

FOR IMMEDIATE RELEASE

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THE WHITE HOUSE
PRESS CONFERENCE
OF
FRANK ZARB,
EXECUTIVE DIRECTOR, ENERGY RESOURCES COUNCIL
JOHN R. QUARLES,
DEPUTY ADMINISTRATOR, ENVIRONMENTAL
PROTECTION AGENCY
AND
JOHN C. WHITAKER,
UNDER SECRETARY, DEPARTMENT OF THE INTERIOR

AT 3:08 P.M. EST

MR. NESSEN: In this first part, there are some things that I have to say on some related matters under the regular briefing rules -- not for filming or taping or anything -- and then we will bring out our guests and you can go on with the filming and the taping.

As you know, we had planned that Mrs. Ford would go to Martinique with her husband, the President, and she will not be going to Martinique. For the past 12 years, Mrs. Ford has had a periodic minor back problem which causes her some discomfort. Mrs. Ford's back discomfort has flared up again in the past two days after not having it for about a year and a half, and causes her some discomfort in her neck and lower back.

Dr. Lukash feels that she needs rest and suggested that she stay in Washington and continue some rather minor treatment which includes hot packs, diathermy and massage. Dr. Lukash expects that this problem will resolve itself in the next few days and that on Monday, she will resume her regular activities.

Q Ron, is the First Lady having any discomfort or trouble with the treatment that she is taking after the cancer surgery?

MR. NESSEN: No. I was going to go on to say, Tom, this is not related in any way to her operation and will not interfere in any way with the treatment she is receiving of the chemotherapy treatment.

Q Can you be more specific about the nature of the back problem?

MR. NESSEN: It is called osteoarthritis and as I say, she has had it for 12 years, although no discomfort for the last year and a half and in the last two days she has had some.

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(OVER)

That is one announcement.

Number two: some of you have expressed interest in reaction to the OPEC decision as reported in the press. Just very frankly, the only reports that the White House has received so far have been press reports and I just don't feel that we can say anything about the OPEC agreement until we have seen more details of it and can analyze it and make some specific comment on what has been reported.

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I want to give you a schedule item so you can plan a little bit ahead. On Thursday, the 19th of December, the President will go from the White House to Alexandria, Virginia-- to the railway station in Alexandria -- to participate in the official announcement ceremony of the American Freedom Train which is part of the Bicentennial Celebration.

The President is scheduled to leave the White House next Thursday at 10:30 a.m., and speak at the Alexandria railway station at about 11 o'clock.

We will post a little explanation of what the American Freedom Train is and how it fits into the Bicentennial Celebration.

We have two small personnel announcements which are being posted. One is an Assistant Secretary of Housing and Urban Development, William I. Greener, of Springfield, Virginia, and we are posting his biography; and another Assistant Secretary of Housing and Urban Development, Thomas G. Cody, of Annapolis, Maryland. Also, his biography is being posted.

Now, two announcements: The President has decided he will sign the Safe Drinking Water Act which has been passed by Congress. The President also has advised the Leadership of Congress that he cannot accept the strip mining legislation currently under consideration.

To talk to you about those two decisions, we have with us Frank Zarb, who is the Executive Director of the Energy Resources Council; John Quarles, who is Deputy Administrator of the Environmental Protection Agency; and John Whitaker, who is Under Secretary of Interior.

Q Ron, may we file on Mrs. Ford now?

MR. NESSEN: I would rather not, Walt. I think it is too confusing.

Just so you will understand why the Secretary of Interior is not here, he is out of town, but Mr. Whitaker fully represents his views.

Are people going to file or not because we will have to call. I thought I saw somebody leave.

Q Ron, one other question.

MR. NESSEN: Russ Train is also out of town, but Mr. Quarles fully represents his views.

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Q What about the departure Saturday?

MR. NESSEN: Some members of the staff may come to see him off but there is essentially no departure ceremony.

Q No statement?

MR. NESSEN: As far as I know at this moment, no.

Q One other question about pending legislation.

