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STATEMENT OF FRANK G. ZARB
ADMINISTRATOR
FEDERAL ENERGY ADMINISTRATION

Before the
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
SUBCOMMITTEE ON ENERGY AND POWER
UNITED STATES HOUSE OF REPRESENTATIVES

Friday, January 23, 1976

T-76-022

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MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I AM PLEASED TO APPEAR BEFORE YOU TODAY TO DISCUSS THE LONG-TERM SOLUTION TO THE NATURAL GAS SUPPLY PROBLEM. SPECIFICALLY, I HAVE BEEN ASKED TO COMMENT ON FOUR LEGISLATIVE PROPOSALS WHICH ADDRESS THE ISSUES OF PRICE AND AVAILABILITY OF NATURAL GAS IN THE FUTURE -- TITLE II OF S. 2310, INTRODUCED BY SENATORS PEARSON AND BENTSEN AND PASSED BY THE SENATE IN AMENDED FORM ON OCTOBER 22 BY A 58-32 VOTE; H.R. 11265, INTRODUCED BY REPRESENTATIVE KRUEGER; H.R. 9159, INTRODUCED BY REPRESENTATIVE FRASER; AND H.R. 11047 INTRODUCED BY REPRESENTATIVE BROWN OF OHIO.

BEFORE I DISCUSS THE PROVISIONS OF THESE BILLS, I WOULD LIKE TO SAY AGAIN, AS THE ADMINISTRATION HAS SAID MANY TIMES BEFORE, THAT IT IS EXTREMELY IMPORTANT TO TAKE IMMEDIATE ACTION ON THIS VITAL ISSUE. WITH EACH DAY THAT PASSES WITHOUT CONGRESSIONAL ACTION ON THE DEREGULATION ISSUE, THIS NATION'S NATURAL GAS SUPPLY OUTLOOK WORSENS. WE BELIEVE THE CONGRESS'S DECISION ON THIS ISSUE WILL LARGELY DETERMINE WHETHER THIS NATION WILL FACE A COMING DECADE OF ADEQUATE NATURAL GAS SUPPLY OR INCREASINGLY DISRUPTIVE SHORTAGES. BECAUSE LEGISLATIVE ACTION ON NATURAL GAS WELLHEAD PRICE DEREGULATION HAS BEEN DEFERRED FAR TOO LONG, THE NATION NOW

FACES MOUNTING SHORTAGES OF NATURAL GAS.

AMERICA'S NATURAL GAS PRODUCTION PEAKED IN 1973 AND IS NOW DECLINING FASTER THAN OUR DOMESTIC OIL PRODUCTION. SINCE 1968, OUR HOMES, BUSINESSES AND INDUSTRIES HAVE BEEN CONSUMING MORE NATURAL GAS EACH YEAR THAN OUR PRODUCERS HAVE BEEN ADDING TO RESERVES. CURRENT PROVED RESERVES, EXCLUDING ALASKA, NOW STAND AT 205 TRILLION CUBIC FEET, THE LOWEST LEVEL SINCE 1952. NATURAL GAS CURTAILMENTS WHICH FIRST APPEARED ON THE NATIONAL SCENE SIX YEARS AGO, HAVE NOW GROWN INTO A SERIOUS NATIONAL ENERGY PROBLEM. IN 1970, INTERSTATE PIPELINE CURTAILMENTS WERE 0.1 TCF, OR LESS THAN ONE PERCENT OF CONSUMPTION, AND A NORMALLY COLD WINTER THIS YEAR COULD HAVE INCREASED ANNUAL CURTAILMENTS TO AS MUCH AS 2.9 TCF, OR 15 PERCENT OF DELIVERY TO END USERS.

AS MEMBERS OF THIS COMMITTEE ARE AWARE, INTERSTATE PIPELINE CURTAILMENTS ARE MERELY A ROUGH ESTIMATE OF THE MEASURE OF THE NATURAL GAS SUPPLY PROBLEM. TO OBTAIN A MORE ACCURATE VIEW OF THE PROBLEM, THE FEDERAL ENERGY ADMINISTRATION (FEA), IN CONJUNCTION WITH THE FEDERAL POWER COMMISSION (FPC) CONDUCTED A DETAILED SURVEY LAST SUMMER OF 1700 NATURAL GAS COMPANIES IN THE NATION WHICH DELIVER GAS TO END USE CUSTOMERS.

