

**The original documents are located in Box 15, folder “Energy - Hearings and Proposal by Representative John Dingell” of the John Marsh Files at the Gerald R. Ford Presidential Library.**

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February 11, 1975

MEMORANDUM FOR: FRANK ZARB  
FROM: JACK MARSH

I am sending you the energy program prepared for Congressman John Dingell by the GAO. Also enclosed is a copy of Congressman Dingell's bill to temporarily freeze the price of domestic crude and other petroleum products.

I believe it would be helpful if you would bring this material to the President's attention and he may wish to study it on the return flight.

cc: Don Rumsfeld



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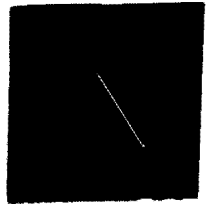
**cc: Don Rumsfeld**



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THE WHITE HOUSE

WASHINGTON



February 7, 1975

MEMORANDUM FOR:

JACK MARSH  
MAX FRIEDERSDORF

FROM:

CHARLES LEPPERT *Ch.*

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

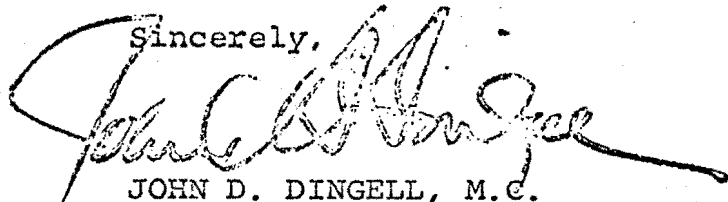
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February 5, 1975

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





FEB 25 1975

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THE WHITE HOUSE  
WASHINGTON

February 24, 1975

MEMORANDUM FOR: JOHN O. MARSH

THRU: MAX FRIEDERSDORF *M.F.*  
VERNON LOEN *VL*

FROM: CHARLES LEPPERT, JR. *Clg.*

SUBJECT: Report on D'ingell Hearings on the  
President's ~~Energy~~ Program

The information contained in this report is a subcommittee minority staff appraisal of the hearings and are reported by the panels appearing.

Administration Panel

The general consensus was that the Administration did not present a strong case for its energy programs. Specifically, the Administration witnesses failed to establish a case or clear cut requirement for the need to reduce oil imports by one million barrels per day by the end of 1975 and by two million barrels before the end of 1977. The numbers put forth did not support a clear case to reduce imports and the national security argument was not made well.

More information needs to be supplied to the subcommittee, specifically a chart requested by Representative Heinz showing the actions required by the President's energy program for each different energy source and its impact on the economy by energy source on a year by year basis.

Economist Panel

In general the panel of three (3) economists opposed the President's energy program.

Mr. Perry opposed the duty on oil imports and an excise tax on domestic oil. He favors a two-tier price system for domestic production. Opposes a windfall profits tax but favors deregulation of natural gas, establishment of import quotas and a bidding system with foreign oil producers as a method of breaking up the OPEC cartel.



Mr. Owens opposes the President's imposition of oil import tariffs and rationing. He favors going to a import quota system gradually while retaining the mandatory allocation program and a gradual decontrol of old oil with a phase out of the two-tier pricing system. The Subcommittee has requested the Treasury Department for an analysis of his testimony as to its tax aspects.

Mr. Adelman supported his own theory of requiring the OPEC cartel to bid on providing the U. S. with oil.

#### Auto Industry Panel

Chrysler supported the amendments to the clean air act and stated it could not voluntarily meet the standards without the delays requested by the President.

General Motors supported the President's program in its "broad thrust" and favored the decontrol of old oil.

Ford supports the President's reliance on the price mechanism and the deregulation of old oil but states that the program should be implemented on a gradual basis. Ford supported the clean air act amendments and called for less stringent ones.