MR. NESSEN: Yes, Howard.

Q Has the President made a decision yet on what to do with the bill that would turn the Nixon papers back to the Government?

MR. NESSEN: No, no decision yet.

Okay. With that, Frank and Mr. Quarles and Mr. Whitaker.

MR. ZARB: I suppose you may have heard earlier today that some Members of Congress have been indicating that the President has reviewed the current status of the surface mining legislation on the Hill and has decided that if the bill gets here in its current form that he will veto it.

The purpose of this briefing is to explain the thinking behind that statement and we probably ought to explain the fact, also, that there has been an increasing amount of inquiry, both from the Hill and from the press corps, as to what is the Administration's position on this bill anyway.

The President this morning met with a number of his top advisers that relate to energy and the economy. He asked each to describe the benefits and the minuses that would be brought to bear on energy and the economy should the bill become law.

Each participant in the meeting gave a full description of the pluses and minuses as he saw it. The President had some further questions and then finally came to his conclusion. Our principal problem with the bill is really its adverse impact on domestic coal production. Let me just explain that for a moment.

We are right now at a time in a very deep national problem with respect to energy. We are in the final stages of putting together a program to solve the energy problem on an orderly short-term and long-term basis. There are a number of provisions in this bill which are terribly ambiguous and make it virtually impossible to fully calculate the impact on coal supplies.

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Now, while it may have been popular, and certainly would have made this presentation a lot easier, to have recommended to the President that he sign it, I don't think that we can, on the one hand, tell the American people that we are going to reduce our import oil levels by at least a million barrels a day in a year and at the same time, go along with legislation that we think will seriously impair our ability to get there.

Now, you know there is a direct relationship between our use of coal and our oil imports. All of our current energy requirements cannot be met by domestic sources. If we are going to make a serious dent in conservation away from imports, coal is going to have to play a mighty important role.

which I think is important is that in our deliberations for a national energy plan we see in two roles: The extent to which we can get it burned in a way that is not endagerous to health in increasing amounts, we will be able to supplement coal for imported oil. In addition to that, it is the United States insurance policy. We can't insure our oil supply because of the sizeable amounts of oil that is imported from abroad. We cannot even say that our ability to bring on nuclear power rapidly is an assured supply, but coal is there, it is under our command and we should be able to mine it and burn it with environmental restrictions and standards, both with respect to the mining aspects and to the burning aspects.

Now, let's talk about the impact of the bill. The bill is 160 pages long. We have got all kinds of experts who have been trying to study its impact. I must tell you that it is virtually impossible the way the bill is worded to come to a conclusive statement of real impact. Energy experts don't agree, the lawyers don't agree. The words in many provisions are going to be dependent upon how the courts will hold.

FEA estimates said that at the outset the impact will be as low as 14 million tons, as high as 50 million tons a year. They further predict that going into 1977 we could go as low as 48 million tons, as high as 141 million tons. Now, having said that, they also footnoted it as everyone else has, and the range of estimates that we have gotten have been in some cases lower than this and in some cases very much higher than this.

The footnote says that because of the ambiguous aspects of the bill and because we are going to go through two year or three years of making law in the courts, we have no way of saying to you -- meaning me -- that we can properly and carefully give you a planning number as we go into the development of our energy policy.

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I want to underline one other thing and then we can go to questions. I personally feel very strongly -- and I speak for my colleagues -- that we need to have surface mining legislation that will regulate all aspects of surface mining and we do intend -- we do not have a bill this session -- we do intend to submit similar legislation with our energy message next year. We want to have surface mining legislation but the legislation we want, we want to be specific and precise in its definitions of terms, in its regulatory requirements.

We want the aspects of regulation and the process to be good due process but clear as to its result.

We won't be prepared to go into all the detail. One provision of the existing bill provides for citizen suits. Now, citizen suits are a good part of a process, such as regulating this kind of activity. But this one is unique and this one says that after the party has gone through all of the regulatory aspects and has satisfied the regulators -- whoever they may be -- and the State people and so on -- has all the things satisfied and gets his license, citizen suits can still be brought to shut down the ongoing mine operation.

