The original documents are located in Box 8, folder "Energy - President's Program (2)" of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.

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WASHINGTON

February 15, 1975

MEMORANDUM FOR:

JACK MARSH

MAX FRIEDERSDORF

FROM:

CHARLES LEPPERT, JR.

SUBJECT:

Format for Dingell Hearings on the President's Energy Program February 17, 1975

The format for the Dingell hearings on the President's Energy Program on Monday, February 17, 1975, subject to last minute changes, will be as follows:

- The hearings will commence at 10:00 a.m., Monday, February 17, 1975 (1) in Room 2123 Rayburn House Office Building.
- Chairman John Dingell will open the hearings with an opening statement (2) on the purpose of the hearings, etc.
- The Administration witness panel consisting of Alan Greenspan, Frank (3) Zarb, and Tom Enders will each proceed with a statement on the President's energy program, its implication and impacts of approximately ten (10) to fifteen (15) minutes duration and respond to questions from Members as a panel.
- Mr. Greenspan will be excused at approximately 12 o'clock noon to (4) 12:30 p.m.
- Mr. Zarb and Mr. Enders should be prepared to return after a luncheon (5) break to resume the hearings at 2 p.m.
- Mr. Simon is expected to present his testimony upon arrival between (6) 2 - 2:30 p.m. and respond to questions of Members along with Mr. Zarb and Mr. Enders as a panel.
- ABC-TV will provide television coverage of the hearings on Monday, (7) February 17th in addition to other media coverage.

(8) I am advised that the Enders article "Agreement to Share Oil In New Cutoff Defended" appearing in the Washington Post, Saturday, February 15th will provoke some questions from Members.

cc: Secretary Morton
Secretary Simon
Asst. Sec. Tom Enders
Chairman Greenspan
Administrator Zarb

W.H. - Seidman
Cavanaugh
Loen
Schleede

WASHINGTON

February 15, 1975

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- Mr. Zarb and Mr. Enders should be prepared to return after a luncheon (5) break to resume the hearings at 2 p.m.
- (6) Mr. Simon is expected to present his testimony upon arrival between 2 - 2:30 p.m. and respond to questions of Members along with Mr. Zarb and Mr. Enders as a panel.
- (7) ABC-TV will provide television coverage of the hearings on Monday, February 17th in addition to other media coverage.

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cc: Secretary Morton
Secretary Simon
Asst. Sec. Tom Enders
Chairman Greenspan
Administrator Zarb

W.H. - Seidman
Cavanaugh
Loen
Schleede

February 18, 1975

TO:

VERN LOEN

VEHARLES LEPPERT

MIKE DUVAL

FROM:

Glenn Schleede

Attached for your information.

cc: Eric Fygi

Jim Rubin

Referred to Commence Conte (House) as the Oficial Execution



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

February 10, 1975

OFFICE OF THE ADMINISTRATOR

Dear Mr. Speaker:

On January 30, 1975, the President transmitted to the Congress a proposed omnibus energy bill -- the Energy Independence Act of 1975. Included within this proposed omnibus bill are several amendments to the Clean Air Act.

It has been brought to my attention that during the final stages of preparation of this omnibus bill for transmittal to the Congress, certain material was inadvertently left out of the final package. Attached is the material which should be placed in the omnibus bill at the appropriate point in Title V - Clean Air Act Amendments of 1975, Section 503-Automobile emission standards.

Sincerely yours,

/s/ Russell E. Train

Russell E. Train Administrator

Honorable Carl Albert Speaker of the House House of Representatives Washington, D.C. 20505

Enclosure

ATTACHMENT

'(d) Section 202(b)(1)(B) is further amended to delete the fourth sentence and insert the following in lieu thereof:

"The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1977 through 1981, inclusive, shall contain standards equivalent to the emission standards for this pollutant that apply to new vehicles and engines offered for sale in all of the States (except California) during the model year 1975."

RED TAG

THE WHITE HOUSE

WASHINGTON

February 20, 1975

MEMORANDUM FOR:

MAX FRIEDERSDORF

THRU:

VERN LOEN

FROM:

CHARLES LEPPERT, JR. 25.

SUBJECT:

Proposed Ullman - Committee on Ways and Means Energy Hearings

John Meagher called to state that Al Ullman is planning two (2) weeks of panel hearings on the total energy situation starting March 3 or 10. No public announcement has been made of these panel hearings yet. Administration witnesses will not be asked to testify until after the panels have been heard by the Committee. The panel hearings will be televised but no decision has been made on live television.