#### United Auto Workers Panel

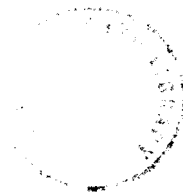
Opposed the President's use of the price mechanism as inflationary. Stated the drastic reductions of the President's program are not called for under present economic conditions. Opposed the deregulation of natural gas, favored a multi-tier pricing system and enforcement of anti-trust laws against energy companies.

#### Utilities Panel

Opposed increase in oil import tariffs. Some supported oil import quotas. Supported revision of rate structures, facility siting and clean air act amendments. Opposed the decontrol of natural gas.

#### Energy Producers Panel

Supported generally the decontrol of old oil but opposed the windfall profits tax without meaningful plowback provisions. Supported the deregulation of natural gas.



Industrial Consumers Panel

Stated there was no need to cut back on consumption as rapidly as proposed in the President's program. Strongly supported voluntary conservation as still possible and citing the previous embargo. Unclear on the deregulation of natural gas and old oil.

State Government Panel

Opposed the President's program and the decontrol of old oil. Supported an extension of the mandatory allocation program.

Local Government Panel

Favored conservation of energy on a voluntary basis and opposed the decontrol of old oil.

Consumers Panel

Opposed the President's program as too expensive and inflationary. Opposed the imposition of oil import tariffs and deregulation of natural gas. Supported an import quota system on foreign oil.

Transportation Panel

The railroads, water carriers, truckers all stated that the President's program will require rate increases. The Airlines stated their need for an exemption because the President's program will cost the airlines \$900 million per year.

Petrochemical Users Panel

Stated a need for an exemption from the excise taxes and any tax on feedstocks should be eliminated.

Panel on Policy Alternatives

Mr. Peter Peterson supported the decontrol of old oil gradually. Supported the windfall profits tax if tied to plowback provisions. Called for mandatory conservation for heating and lighting.



Mr. John Sawhill stated that the President's program requires too much in a weakened economy. Does not favor price decontrol of old oil but a gradual abandonment of the two-tier price system to a single ceiling price for all oil and let the old oil price rise 10 percent a year to the ceiling.

A copy of the list of witnesses appearing before the Dingell Subcommittee is attached.

The Dingell Subcommittee now plans to begin hearings and mark-up of Title XIII, "Standby Energy Authorities" of the President's program on March 3rd. Dingell will use his own bill H.R. 2991 as the mark-up bill.

Attachment

PRESS RELEASE FROM THE OFFICE  
OF CONGRESSMAN JOHN D. DINGELL,  
D-MICHIGAN, 16TH DISTRICT

IMMEDIATE RELEASE

FRIDAY, FEBRUARY 14, 1975

WITNESS LIST SELECTED FOR DINGELL  
ENERGY AND POWER HEARINGS

Congressman John D. Dingell, D-Michigan, Chairman of the House Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee today announced the witness and panel list for hearings in the Subcommittee, February 17-21.

The new Subcommittee is taking testimony on President Ford's energy messages to Congress and the pressing energy problems facing the Nation and affecting all sectors of the economy.

Witnesses include representatives of energy producing and consuming industries, the Federal Government, consumer groups, and State and local governments.

"The Subcommittee, in these initial morning and afternoon hearings, is seeking a complete overview of the energy supply, distribution and user demand problems," stated Chairman Dingell.

He added, "Following the week of overview on energy matters, the Subcommittee will make determinations as to which specific energy proposals, legislation, alternatives and recommendations will receive our attention first."

The witness list is attached.

(MORE)



WITNESS LIST  
HEARINGS ON PRESIDENTIAL ENERGY PROGRAM

Monday, February 17 - Room 2123 Rayburn House Office Building

10 a.m.

Administration Witnesses:

Honorable William E. Simon, Secretary, Department of the Treasury  
(tentative)  
accompanied by --  
Honorable Ed Fiedler, Assistant Secretary for Economic Policy  
Honorable Frank Zarb, Administrator, Federal Energy Administration  
Honorable Thomas Enders, Assistant Secretary for Economic Affairs,  
Department of State  
Honorable Alan Greenspan, Chairman, Council of Economic Advisors

Tuesday, February 18 - Room 2123 Rayburn House Office Building

2 p.m.