Now, it is our view that citizen suits should be allowed. The process should include the capability for any citizen to intervene while the operator is pursuing his permit but having satisfied all the requirements and going through all of the necessary steps, so long as nothing has changed with respect to the operation of the mine, we think that this provision would simply be unpredictable in its impact on coal production.

I think we are ready for questions.

Yes, sir?

Q Mr. Zarb, you said at the meeting this morning there was discussion about the benefit of energy in the economy. Was anybody from EPA at the meeting and what was the discussion about -- environmental damage that might occur from unregulated strip mining?

MR. ZARB: There was somebody from EPA at the meeting and I will let him speak for himself, John Quarles, the Deputy Administrator.

MR. QUARLES: Would you repeat the question?

Q At the meeting this morning, were you asked the extent of environmental damage that might be implied in the continuing lack of regulations for the next three or four years from strip mining?

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MR. QUARLES: Yes. I think it is impossible to quantify the extent of environmental damage that results or will result from the lack of regulation in any measurable terms, but it is the belief of EPA, and I think all others, that unregulated strip mining for coal does entail environmental damage.

I presented to the President, as effectively as I was able, arguments in support of the bill. At the same time, during the discussion, I recognized the arguments that were presented in regard to the potential effect of the bill in reducing possible production of coal and the judgment came by the President in regard to balancing those two. I believe that there was a fair and full presentation of the environmental adverse side in the event that no strip mining legislation is enacted immediately.

Q I have two questions on procedure and then a question on specifics.

Procedurally, how come the White House is announcing its intention to veto before the bill is all the way through Congress, number one?

Number two, does Mr. Whitaker's and Mr. Quarles' presence testify that they supported the bill and recommended it be signed or that they were against the bill? It sounded like Mr. Quarles was for the bill and recommended it be signed.

Lastly, you say that the impact will be on production and yet, by the National Coal Association's conservative figures, there are 16 billion tons of coal that have been locked up at least and not mined -- other groups put the figure over 20 billion tons -- so why all of a sudden are you so concerned about production when you have not even touched 16 billion-plus tons of coal in the West?

MR. ZARB: Well, let me handle your easy questions in order.

The first, with respect to procedure. The President asked -- and my colleagues can talk for themselves in just a moment -- asked each of us to lay out, as I said earlier, the pluses and the minuses and didn't, at the outset, ask for a vote before he got into deliberations regarding substance and each had an opportunity to speak carefully and completely.

Now, I might add that each had both his set of pluses and minuses and they were very similar.

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It was a kind of decision where you racked up all the pluses and the minuses and the goal became very close no matter how you looked at it or what your point of view was, and I think everybody in that room recognized that.

With respect to your second question, you have raised a very, very good question. Why do we stand here today after 50 years of neglect of a national energy policy? I can't answer that completely. I can say that we now, today, have to make some decisions which near-term, either in conservation or in resource development, are not going to make everybody happy. I daresay some of them are going to make everybody a little bit unhappy. I will go further to say that the decisions made near-term are probably going to have real payoff 10 or 15 years from now because we are reversing our national program that lost us our independence in the energy business and as a result, has implications with respect to national security and so on. I think that answers your questions.

Do you want to add something?

MR. WHITAKER: George, to use your last point, you say why inhibit production if there are 16 billion tons under lease? There are about 15 1/2 billion Federal tons under lease -- that is not the point, though. We have half the free world's coal supply and it is kind of like a mouse and this whole room is cheese. The point is that the biting has already started. We are talking about inhibiting present mining plans that are now in existence and so that the production cut would be very real. We can argue about how much but we are not going to argue about that there will be some.