FEA'S LATEST UPDATE OF THIS SURVEY DATA SHOWS CURTAILMENTS BY DISTRIBUTORS IN THOSE 21 KEY STATES AT 1.03 Tcf FOR THE CURRENT HEATING SEASON. THIS IS 140 BILLION CUBIC FEET GREATER THAN LAST WINTER. NATIONWIDE, THE GAS SUPPLY OUTLOOK HAS IMPROVED FROM EARLIER PROJECTIONS, LARGELY DUE TO THE WARM, DRY WEATHER THE NATION EXPERIENCED IN NOVEMBER AND EARLY DECEMBER WHICH REDUCED DEMAND FOR NATURAL GAS, PROPANE AND FUEL OIL. EMERGENCY SALES OF NATURAL GAS PERMITTED UNDER FPC REGULATIONS HAVE ALSO HELPED BY REDISTRIBUTING GAS SUPPLIES FROM SURPLUS TO SHORTAGE AREAS.

BUT EVEN WITH THIS IMPROVEMENT, THE LONG-RANGE TREND IS TOWARD INCREASING CURTAILMENT, WITH OUR ONLY PROTECTION FROM POTENTIAL ECONOMIC DISRUPTION THIS WINTER AND NEXT BEING A CONTINUATION OF REDUCED DEMAND DUE TO WARM WEATHER. EARLIER THIS MONTH, A SEVERE COLDSPELL IN SEVERAL STATES RESULTED IN TEMPORARY INDUSTRIAL SHUT-DOWNS AND SCHOOL CLOSINGS. AND WE ARE NOT THROUGH THE WINTER YET -- FURTHER COLD WEATHER CAN STILL CAUSE THE ADVERSE DISRUPTIONS FROM WHICH WE HAVE BEEN SPARED TO DATE. SURELY, THIS NATION MUST NOT TOLERATE A SITUATION WHERE THE CONTINUED AVAILABILITY OF SO VITAL A FUEL AS NATURAL GAS MUST DEPEND ON THE VAGARIES OF THE WEATHER.

PRODUCTION OF NATURAL GAS PEAKED IN 1973 AT 22.6 Tcf AND DECLINED BY APPROXIMATELY 5 PERCENT IN 1974 TO 21.6 Tcf. ACCORDING TO PRELIMINARY BUREAU OF MINES AND FEA ESTIMATES FOR 1975, PRODUCTION IS ESTIMATED TO HAVE DECLINED AT A RATE

OF CLOSE TO 7 PERCENT. THIS SITUATION COULD JEOPARDIZE OUR CONTINUED ECONOMIC RECOVERY AND FUTURE ECONOMIC VITALITY. THEREFORE, THE DECREASE IN DOMESTIC SUPPLY FROM 22.6 TCF IN 1973 TO 21.6 TCF IN 1974 IS EQUIVALENT TO 500,000 BARRELS OF OIL PER DAY, A TOTALLY UNACCEPTABLE INCREASED DEPENDENCE UPON NON-DOMESTIC SOURCES. AND WE SEE A WORSE DETERIORATION IN OUR 1975 PRELIMINARY FIGURES.

