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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
UPON SIGNING THE
NAVAL PETROLEUM RESERVES
PRODUCTION ACT

THE ROSE GARDEN

2:23 P.M. EST

Secretary Rumsfeld, Secretary Kleppe, Secretary Middendorf, Administrator Zarb, distinguished Members of the House and Senate:

Just over two years ago the Arab oil embargo taught the United States a lesson, that we should not be too dependent on other nations for our oil supplies. We learned all too well the high price of energy dependence, both in the terms of inflation and lost jobs.

Over a year ago, in my First State of the Union Message, I set forth goals for regaining our energy independence and a comprehensive program for achieving those goals. Shortly thereafter I submitted to the Congress my comprehensive energy independence plan, which contained specific programs to encourage conservation and increase domestic production.

One of my proposals called for development and production of our Naval Petroleum Reserve. This step is especially important because it is one action we can take to get an immediate increase in domestic oil production, thereby lessening our dependence on foreign oil.

Accordingly, today I sign into law the Naval Petroleum Reserves Production Act of 1976. This act directs the Secretary of the Navy to begin full-scale production from the two petroleum reserves in California, including Elk Hills, and one from Wyoming.

When in full production, these three reserves will provide more than 300,000 barrels of oil per day, which represents about 4 percent of what we now import daily from foreign suppliers.

The new act also makes it possible for production from the Naval reserves to contribute directly to the creation of strategic petroleum reserve authorized in the Energy Policy and Conservation Act, which I signed into law December 22, 1975.

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Once established, the strategic reserve will provide both a deterrent to future embargoes and a significant means to offset the effects of any future supply interruption. The strategic reserve will permit us to have needed petroleum much more readily available in case of emergency for our Armed Forces and other critical national needs.

The act also redesignates the Naval Reserve in Alaska as a Naval Petroleum Reserve to be managed by the Department of the Interior.

This act is a very important step toward reversing our declining domestic oil production, but other steps obviously must be taken.

Eighteen major energy proposals still await Congressional approval on Capitol Hill. I strongly urge the Congress to move ahead on these additional initiatives so that as we celebrate our 200th year of independence, we take an affirmative action toward achieving energy independence as well.

END (AT 2:26 P.M. EST)