With regard to the long-term question, I think it is a fair one. The question I would like to amplify on -- we are working right now toward a long-term leasing policy. Of the 15 billion tons now under lease, we would agree in a modern environmental age of the last five years that two to three billion of those tons, you might say, are environmental no-nos and will not be leased. About 6 billion tons are under active plans for mining by 1980 and the balance is not. It is that part that is under lease but there are no plans to mine between now and 1980 which we would characterize as speculative and unwarranted, and that is the policy we hope to direct with more due diligence provisions.

Q My point was that you are objecting to the bill on the grounds of a comparative minute 100 million tons when by your own rundown of just Federal coal -- you have not even counted the private coal -- you are talking about an untapped load of 6 billion. So the point of 100 million compared to 6 billion seems to be --

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MR. WHITAKER: I don't think the comparison is relevant. It is not how much we have, it is how much is about to be mined and is presently under mining or planned for mining is what counts and that is what the figures from 1975 to 1980 on production that will be lost, we feel, if you pass this bill.

Q And the second question was not really answered. Did you recommend signing the bill or vetoing the bill?

MR. WHITAKER: Secretary Morton recommended that the President sign the bill. His reasons were primarily that he had a great concern that he might not from the next Congress get a bill that would be more in balance, we feel, than the present bill. I concurred in that and reflected the Secretary's view.

I think the President's bottom line in this thing really boiled down to -- Look, we really have control over one of our big resources, coal. We don't really have a complete control over oil because of the Arab situation; we certainly don't over natural gas because Congress should have deregulated it some time ago to bring production up. All we have got left is coal and we don't want to restrict the options that he is going to be getting this weekend from Camp David and so on to solve this problem.

The President is willing to take on the position that is reflected, I think, through the media and the television that there is just something terrible about strip mining. Sure there is something terrible about strip mining and we want to correct it but we feel we have got to do it in a balanced way and he has to bite that bullet and he has got to make people understand the energy tradeoff when we do this. The time of Earth Day and those things is over, it is time to get this more balanced.

Q How about you, Mr. Quarles; did you recommend against it or for it?

MR. QUARLES: Let me say I think that this issue is by no means an easy issue and there are tradeoffs that are involved in balancing the energy and environmental and other considerations. President Ford asked me to address this issue from the environmental viewpoint, and from that viewpoint we recommended that the bill be signed. We recognize that there are uncertainties as to the effect that the bill will have on coal production, that there are possible ambiguities which, based on our experience under the Clean Air Act and in regard to other legislation that is extremely lengthy and complex, will in all likelihood lead to litigation and that the effects of that litigation are uncertain.

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Consequently, there is difficulty in estimating the effect of this bill with regard to future coal production. We have no independent ability within the Environmental Protection Agency to assess the likelihoods of future coal production and have not developed figures of our own as to the probable impact of this bill. We also recognized the uncertainties as to what developments will occur in the next Congress and whether it will be possible to develop legislation through the next Congress that is more precise and more carefully defined.

Certainly, however, I think it is well known that the Environmental Protection Agency is deeply concerned over the effects of unregulated strip mining and we have worked to obtain legislation that would be responsive to that need. We have some aggressive legislation which now is coming out of Congress; it is not as carefully defined as we would like but on balance from our viewpoint we recommended that the bill be supported.

I would simply say once again, as I said before, that we felt that there was a very full, free and open discussion of the issues from all viewpoints and I feel that we had an adequate opportunity to present to the President our views and the strength of those views.

Q Where have you been during the months and months that this bill has been grinding through Congress? Why weren't you able to work for a more precise bill this time?

MR. ZARB: Well, I refer you to a letter dated November 19 -- which was part of a long, long process of negotiations -- signed by Secretary Morton and sent to Congressman Udall which outlines in just about four pages just about the things that we have described here giving the ambiguous aspects of the bill which we thought needed to be tightened up so that we would have a better fix on what it meant and what it meant in production.

Q I have a couple of questions.

Q If you couldn't get the bill tightened up with this Congress, how do you expect to do it with the next Congress which on the surface is much more environmentally inclined than the President?

MR. ZARB: Those that thought the bill ought to be signed almost invariably have thought right along that the main reason for doing so was to take what we have and not take the risk of a more restrictive bill in terms of production next session.