Panel of Economists:

George L. Perry, Senior Fellow, Brookings Institution  
Charles R. Owens, Charles Owens and Associates  
M. A. Adelman, Massachusetts Institute of Technology

Thursday, February 20 - Room 2123 Rayburn House Office Building

10 a.m.

Auto Industry Panel:

Chrysler, Ford, General Motors, American Motors

United Auto Workers - Duane (Pat) Greathouse, Vice President

Utilities Panel:

Thomas J. Galligan, Jr., Boston Edison Company  
W. Donham Crawford, President, Edison Electric Institute  
Alex Radin, American Public Power Association  
Ben Fuqua, Florida Power and Light Company

2 p.m.

Energy Producers Panel:

Frank Ikard, President, American Petroleum Institute  
Bud Lawrence, Vice President, American Gas Association  
Carl Bagge, President, National Coal Association  
C. John Miller, President, Independent Petroleum Association  
of America  
Walter Rogers, President, Interstate Natural Gas Association  
of America

Industrial Consumers Panel:

National Association of Manufacturers - witnesses to be  
announced  
Milton Stewart, National Small Business Association

Friday, February 21 - Room 2123 Rayburn House Office Building

10 a.m.

State Government Panel:

Honorable Thomas P. Salmon, Governor of the State of Vermont and  
Chairman, National Governors Conference Committee on Natural  
Resources and Environmental Management  
Honorable Dolph Briscoe, Governor of the State of Texas

Local Government Panel:

Conference of Mayors - witnesses to be announced  
League of Cities - witnesses to be announced  
National Association of Counties - witnesses to be announced

Consumers Panel:

Lee White, Consumer Federation of America  
~~Gary DeLoss~~, Public Interest Research Center  
Witness to be announced - Farm Bureau  
Jim Cubie, Congress Watch

*Garry DeLoss*

*Group*

2 p.m.

Transportation Industry Panel:

Paul Ignatius, Air Transport Association  
Carl Lyon, American Association of Railroads  
Charles Webb, National Association of Motor Bus Operators  
William A. Bresnahan, American Trucking Association  
John Creedy, Water Transport Association  
Bill Stokes, American Public Transit Association

Petrochemical Users Panel:

Witnesses to be announced

Panel on Policy Alternatives:

Honorable John Sawhill, Former Administrator, Federal Energy  
Administration  
Honorable Peter Peterson, Chairman of the Board, Lehman  
Brothers, Former Secretary of Commerce

June 12, 1975

MEMORANDUM TO: THE PRESIDENT

FROM: JACK MARSH

You requested information as to what occurred in the Democratic Caucus of the Interstate and Foreign Commerce Committee.

I understand that this meeting was limited to a discussion of procedural questions relating to the Dingell energy bill when it comes to the floor with no action taken on substantive matters.

cc: DRumsfeld  
MFriedersdorf  
JOM:cb





JUN 19 1975

THE WHITE HOUSE  
WASHINGTON

June 19, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: MAX FRIEDERSDORF

*M.F.*

SUBJECT: Decontrol

John Dingell's decontrol legislation was rejected in the full House Interstate and Commerce Committee today by a vote of 21-20. Both Dingell and John Rhodes have called urging you to phone as soon as possible Congressman Matt Rinaldo (R-N.J.) to urge him to support the legislation.

According to Rhodes and Dingell, Rinaldo was the only Republican voting against the legislation and under the committee rules a motion to reconsider must be made within one day and Rinaldo, of course, would be eligible to make that motion because he voted against the bill.

Dingell said that they are working on Congressmen Santini, Hefner, and Stuckey on the Dingell side, and if we can turn Rinaldo the bill could be favorably reported.

Rhodes was incensed about Rinaldo's vote and called me from the floor to report that he had just given Rinaldo a flailing about his vote.

cc: Jack Marsh  
Don Rumsfeld