IN HIS STATE OF THE UNION MESSAGE ONE YEAR AGO, PRESIDENT FORD PROPOSED THE DEREGULATION OF NEW NATURAL GAS AS A LONG-RANGE SOLUTION TO OUR NATURAL GAS PROBLEM. WE BELIEVED THEN, AND WE STILL BELIEVE TODAY, THAT DEREGULATION CAN IMPROVE THE NATURAL GAS OUTLOOK IN THREE SIGNIFICANT WAYS: FIRST, BY PROVIDING THE ECONOMIC INCENTIVE FOR PRODUCERS TO DEVELOP NEW AND ADDITIONAL GAS SUPPLIES FROM THE OUTER CONTINENTAL SHELF (OCS), FROM ALASKA AND FROM TIGHTER, DEEPER ONSHORE FORMATIONS. SECONDLY, BY ENCOURAGING MORE EFFICIENT NATURAL GAS USAGE, AS THE PRICE IS ALLOWED OVER TIME TO REFLECT THE TRUE ECONOMIC VALUE OF THIS CLEAN-BURNING FUEL. AND, THIRDLY, BY GRADUALLY ELIMINATING THE CURRENT PRICE DISPARITY BETWEEN THE INTERSTATE AND INTRASTATE GAS MARKETS WHICH NOW DISTORTS OUR NATURAL GAS DISTRIBUTION.

LET ME GIVE YOU AN EXAMPLE OF THE BENEFITS OF DEREGULATION. IN PRELIMINARY FIGURES FROM A PROJECT INDEPENDENCE UPDATE, FEA PROJECTS, FOR 1985, GROSS MARKETED PRODUCTION OF 17.9 TCF UNDER CURRENT REGULATIONS AND 22.3 TCF UNDER DEREGULATION, AND NET MARKETED PRODUCTION OF 15.9 AND 20.0 TCF RESPECTIVELY. THAT DIFFERENCE IS THE EQUIVALENT OF OVER 2 MILLION BARRELS OF OIL PER DAY. ADMITTEDLY, THERE WOULD BE A SLIGHTLY HIGHER FUEL BILL TO PRESENT DAY GAS USERS UNDER DEREGULATION BUT THAT WOULD BE MORE THAN OFFSET BY THE GREATLY INCREASED DOMESTIC GAS PRODUCTION AND REDUCED NEED OF IMPORTS.

ANOTHER EXAMPLE IS THE EFFECT DEREGULATION WOULD HAVE ON THE INTERSTATE MARKET. WITHOUT DEREGULATION, WE PROJECT FOR 1985 9.3 TCF IN THE INTRASTATE MARKET AND 6.6 TCF IN THE INTERSTATE MARKET. HOWEVER, WITH DEREGULATION THE SHIFT IS DRAMATIC: 7.9 TCF IN THE INTRASTATE AND 12.1 TCF IN THE INTERSTATE MARKET; AN INCREASE OF 5.5 TCF IN THE INTERSTATE MARKET.

WHILE A MAJOR SYNTHETIC FUELS PROGRAM CAN INCREASE LONG-TERM GAS SUPPLIES SOMEWHAT, THE DECREASE IN PRODUCTION WE HAVE SEEN SINCE 1973 IS PROJECTED TO CONTINUE UNLESS ACTION IS TAKEN BOTH FOR CONSERVATION AND TO PROVIDE NEEDED INCENTIVES FOR ADDITIONAL EXPLORATION, DEVELOPMENT AND PRODUCTION.



THE ADMINISTRATION'S CONCERN WITH GROWING NATURAL GAS CURTAILMENTS PROMPTED PRESIDENT FORD TO ORDER THE CREATION OF A SPECIAL INTERAGENCY NATURAL GAS TASK FORCE UNDER THE DIRECTION OF THE FEA. THE TASK FORCE IS RESPONSIBLE FOR COORDINATING THE FEDERAL GOVERNMENT'S ACTIVITIES RELATING TO GAS SHORTAGES. SINCE ITS INCEPTION LAST SEPTEMBER, IT HAS SUPERVISED THE COLLECTION AND PUBLICATION OF DATA ON NATURAL GAS DISTRIBUTOR CURTAILMENTS, PROVIDING DATA ASSISTANCE TO STATE ENERGY OFFICES. IT HAS ALSO PUT INTO PLACE A NETWORK OF REGIONAL REPRESENTATIVES TO MONITOR THE GAS SUPPLY OUTLOOK AT THE LOCAL LEVEL AND REPORT BACK TO WASHINGTON ANY PROBLEMS WHICH MAY DEVELOP. IN ADDITION, THE TASK FORCE HAS WORKED CLOSELY WITH THE FPC, PROVIDING INFORMATION ON ALTERNATE FUELS, AND WITH THE DEPARTMENT OF COMMERCE IN THEIR INDUSTRIAL CONSERVATION EFFORT. HOWEVER, EVEN WITH OUR EFFORTS TO ENCOURAGE CONSERVATION AND CONSUMERS' IMPROVING ATTITUDES TOWARDS DOING SO, THE PROBLEM IS FAR FROM BEING SOLVED. UNLESS CONGRESS ACTS NOW, THIS NATION CAN ANTICIPATE AN UNENDING SUCCESSION OF WINTERS MARKED BY EVER-INCREASING SHORTAGES AND POTENTIAL ECONOMIC DISLOCATION.