Meagher has asked me to supply him with a list of non-administration witnesses who can testify on all aspects of the energy situation by noon, Friday, February 21st, who are favorable to the President's energy program and can rebut the testimony of panelists called by Ullman and the Majority in opposition to the President's energy program. Meagher has asked that we not publicize our assistance so that it does not appear that the Administration has named the witnesses to be called by the Committee Minority.

Do we have names of non-administration people who assisted in putting the President's energy program together who could fill this role?

I have asked Duval, Schleede and Eric Zausner for this information.

WASHINGTON

February 20, 1975

MEMORANDUM FOR:

GLENN SCHLEEDE

THRU:

MAX FRIEDERSDORF

VERN LOEN

FROM:

SUBJECT:

CHARLES LEPPERT, JR.

Omission of Sec. 503(d) auto emission

standards from the Omnibus Energy

Bill - H.R. 2650

The House Parliamentarian informs me that the Train letter to the Speaker on the omission of section 503(d) has been referred to the House Interstate Committee as an official Executive Communication.

In addition, I have checked this with Dennis Taylor, Mr. Rhodes legislative assistant who states that section 503(d) should have been printed in the Rhodes bill H. R. 2650. Both Taylor and the House Parliamentarian have requested the official papers to determine if it is a GPO printing error.

I have just received word that Mr. Rhodes is requesting that H.R. 2650 be reprinted inserting Sec. 503(d) which was left out of the original printing of the bill inadvertently by GPO.

New Section 503(d) - to be inserted on p.49

(d) Section 202(b)(1)(B) is further amended to delete the fourth sentence and insert the following in lieu thereof:

"The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light duty vehicles and engines manufactured during model years 1977 through 1981, inclusive, shall contain standards equivalent to the emission standards for this pollutant that apply to new vehicles and engines offered for sale in all of the States (except California) during the model year 1975.

WASHINGTON

February 22, 1975

MEMORANDUM FOR:

JOHN O. MARSH

MAX L. FRIEDERSDORF

THR U:

VERN LOEN

FROM:

DOUGLAS P. BENNETT

SUBJECT:

President's Energy Plan

During a conversation with Chuck Wiggins yesterday, he gave me an actual example of how the President's energy conservation plan actually worked for a California family.

A Los Angeles Times reporter, who had gasoline credit cards for himself and his family, had figured out the actual amount of gasoline consumed each month. He took his wife's credit cards away and gave her a like amount each month. He found that because she was making a free economic choice she elected to spend less on gasoline and reduced the gasoline consumption by 1/3 thus spending the money on other things of her choice.

This strikes me as a very interesting example on how the President's program can work and it might be useful for public use sometime in the future.

WASHINGTON

February 24, 1975

MEMORANDUM FOR: JOHN O. MARSH

THRU:

MAX FRIEDERSDORF

VERNON LOEN

FROM:

CHARLES LEPPERT, JR.

SUBJECT:

Report on Dingell 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

WASHINGTON

February 24, 1975

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VERNON LOEN

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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 witnesss list is attached.

(MORES)

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:

Garry DEXoss

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

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 Pater Peterson, Chairman of the Board, Lehman Brothers, Former Secretary of Commerce

WASHINGTON

Charlie --

Mike Duval's office called to say that there will be a meeting today - 2/12/75

> Ken Cole's Office - 2nd Flr. West Wing 11:30 a.m. - brief meeting - about 15 minutes

Subject - Dingell Hearings

Participants - Ken Cole

Jim Cavanaugh - P

Frank Zarb - P

Wm. Seidman -P

Mike Duval - P

GUENN SCHERME P

Duval wants you to extend an invitation to Max Friedersdorf to attend the meeting. CAM. LEPISTER -P.

Neta 2/12/75

FOR 2-17-75

ZARB - FOR

HICKARD - GALDNER - TRBY - ED FIEDLER

ENDERS - STATE



WASHINGTON

February 11, 1975

MEMORANDUM FOR:

JACK MARSH

MAX FRIEDERSDORF

THRU:

VERN LOEN

FROM:

CHARLES LEPPERT, JR.

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 Regulation 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-C10 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, SOCMA

- Auto Users
Manufacturers
AAA
Agri Business

DINGELL HEARINGS

Date (Feb.)

Committee Action

Administration Response

Monday, 17th

Administration witnesses

- ° Define energy problems
- Opening specific need for immediate action. Include international implications and national defense argument.
- Goal to find exactly why 1,000,000 barrels a day in '75 and 2,000,000 barrels in '77.
- Briefly cover how President's program solves entire problem and why it must hang together as a total package.
- ° Cover decontrol on April 1. Be prepared to respond as to whether or not the President will do this or will he compromise.

