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CONTINGENCY PLANS - UNRESOLVED ISSUES  
November 11, 1976

Conservation Contingency Plans

1. Which of the five plans should be recommended to ERC for submission to Congress.
  - . FEA Issues Process which concluded that all five plans should be staffed
  - . ERC meeting of August 23, after which it was decided to postpone submission of all of the plans until sometime in 1977.
  - . Reasons for not submitting the "Lighting" plan (Tab A):
    - . Questionable payoff
    - . Questionable results of Oregon prototype plan
2. What will be the procedures for submitting plan components: (Tab B):
  - a. Official Submission (for each plan)
    - . Design Considerations
    - . Proposed Legislation
    - . Environmental Assessments
    - . ~~Environmental~~ Impact Assessment  
*ECONOMIC*
  - b. Supporting Materials (for each plan)
    - . Operational Concepts (i.e., tentative statement of concept of plan operational, supporting procedures, demand reduction and cost analyses, summary of public comments, etc.).
  - c. Management Strategy (single document)

Rationing Contingency Plan

1. The Rationing Plan and support materials have been printed; draft regulations are complete and must be approved by OGC.
2. Changes to the Plan cannot be made at this time if the Plan is to be submitted to Congress in early January. (It may be best to let any additional dissension regarding the Plan "fall-out" in Congress.)
3. Will it be distributed to ERC with the other plans?
4. It is required to publish the Rationing regulations in the Federal Register?



## Drop the Lighting Measure

At an Issues Meeting in early April 1976, FEA senior staff proposed that a measure to restrict outdoor advertising lighting be developed as a fifth conservation contingency plan. The basis for this suggestion was the reportedly successful implementation of a similar ban in Oregon during the hydro-electric shortage. It was recognized that the direct energy savings of the measure would not be significant, but the psychological impact of lighting restrictions was considered essential for establishing public credibility in an emergency.

Subsequent analysis has indicated that restrictions on outdoor advertising lighting would produce direct oil savings far lower than any other proposed measure - only 5,000 barrels per day. There are also conflicting reports regarding the success of the Oregon experience, with no hard evidence to indicate that any indirect savings actually resulted from the lighting restrictions.

In addition, the plan as originally proposed has been relaxed in order to conform with the EPCA requirement that "due consideration shall be given to the needs of commercial, retail and service establishments whose normal function is to supply goods or services of an essential convenience nature during times of day other than conventional daytime working hours."

Based on these considerations, ORP proposed in July that the lighting plan not be developed further and be considered as a voluntary measure. However, FEA senior staff directed that the measure continue to be staffed. In view of the negligible energy savings and dubious benefits of this measure, ORP again strongly recommends that the plan be dropped from consideration for submission to Congress, and not be submitted to ERC.

A summary of PRO's and CON's on the plan follows:

### PRO

. Outdoor lighting constitutes an especially visible form of energy consumption. Reductions in advertising lighting could have a positive effect in generating a "conservation ethic" and bring about some indirect energy savings.

### CON

. Although outdoor advertising lighting is very visible, the actual energy consumption is negligible. The projected



energy demand reduction for this plan is only 5,000 barrels of oil per day, which is insignificant in comparison to the potential of each of the other proposed measures. Also, no documentation exists to support the psychological benefits.

. In order to conform with the EPCA, the original plan has been relaxed to permit the illumination of signs that are essential to direct customers to an open business and/or to inform customers of the products or services supplied by it. This necessary provision permitting many advertising signs to be illuminated during the early evening hours will seriously undermine the purported psychological value of the plan.

. The attempt to establish credibility in the shortage may have the opposite effect if the negligible savings of the plan become widely known.



ENERGY CONSERVATION CONTINGENCY PLANS  
Contents of Congressional Submission

FORMAL TRANSMISSION:

. Letter of Transmittal

A letter to officially transmit each plan and the required supporting analyses.

. Design Considerations

Contains the statement required by EPCA "explaining the need for and the rationale and operation of such plan."

. Proposed Legislation

Contains the legislative proposal which constitutes the "Plan."

. Economic Impact Analysis

Contains an evaluation of the potential economic impacts of the proposed plans required by EPCA.

. Environmental Impact Assessment

Contains the assessment of the environmental impacts of the proposed plan as required by NEPA.

SUPPORTING DOCUMENTS:

. Operational Concepts

Describes possible methods of implementing the plan; describes alternative means that were considered; provides estimates of resource requirements; details the demand reduction estimates for the plan, and contains public comment summaries.

. Management Strategy

Summary of FEA's strategy for managing any future supply interruptions. It describes the other programs available to the government for use in an energy emergency and is necessary to place the role of the energy conservation contingency plans and the rationing contingency plan into their proper context. It describes the strategy, summarizes the available contingency supply increase and conservation programs, and provides the supporting analyses for the strategy.