CLEARLY, THE SOLUTION TO THE PROBLEM IS THE IMMEDIATE DEREGULATION OF THE WELLHEAD PRICE OF NEW NATURAL GAS. THE LEGISLATION INTRODUCED BY SENATORS PEARSON AND BENTSEN AND REPRESENTATIVE KRUEGER ILLUSTRATE A VIABLE DEREGULATION PLAN WHICH WILL TURN THE TIDE OF INCREASING SHORTAGES AND ARE SUPPORTED BY THE ADMINISTRATION.

TITLE II OF S. 2310 AS PASSED BY THE SENATE WOULD DEREGULATE THE WELLHEAD PRICE OF ONSHORE NEW NATURAL GAS ON APRIL 4, 1976. NEW NATURAL GAS IS DEFINED AS GAS FIRST DEDICATED TO INTERSTATE COMMERCE ON OR AFTER JANUARY 1, 1975 OR GAS PRODUCED FROM A RESERVOIR DISCOVERED OR EXTENDED ON OR AFTER JANUARY 1, 1975. OFFSHORE GAS WOULD BE DEREGULATED ON JANUARY 1, 1981. IN THE INTERIM, ITS PRICE IS SET AT A ROYALTY CRUDE OIL EQUIVALENCY UNTIL THE FPC ESTABLISHES A NATIONAL CEILING RATE.

REGARDING GAS FROM EXPIRED INTERSTATE CONTRACTS, THE FPC WOULD ESTABLISH, AND REVISE BIENNIALY, A NATIONAL CEILING RATE. THEREFORE, WHILE SUCH GAS WOULD NOT BE DEREGULATED, IT WOULD BE TREATED IN A SPECIAL MANNER.

S. 2310 WOULD ALSO AMEND THE NATURAL GAS ACT BY ADDING EIGHT NEW SECTIONS, INCLUDING SECTION 25 WHICH WOULD ESSENTIALLY ESTABLISH A CURTAILMENT ORDER OF PRIORITIES WHICH



THE FPC MUST PUT INTO EFFECT, WITH PRIORITY ONE FOR RESIDENTIAL AND SMALL USERS AND PUBLIC HEALTH AND SAFETY USERS; PRIORITY TWO FOR ESSENTIAL AGRICULTURAL USERS, AND PRIORITY THREE FOR ESSENTIAL INDUSTRIAL USERS (I.E., PROCESS AND FEEDSTOCK USERS). THESE PRIORITIES WOULD BE ESTABLISHED WITHOUT REGARD TO WHETHER THE UNDERLYING CONTRACT IS FIRM OR INTERRUPTIBLE.

UNDER SECTION 25(A) THE SECRETARY OF AGRICULTURE WOULD DETERMINE THE AGRICULTURAL PURPOSES FOR WHICH NATURAL GAS IS ESSENTIAL, AND CERTIFY TO THE FEDERAL POWER COMMISSION THE AMOUNT OF NATURAL GAS NECESSARY TO MEET FULL FOOD AND FIBER PRODUCTION REQUIREMENTS. THE ADMINISTRATION BELIEVES THAT ESSENTIAL AGRICULTURAL NEEDS DESERVE PRIORITY, BUT WE DO NOT FEEL THAT SECTION 25(A) IS THE PROPER VEHICLE TO ASSURE THAT THESE NEEDS ARE MET. HOWEVER, WITH MINOR TECHNICAL AMENDMENTS, THIS PROVISION CAN BE MADE WORKABLE.

