transport Association of America  
Witness to be designated, American Association of Railroads  
Witness to be designated, National Association of Motor Bus  
Operators  
Witness to be designated, American Trucking Association

- Petrochemical Users

Witness to be designated, PEG  
Witness to be designated, SOCPMA

- *Auto Users*  
*Manufacturers*  
*AAA*  
*Agri. BUSINESS*