Tuesday, 18th

Panel of economists

- Basic thrust of testimony will be that the President's program does not make economic sense, will be deflationary, will be inflationary and will severely hurt the poor, etc.
- Have Greenspan join the panel as a witness.
- Try to get private economists on panel also, such as George Schultz.
- O Have white paper prepared on "ripple effect", impact on income levels, etc.

Date	(F	eb.	.)
Weds	٠,	19t	h
Thur	s.,	20)t

Committee Action

Administration Response

No hearings scheduled

Have major Administration PR event to make the following arguments:

- ° Labor and consumers are pro-. tected under President's plan compared to other plans.
- ° Utility companies will be taken care of.
- ° State and local governments taken care of.
- ° Transportation and energy intensive users taken care of.

0th

- Labor and consumer panel. AFL-CIO, Woodcock and Lee White.
- Utilities panel.
- Energy producers panel (Ikard, Bagge, and somebody from the independents)
- Industrial consumers' panel

Refer to announcements of preceeding day and have sympathetic Congressman or Senator rebut point by point, preferably during the Committee hearings.

Date (Feb.)

Committee Action

Fri., 21st

- State governors
- Mayors and county executives
- ° Transportation
- o Petrochemical

Administration Response

- Consider having Governor Edwards at the White House for meeting or to meet with Morton.
- Get a strong statement by key airline presidents to undercut the transportation argument.

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 Regulation 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-C10 Leonard Woodcock, UAW Lee White, Consumer Federation of America

- Utilities Panel

Thomas J. Galliaan, 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. Briccoe 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, SOCMA

- Anto Users Manufacturers AAA

John a. Jack March Mens for Them Max I C.C. Leppert, Jr. Frau: Report on Dingell Heerings on the President's Every program. bulget: The information contained in their Kearings + are rejusted to the fanel youradministration Pevel The fences conservers was that the administ ration and present a strong case for it energy program. Aprinting mentioned as the xiain question sprengerely, the adminest whim welver he failed to establish a lace on clase out requirement for the keed to reduce ail imports by one million barrels ger day by the endy 1975 + by two mullion barries Jefre the end of 1977. The to reduce unforts + the harmes peculty eyon got was but noch will. More suprimeting need to be propled to the subcommetter specifically I Chart requested by Key. Weing Howing the actions required by the Recedent's lacy, fer from for each different energy forme + cts impact on the learning to energy somme on a year by yen huis. Economist fame In general the fame of there (3) femounts

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THE WHITE HOUSE

	Date: 2.20.13
TO:	Chan. Lepant
FROM:	Max L. Friedersdorf
For Y	our Information
Pleas	e Handle
Pleas	e See Me
Comme	ents, Please

THE WHITE HOUSE

Max:

Does Charlie have any feedback on Dingell hearings?

Jack

SUBJECT:

THE WHITE HOUSE

WASHINGTON

February 15, 1975

MEMORANDUM FOR:

CHARLES LEPPERT, JR.

FROM:

Format for Dingell Hearings on the President's Energy Program

February 17, 1975

The format for the Dingell hearings on the President's Energy Program on Monday, February 17, 1975, subject to last minute changes, will be as follows:

- (1) The hearings will commence at 10:00 a.m., Monday, February 17, 1975 in Room 2123 Rayburn House Office Building.
- (2) Chairman John Dingell will open the hearings with an opening statement on the purpose of the hearings, etc.
- (3) The Administration witness panel consisting of Alan Greenspan, Frank Zarb, and Tom Enders will each proceed with a statement on the President's energy program, its implication and impacts of approximately ten (10) to fifteen (15) minutes duration and respond to questions from Members as a panel.
- (4)Mr. Greenspan will be excused at approximately 12 o'clock noon to 12:30 p.m.
- (5) Mr. Zarb and Mr. Enders should be prepared to return after a luncheon break to resume the hearings at 2 p.m.
- (6) Mr. Simon is expected to present his testimony upon arrival between 2 - 2:30 p.m. and respond to questions of Members along with Mr. Zarb and Mr. Enders as a panel.
- (7) ABC-TV will provide television coverage of the hearings on Monday, February 17th in addition to other media coverage.

•(8) I am advised that the Enders article "Agreement to Share Oil In New Cutoff Defended" appearing in the Washington Post, Saturday, February 15th will provoke some questions from Members.

cc: Secretary Morton
Secretary Simon
Asst. Sec. Tom Enders
Chairman Greenspan
Administrator Zarb

W.H. - Seidman
Cavanaugh
Loen
Schleede

THE WHITE HOUSE

WASHINGTON

February 24, 1975

MEMORANDUM FOR: JOHN O. MARSH

THRU:

MAX FRIEDERSDORF

VERNON LOEN 🖊 🦶

FROM:

CHARLES LEPPERT, JR.