A NEW SECTION 26 WOULD SUBJECT SYNTHETIC NATURAL GAS (SNG) PLANTS, THE PERSONS OWNING OR OPERATING THEM, AND SNG SALES AND TRANSPORTATION TO FPC JURISDICTION. THIS REPRESENTS AN EXPANSION OF EXISTING AUTHORITIES, WHICH IS UNNECESSARY ADDED REGULATION. THEREFORE, WE WOULD PREFER TO SEE THIS SECTION REMOVED.

SECTION 27 MANDATES FPC PROHIBITION OF BOILER FUEL USE OF NATURAL GAS NOT CONTRACTED FOR PRIOR TO JANUARY 1, 1975, UNLESS ALTERNATIVE FUELS -- OTHER THAN OIL OR PROPANE -- ARE UNAVAILABLE OR CANNOT BE UTILIZED AT THAT TIME. IT REQUIRES TERMINATION OF BOILER FUEL USE OF NATURAL GAS CONTRACTED FOR BEFORE JANUARY 1, 1975, AT THE TIME OF CONTRACT EXPIRATION OR IN 12 YEARS, WHICHEVER IS EARLIER, SUBJECT TO THE SAME LIMITATIONS STATED ABOVE. THE ADMINISTRATION STRONGLY OPPOSES THESE LONG-TERM FPC PROHIBITION AUTHORITIES SINCE FEA ALREADY HAS SIMILAR AUTHORITIES UNDER THE ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT (ESECA). IT SEEMS INCONGRUOUS THAT FPC SHOULD NOW BE GIVEN AUTHORITY TO PROHIBIT BOILER FUEL USE WHEN FEA HAS ALREADY BEEN GIVEN THAT AUTHORITY IN OTHER LEGISLATION.

ANOTHER PART OF SECTION 27 WOULD REQUIRE THE ADMINISTRATOR OF FEA TO PROHIBIT RESIDENTIAL GAS USAGE WHICH HE DETERMINES TO BE SOLELY FOR ORNAMENTAL OR DECORATIVE PURPOSES. WHILE THIS TYPE OF CONSERVATION ACTIVITY SHOULD BE ENCOURAGED, WE FEEL IT IS A MATTER WHICH SHOULD ONLY BE MADE MANDATORY AT THE DISCRETION OF INDIVIDUAL STATES AND NOT BY FEDERAL

FIAT.

S. 2310 ADDS A SECTION 28 TO THE NATURAL GAS ACT WHICH WOULD REQUIRE ALL PIPELINES TO FILE SEPARATE TARIFFS WITH RESPECT TO OLD AND NEW NATURAL GAS AND REQUIRES DISTRIBUTING COMPANIES TO PROVIDE LOWER PRICED OLD GAS TO RESIDENTIAL AND SMALL USERS ON A PRIORITY BASIS. WHILE ON THE FACE OF IT, THIS INCREMENTAL PRICING PROVISION APPEARS TO BENEFIT RESIDENTIAL CONSUMERS, IN FACT, IT WILL PLACE THE BURDEN OF HIGHER COSTS FOR GOODS AND SERVICES ON ALL CONSUMERS -- WHETHER GAS USERS OR NOT -- TO SUPPLEMENT LOWER FUEL COSTS FOR HOMEOWNERS WHO DO USE GAS. WE MUST REALIZE THAT WE ARE NO LONGER IN THE ERA OF CHEAP, ABUNDANT ENERGY, AND EVERYONE MUST BE PREPARED TO PAY THE ADDITIONAL COSTS. IT WOULD BE WRONG TO SINGLE OUT ONE SECTOR -- GAS-CONSUMING HOMEOWNERS -- FOR FAVORABLE TREATMENT AND CAUSE ALL OTHER CONSUMERS TO PAY MORE THAN THEIR SHARE. FINALLY, WE ARE CONCERNED THAT SUCH A PROVISION WOULD HAVE A DELETERIOUS EFFECT UPON SNG INVESTMENTS AT THIS TIME, AND WOULD ALSO REMOVE INCENTIVES FOR FURTHER RESIDENTIAL CONSERVATION.