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Q Mr. Zarb --

MR. ZARB: Let me just finish this because I think this is important.

I have said earlier and said during my confirmation hearings that if we are not prepared, and I mean this sincerely, to face up to the issues that prevail within the energy problem, or crisis or whatever you prefer to call it -- if we are not prepared to face up to what it really means and to develop a plan that we and the Congress, the environmental people and the energy people and the economic people can work together and agree on balanced solutions, it is my view that we can get the energy job done and we don't need at all to abandon our goals in the environment or to do things that are seriously going to disrupt the economy.

Q Did you recommend veto or signing in your job as EPA nominee?

MR. ZARB: I recommended to the President that he veto the bill.

Q Is this going to be an outright veto or a pocket veto?

MR. ZARB: I don't know. I am not a legislative -- I am mobile and I just don't know.

Q Mr. Zarb, could I follow up on that with just one question.

Q The bill is not here yet.

MR. ZARB: That is right, the bill is not here yet.

Q Do you have any reading from the Hill as to what the prospects for its being overridden are if he were to veto it?

MR. ZARB: I really don't know. Maybe that is being examined. I think it is important though and somebody did raise a question earlier and I didn't mean to do some fancy foot work around it, I just forgot it.

There has been a cry, Where do you stand, Administration? I think we ought to stand up and be counted when we are faced with serious legislation that is going to be a serious part of our national energy future.

Q It is kind of late in the game. Were you hoping that the whole thing would get bogged down and you would not have to veto it?

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MR. ZARB: I guess what we have been hoping right along was that the material that Secretary Morton sent to the Hill would be accommodated.

Q Mr. Zarb, on this meeting this morning can you tell us who attended the meeting and out of that group who recommended vetoing the bill apart from yourself?

MR. ZARB: Well, not only do I not know whether I am allowed to say things like that but I don't remember exactly who was there and would not be able to make sure I had everybody in, and I don't remember their votes. I really don't. I can remember one or two. I remember my colleagues here and that is why they are with me.

Q Was the preponderance of the voting in favor of vetoing? Is that how the President made up his mind, or did he decide with the minority?

MR. ZARB: Let me answer your question this way. The President asked for substance. The question of how you would go I don't think was ever specifically raised, or let's-take-a-vote type thing. The President asked each for his opinions of the benefits and the losses and in each presentation there was an implication of where that fellow or the other fellow came out.

The President made his decision based upon substance. He said, I am not prepared to make a decision which will limit the flexibility of our design of a national energy program at a time when energy and development of energy is so critical to our future. He also pointed out that we will go back with the next Congress and we will submit a surface mining bill that we think has all the protections that are in here but more precisely defines the various words and we won't have to wait for three years of litigation before all the law is made.

Q What is your estimate on coal production from all sources over the next two years in the absence of this bill and if this bill had passed, the range of it?

MR. ZARB: Okay. 750 million tons in 1977 is about a reasonable guess. I would hope that we are going to push that higher.

Q I am sorry. Is that with or without the bill?

MR. ZARB: That is without it.

I am really hopeful that in our program as we put it together and announce it shortly after the first of the year that we are going to be doing some things that can help that systematically and coincidentally with the new strip mining bill.

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Q I am sorry. What would it have been had the bill passed?

MR. ZARB: Well, the FEA estimates in 1977 say that the bill would reduce that somewhere between 48 million and 141 million tons. Now there are about four barrels of oil per ton and you can make your own equation as to how much we have to go back to imports if we had that kind of loss, but that really is not the important thing. Any strip mining bill that we have and that we will propose is going to have a loss and we are prepared to accommodate that loss.

What we want is a bill which will give us an opportunity to calculate the exact limits of that loss -- and hopefully it will be reasonable in terms of what we are all trying to achieve -- and not have a bill so open in its provisions that we could be in a position of doubling that 141 which is a possibility depending upon the courts -- how the courts will hold.