SUBJECT:

Report on Dingell 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 witnesss list is attached.

(MORGE)

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:

Yarry DELoss

Lee White, Consumer Federation of America

Cary DeLoss, Public Interest Research Center
Witness to be announced - Farm Bureau

Jim Cubie, Congress Watch

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 Pater Peterson, Chairman of the Board, Lehman Brothers, Former Secretary of Commerce Dear Mr. Schener:

Here as requested is a copy of the slide presentation that the President delivered this morning for the Democratic freshmen.

It was nice visiting with you there and I hope the meeting was deemed mutually boneficial.

With kind personal regards, I am

Sincerely yours,

Verson C. Loen Depoty Assistant to the President

Heborable James Scheuer House of Representatives Washington, D. C. 20515

VCL:vh

dlvd. messenger



CRITERIA FOR THE ENERGY PROGRAM

- 1. CONSERVATION
- 2. DEVELOPMENT OF NEW SOURCES OF ENERGY
- 3. NATIONAL SECURITY
- 4. EQUITABLE APPLICATION OF PROGRAM ON A NATIONWIDE BASIS

WHY AN ENERGY CRISIS?

- 1. INCREASED CONSUMPTION
- 2. DEPLETION OF RESOURCES
- 3. INCREASED IMPORTS
- 4. LOSS OF U.S. SURPLUS IN LATE 60's
- 5. GROWTH OF A CARTEL

RESULT: U.S. LOST CAPACITY TO SET

WORLD PRICE OF CRUDE.

OIL DOLLAR OUTFLOW

1970 -- $3\frac{1}{2}$ BILLION

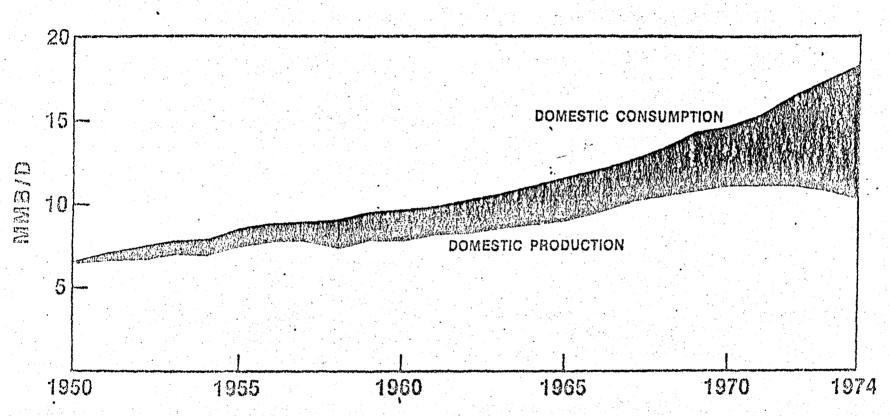
1974 -- 25 BILLION

1977 -- 32 BILLION

PRESENT U.S. DEPENDENCE FOREIGN

OIL -- 38%

PETROLEUM TRENDS



ENCOURAGE ENERGY CONSERVATION

- 1. IMPORT FEES (BY PRESIDENTIAL ORDER)
- 2. EXCISE TAX AND IMPORT FEE ON OIL (CONGRESSIONAL ACTION)
- 3. EXCISE TAX ON NATURAL GAS (37 CENTS
 PER THOUSAND CUBIC FEET
- 4. PUBLIC EDUCATION

ENCOURAGE DOMESTIC ENERGY PRODUCTION

- 1. NEW NATURAL GAS DEREGULATION
- 2. CRUDE OIL PRICE DECONTROL
- 3. ELK HILLS NAVAL PETROLEUM
- 4. CONVERSION TO THE USE OF DOMESTIC COAL
- 5. ALASKA AND OFF-SHORE SOURCES

RETURN OF \$30 BILLION

- 1. \$16.5 BILLION INDIVIDUAL TAX CUTS
- 2. \$2 BILLION TO NON-TAXPAYERS (\$80 PAYMENT)
- 3. \$0.5 BILLION HOME INSULATION TAX CREDIT
- 4. \$6 BILLION CORPORATE TAX CUT (DROP RATE 48% TO 42%)
- 5. \$2 BILLION TO STATE AND LOCAL GOVERNMENT
- 6. \$3 BILLION FEDERAL COST OFFSET