THE BILL WOULD ALSO REQUIRE THE DEPARTMENT OF THE INTERIOR TO SET MAXIMUM EFFICIENT RATE PRODUCTION STANDARDS

FOR ALL FIELDS ON FEDERAL LANDS OTHER THAN NAVAL PETROLEUM RESERVES. SINCE THIS PROVISION IS ALREADY COVERED BY THE ENERGY POLICY AND CONSERVATION ACT, IT SEEMS UNNECESSARY TO INCLUDE IT IN THIS BILL AS WELL.

H.R. 11265, INTRODUCED BY REPRESENTATIVE KRUEGER, IS SIMILAR TO S. 2310 IN THAT IT PROVIDES FOR IMMEDIATE DEREGULATION OF ONSHORE GAS, WITH OFFSHORE GAS TO BE DEREGULATED ON JANUARY 1, 1981. "NEW NATURAL GAS" IS DEFINED IN THE BILL AS GAS FIRST DEDICATED TO INTERSTATE COMMERCE ON OR AFTER JANUARY 1, 1975; PRODUCED FROM WELLS COMMENCED AFTER THAT DATE; OR CONTINUED IN INTERSTATE COMMERCE UPON CONTRACT EXPIRATION. IN THAT REGARD, THE KRUEGER BILL'S INCLUSION OF GAS FROM EXPIRED CONTRACTS IN THE DEFINITION OF NEW GAS IS DIFFERENT FROM S. 2310.

AS IN S. 2310, THE KRUEGER BILL WOULD REQUIRE THE FPC TO ESTABLISH A NATIONAL CEILING RATE FOR NEW OCS NATURAL GAS THROUGH DECEMBER 31, 1980. FROM ENACTMENT TO THE ESTABLISHMENT OF THAT CEILING PRICE, THE UNITED STATES GEOLOGICAL SURVEY CRUDE OIL EQUIVALENT VALUATION WOULD APPLY, AND ON JANUARY 1, 1981, THE CEILING WOULD BE LIFTED FOR ALL NEW OCS GAS.

THE KRUEGER BILL IS ALSO SIMILAR TO S. 2310 REGARDING AGRICULTURAL PRIORITIES AND BOILER FUEL PROHIBITIONS WHICH I HAVE ALREADY DISCUSSED. I BELIEVE THAT THE KRUEGER BILL WILL IMPROVE OUR NATURAL GAS SITUATION AND, WITH THE EXCEPTION OF THE BOILER FUEL SECTION, I URGE ITS ENACTMENT. I UNDERSTAND THAT YOUR STAFF HAS CERTAIN TECHNICAL PROBLEMS WITH THE BILL AND MY STAFF HAS MADE KNOWN ITS DESIRE TO MEET WITH THEM TO DISCUSS THOSE PROBLEMS.

IN REGARD TO REPRESENTATIVE BROWN'S BILL, H.R. 11047 -- WHILE WE BELIEVE THE BILL WOULD BE AN IMPROVEMENT OVER THE PRESENT SITUATION, THE ADMINISTRATION, AND I BELIEVE MR. BROWN WOULD AGREE, FEELS THAT H.R. 11265 IS THE MORE EFFECTIVE VEHICLE TO MEET THIS NATION'S NATURAL GAS NEEDS. THE BILL WOULD REQUIRE THE FPC TO DESIGNATE DISTRESSED AND CURTAILED INTERSTATE PIPELINES. FROM ENACTMENT THROUGH APRIL 15, 1976, DISTRESSED PIPELINES WOULD BE EMPOWERED TO BUY NEW GAS AT UNREGULATED PRICES. FROM APRIL 16, 1976 THROUGH APRIL 15, 1977, BOTH DISTRESSED AND CURTAILED PIPELINES WOULD BE ABLE TO PURCHASE UNREGULATED NEW NATURAL GAS; AND FROM APRIL 16, 1977 THROUGH THE END OF THE SUPPLY