Q Mr. Zarb, is it the loss that causes the decision this way or the vagueness, the doubt about the size of the loss?

MR. ZARB: The loss at these levels -- if we could be convinced that we are talking about somewhere between 48 and 141 and maybe it will come out to 70 or 80, then I think we would say, well, that is the price we are going to have to pay for strip mining legislation, and I for one would probably be prepared to buy off on that. The problem arises when due to the language -- and we have in that letter of the 19th four good examples of categories -- depending upon how the litigation goes, we could easily double or perhaps triple that number. I don't think that is the way we ought to head into a piece of energy legislation when this nation is facing the kind of problem it is facing.

Q Just to be fair on that November 19 letter, that was sent up to the conferees after they had agreed before the recess to take up only one section; namely, the written consent. So the Administration's objections came very late in the game as the conferees noted. They said the eleventh hour and they said -- this is me talking -- that they could not take something up when they had agreed among themselves before the recess to deal with only one section.

So my question is, how do you respond to the criticism that you never addressed yourself to the bill when it was in time to be tinkered with?

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MR. WHITAKER: That is true, George. This particular letter did go out after the conference and they did not deal with any of the issues in it, they only concentrated on service consent in the conference.

I can't cite and don't have the letters in front of me but I can think of three anyway and maybe more letters that have been sent up and I would be pleased to supply you with those over the last six months or a year on that same subject. Sometimes it is not exactly the same points but some of the things we got out. I don't have them with me.

MR. ZARB: We will have copies available for you within 30 minutes.

Q Mr. Zarb --

MR. ZARB: Let me just supplement this with one other point that I felt from observing the President was influential with him in regard to the question about uncertainty.

I think there has been experience in many regulatory cases where litigation creates a delay in the administration of a regulatory program which can hold back approval of projects irrespective of their merits. It seemed to me as I observed the President reviewing the various factors presented to him that it was not so much the recognition that some loss of production would occur -- because it is recognized that there is some loss of production which should occur as a result of effective strip mine regulation -- but rather the concern that in a number of instances a bottleneck in the administration of the law where a permit would be required for new projects to be begun could hold back the initiation of the projects irrespective of their environmental merits.

Q Excuse me. Could I just return to a point about the vetoing of the bill itself.

Since the House has already acted on the bill and the Senate is expected to act tomorrow, did the President indicate that he would be willing to veto the bill and give Congress a chance to override?

MR. ZARB: We didn't get into that discussion.

Q Not at all?

MR. ZARB: Maybe somebody else has the answer, I don't have the answer.

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Q Mr. Zarb, I realize Mr. Nessen has ruled out policy comments on the OPEC decision, but given the FEA's regulations and given what you know about the 38 cent increase by OPEC, technically what does that mean so far as price is concerned in the United States?

MR. ZARB: I really don't know. We saw the report earlier today.

Q You have the information of what that sort of increase would mean in prices, do you?

MR. ZARB: I will have it to you hopefully by the end of the day. As I left the office to come down in preparation for what I knew would be some serious questioning, staff had reported what was occurring. I asked for their quick analysis, they gave me the 38 cent number. I said, is that 38 cent number clear? They said, there seems to be a difference of opinion between the producing nations and the oil companies. I said, get me an answer.

I don't know. Staff's reaction at the outset was that it was a 38 cent increase but they then backed off under some questioning as to whether they were absolutely sure that that is the way the bookkeeping would occur. So we honestly don't know and won't until we have studied all of the ramifications.

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Q Frank, you said earlier -- I don't want to hold you too closely to the individual words, but you said that -- well, you said that the strip mining legislation could interfere with the President's goal of cutting back on one million barrels per day by the end of 1975 and I draw from that the implication that you are thinking in terms of coal substituting for oil within the coming year 1975.

Now, is that the conclusion that we should draw from that?

MR. ZARB: Well, I think it is safe to say that as part of our deliberations we have examined very carefully how much coal could replace oil, particularly in the electricity generating business, over the next year, the following year and the year after.