TOTAL: \$30 BILLION

RATIONING

- 1. FIVE TO TEN YEAR PROGRAM
- 2. 30% LESS GAS FOR INDIVIDUALS (9 GALLONS
 PER LICENSED DRIVER A WEEK)
- 3. 10% LESS FOR BUSINESS
- 4. BUREAUCRATIC AND COSTLY
- 5. NO DEVELOPMENT OF NEW SOURCES

TOTH DISTRICT, MISHIGAN

WASHINGTON OFFICE:
ROOM 2210, RAYBURN HOUSE OFFICE BLDG,
WASHINGTON, D.C. 20515

DISTRICT OFFICE:
4917 SCHAEFER ROAD
DEARBORN, MICHIGAN 48126

Congress of the United States House of Representatives Washington, D.C. 20515

materia (mass)
INTERSTATE AND FOREIGN
COMMERCE

CHÁIRMAN, SUBCOMMITTEE ON ENERGY AND POWER SMALL BUSINESS

CHAIRMAN, SUBCOMMITTEE ON ENERGY AND ENVIRONMENT
MERCHANT MARINE AND FISHERIES
MIGRATORY BIRD
CONSERVATION COMMISSION

March 5, 1975

IN BODY

HEARINGS BEFORE THE SUBCOMMITTEE ON ENERGY AND POWER HONORABLE JOHN D. DINGELL

Mr. Speaker, in February the President's omnibus energy bill-the Energy Independence Act of 1975, was assigned to Committee. Nine of
the thirteen separate titles of this comprehensive package were assigned
to the Committee on Interstate and Foreign Commerce.

In this Congress our Committee has formed a new Subcommittee on Energy and Power in order to give focus to our decisionmaking responsibilities on energy policy matters. As Chairman of that Subcommittee, I want to take this opportunity to assure my colleagues in the House that I will commit my full capacities to move expeditiously and bring legislative recommendations to this Floor in the very near future.

To gain an understanding of the dimensions of our energy difficulties and to give focus to our deliberations, the Subcommittee during the week of February 17 held hearings on the President's energy proposals. Our task was to identify the underlying goals of the program, to evaluate the means selected to accomplish these goals, and to take the economic measure of the policies to which this Congress has been asked to accede. These matters were explored in thirty hours of intense review of the President's program concentrated in four days of hearings.

We discovered in these proceedings that great controversy attends the energy policy decisions made by the President. But perhaps the most dominant point made by all witnesses is that energy policy is inextricably linked with economic policy. Decisions in one area hold considerable implications for the other.

The development of a rational, cohesive energy policy, therefore, must necessarily be linked to tax policy and strategems for pulling this nation out of its recessionary spiral.

In recognition of this interrelationship, my good fillend and colleague, Chairman Ullman of the Ways and Means Committee, and I propose to commit our Committees to a parallel course of action for the purpose of developing a cohesive and comprehensive energy program.

For my part, I intend to once again convene the Subcommittee on Energy and Power beginning the week of March 10 for a series of concentrated hearings to stretch over a two-week period. The Committee will invite testimony from a number of balanced panels on the subject of Federal and state allocation and price regulation of natural gas, coal, and petroleum and its products. We will also examine various proposals to equip the President and other agencies of the Federal government with emergency powers.

Our purpose will be to draft legislation which responds to our most pressing and immediate needs. Although the focus of this legislation will be in the near term, it will necessarily provide the dimension for future long range energy policy decisionmaking.

Toward that end, I also intend to convene the Energy and Power Subcommittee beginning the week of March 24 for the purpose of defining the policy parameters of legislation to be drafted by the staff during the

Easter Recess. In giving legislative form to the Subcommittee's policy decisions, committee counsel will be instructed to work with the staff of the Ways and Means Committee to assure to the maximum extent practicable consistency with the tax policy decisions of that Committee. It will be our purpose to bring legislation to the Floor by mid or late April to be combined with the legislative recommendations of the Ways and Means Committee into a comprehensive energy package.

The Subcommittee at the earliest opportunity thereafter will begin consideration of proposals related to the price regulation of electric utilities and siting of energy facilities--Titles VII and VIII of the Administration's bill and related proposals. These hearings are tentatively schedules to commence the week of April 28.

Let me make the record clear on another matter. Although the Energy and Power Subcommittee will invite testimony on the subject of price regulation of natural gas, I am not committed to an effort to bring legislation to the Floor addressing the subject of natural gas price deregulation. As my colleagues know, this is a matter of great controversy and one I have for some time opposed. I will not burden this record with my reasons for doing so in the past, but I believe them to be cogent and still applicable.

I want to emphasize I have held many discussions with Chairman Ullman of the Committee on Ways and Means. It is our intention to work closely together as our two committees draft legislation within respective jurisdictions on the subject of energy.