Now, cognizant of the environmental and health requirements, and knowing of our problems of mining and transportation in existing parts of the country--where in some cases, we have coal reserves even if it was mined we could not do anything with it because we don't have the facilities to transport it -- we are convinced that there are serious limitations.

I think it is also safe to say that as the years wear on and as we move away from conventional coal -- and even during the years that we are using conventional coal and we can strike the safe environmental standard -- we are going to be using more coal and then ultimately, as we are able to liquify and gassify on an economic basis, we are going to be using a lot of coal.

So, to say that it is one of our key players in our fight to become independent again is a safe thing to say.

Q Well, I just wanted to zero in on this 1975 because you did say kind of forcefully that to tell the American people we are going to reduce the oil imports a million barrels a day in a year and at the same time, support legislation that would -- these are your words -- "seriously impair our ability to get there" -- I was wondering if you really meant that it would seriously impair our ability or was that a little excess rhetoric?

MR. ZARB: Well, this is the first time I have been accused of excess rhetoric but I think you are right. It was maybe excess but what I was really trying to say was that you just cannot talk out of both sides of your mouth in this business.

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Coal is important and if we had a strip mining bill that was certain and clear and responsive, we would have signed it and we could have planned it -- we could have put it into our plan -- we could have calculated it. But we can't sign this, on the one hand, because it happens to be popular or I could not recommend that because it happens to be popular and at the same time, tell the American people that we are going to make the kind of progress I think in making this transition away from oil imports.

Q To sum up, then your objections to the bill are on the basis of it as a threat to longer-range energy policy and not to the immediate shortage?

MR. ZARB: Yes, but don't make longer-range ten years.

Q Well, three, four years.

MR. ZARB: I am talking about the range of a two, three, four year period.

Q How do you handle that uncertainty criticism of letting another two years go by without any bill on the books? Specifically, Arnold Miller said that although he had some reservations about this strip mining bill he wanted to end the uncertainty and get on with the business of mining coal.

The American Gas Association, as represented by Congressman Udall, anyhow said it too wanted to end the uncertainty and get a less than perfect bill and get on with the job.

Now, you have vetoed a bill and it is going to take another two years and that much more uncertainty. How do you handle that?

MR. ZARB: Well, first, we have not vetoed the bill. The bill is not here, yet.

Secondly, the argument on certainty is a good one and has been raised. However, the counter to that is that these ambiguous provisions are going to lead to extended litigation and probably amendments. So, here we go again with lawsuits to define what the law really means and then amendments by the Administration to help get them clarified which can really take a long time.

What I would prefer to occur is that we build on the record that has been built in this session of Congress, we go back to the Congress in the early parts of the next session and strike an accommodation that really -- all it is saying is we want to tie down this language, we want it more precise as to what it means.

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If what it means is, in our opinion, unreasonable or too restrictive, then we will argue that point. But if it is not and it would appear that we can tie down what they and we want to accomplish and still make it unreasonable, then we have got a bill and we don't have to wait two years.

Q What is the President's position on the surface owner control and reclamation fees?

MR. WHITAKER: Well, on reclamation fees, we didn't like the 35 percent provision for surface and 25 of tax below ground. We recognized the problem of orphan lands. You would add somewhere in the order of 200, \$205 million cost, the total bill over \$300 million, but that is the largest single feature, so there was a problem with that right there.

We have testified and been in the position right from the beginning on this orphan land thing -- that it is a problem, that the country does not have the money to solve every problem that it has got and that this problem is solvable in the long-run by changes in mining technology.

You get better technology and something that is low-grade all of a sudden becomes useful. Once it becomes useful again and there is an economic interest involved and there is a company working in there, I don't think there is any chance in our new ethic that that company would ever get away without restoring that mine. No one will ever again in this country, as far as I can see, ever be able to abandon surface mines the way they have in the past.

Q So where would the litigation come in? Could you give us a few illustrations?

Q Ron, the wire services have already filed on Mrs. Ford. May those of us who want to file on that leave?

MR. NESSEN: Well --

Q Ron, Mrs. Ford's press office called the others without restrictions. That is how it came out.

MR. NESSEN: All right, you can file on Mrs. Ford.

Q Can you give us a few illustrations?

MR. QUARLES: I don't know that I can give you a great extensive number of examples. I think that he has already referred to the citizens suit provision. Do you understand that or do you want more comment on that?

Q More specifics.

MORE

MR. QUARLES: One of the other provisions, for example, relates to language in the bill that would prohibit any release of sediment from the site of the mining operation and it is widely regarded that that is a provision that cannot be literally applied. There is language, as I understand it, in the Conference Committee report reflecting a recognition that it cannot be literally applied but there still would be uncertainty as to the approach the court might take upon suit by an individual citizen.

Q Could that not have been worded in the bill so that it could have gone ahead?

MR. QUARLES: Yes, I think this is exactly the point. There is some feeling that there may be a number of provisions that could have been phrased in the bill more --

Q Why waste all that time, because we need it.

MR. QUARLES: The President does not have an opportunity to rewrite the bill, his judgment has to be up or down on the bill as it is drafted by the Congress.

Q Don't you participate on the Hill with suggestions?

MR. QUARLES: Yes, that is right.

Q Ron, I would like to ask you this. Is the President concerned that he is going to have the biggest record in history for vetoes? You know, it seems to me for a man who calls for conciliation, compromise, et cetera, he has not shown that kind of a relationship with Congress. What about all these vetoes?

MR. NESSEN: Well, the President has only vetoed or announced his intention to veto measures which he feels are not responsible, and I don't know who is keeping the record but --

Q Well, 16, isn't it?

MR. NESSEN: I have not done a count today, Helen, but the President, as I said one day before out here, is not vetoing legislation for frivolous reasons or to run up a record or to have a confrontation with Congress. I think you heard him speak yourself of his attitude of cooperation toward Congress. On the other hand, he is not going to let legislation become law which he believes is irresponsible or bad for the country.

Q Well, many things do become law even when he vetoes them so the question is, has he any spirit of compromise himself?

MORE

MR. NESSEN: I think Frank told you himself that the President vetoed this bill with reluctance. He would have preferred to sign a responsible bill that met the qualifications and that had the specific provisions in it that he favors. So he is not acting irresponsibly or in a non-cooperative manner. He wished he could have signed a surface mining bill.

Q He is not trying to pull a Truman per se to confront Congress two years from now with the -- No.

Q Was any effort made to --

MR. NESSEN: It is much more important to get responsible legislation than to build some sort of election issue.

Q Was an effort made to change Congress' mind about the mining provisions?

MR. NESSEN: I think we will provide you here shortly with at least a very small part of the record of the effort by the Administration to have some of the ambiguities cleared up so that he could sign the legislation which he wanted very much to do.

Of course you have to remember that the Administration proposed its own surface mining bill so it is not a question of not wanting any bill, it wanted a bill clearly written to take care of the problem.

Q What are the President's plans before he departs tomorrow?

MR. NESSEN: I will have to look at the schedule, Helen, but as I recall it there is some preparation time for the trip. As you know, Secretary Kissinger returns tonight in about an hour and a half so he will be spending some time with the Secretary and with the staff members and with his briefing books.

Q This evening?

MR. NESSEN: This evening and tomorrow.

Q But he has no appointments between now and tomorrow?

MR. NESSEN: Not that I know of.

Q But he is seeing Dr. Kissinger tonight?

MR. NESSEN: I have to check that, Ralph. I don't know. Tonight or tomorrow or both.

MORE

Q Did you ever get an answer to my question on the NATO jet and who will be coming along to discuss that should that come up in the bilateral?

MR. NESSEN: I have not gotten that answer, Walt.

Q Did you rule out your reaction on OPEC?

MR. NESSEN: You know, I have been out here for an hour and when I left there was nothing but news reports.

THE PRESS: Thank you.

END

(AT 4:04 P.M. EST)