PERIOD (7 YEARS TOTAL) INTERSTATE PIPELINES WITH A CURTAILMENT PLAN ON FILE WITH THE FPC WOULD BE ABLE TO PURCHASE NEW GAS AT UNREGULATED PRICES. WHILE THIS BILL WOULD BRING RELIEF TO CURTAILED AND DISTRESSED PIPELINES, AND WOULD GIVE A TEMPORARY IMPETUS TO OUR SUPPLY SITUATION, IT DOES NOT PROVIDE A PERMANENT SOLUTION TO THE PROBLEM.

H.R. 9159, INTRODUCED BY REPRESENTATIVE FRASER, IS COMPLETELY UNACCEPTABLE TO THE ADMINISTRATION. RATHER THAN DEREGULATING NEW NATURAL GAS PRICES, THIS BILL NOT ONLY CONTINUES PRICE REGULATION IN THE INTERSTATE MARKET BUT ALSO CALLS FOR EXTENSION OF REGULATION TO THE INTRASTATE MARKET. INSTEAD OF ALLOWING THE WELLHEAD PRICE OF NEW NATURAL GAS TO BE DEREGULATED, THE BILL WOULD CAP THE PRICE FOR INTER AND INTRASTATE NEW GAS AT A BASE PRICE OF 60¢ PER MCF. AS YOU KNOW, WE STRONGLY BELIEVE THAT ANY PRICE CAP WOULD BE A DETERRENT TO PRODUCTION. HOWEVER, THIS PARTICULARLY LOW CAP WOULD STYMIE ALL EXPLORATION AND DEVELOPMENT AND CAUSE A STEADY DECLINE IN EXISTING SUPPLIES. IN ADDITION, OUR DEPENDENCE UPON FOREIGN OIL WOULD INCREASE AS WE WOULD HAVE TO IMPORT OIL TO MAKE UP FOR THE UNAVAILABLE GAS. THE COSTS OF IMPORTED OIL TO REPLACE NATURAL GAS IS QUITE EXPENSIVE

AND MANY CONSUMERS WILL BE IN A WORSE POSITION WITH SO CALLED "LOWER GAS PRICES" THAN THEY WOULD BE UNDER DEREGULATION.

THERE ARE MANY OTHER OBJECTIONABLE PORTIONS OF THIS BILL SUCH AS THE INCREMENTAL PRICING PROVISION, ADDITIONAL PRODUCTION REQUIREMENTS, MANDATORY INTERPIPELINE CONNECTIONS DURING EMERGENCY PERIODS, FPC JURISDICTION OVER SNG, AND FPC JURISDICTION OVER BOILER FUEL CONVERSIONS. I FEEL STRONGLY THAT THIS BILL WOULD BE SERIOUSLY COUNTERPRODUCTIVE TO MEETING THE NATION'S ENERGY NEEDS AND WILL PROVIDE A MORE DETAILED ANALYSIS OF ITS EFFECTS UPON THE REQUEST OF THE COMMITTEE.

LET ME SUMMARIZE THE ADMINISTRATION'S POSITION ON THE PENDING LONG-TERM LEGISLATION WHICH I HAVE DISCUSSED. THE SENATE-PASSED BILL IS CERTAINLY A STEP IN THE RIGHT DIRECTION. WITH THE CHANGES WHICH I HAVE MENTIONED, I WOULD RECOMMEND ITS ENACTMENT. THE KRUEGER BILL IS SIMILAR TO THE SENATE BILL BUT ELIMINATES MANY OF THE SENATE BILL'S OBJECTIONABLE FEATURES. I BELIEVE IT IS VERY CLOSE TO A BILL WHICH I COULD RECOMMEND TO THE PRESIDENT. THE 7-YEAR BILL IS CLEARLY A STOP-GAP EFFORT, SUPERIOR TO DOING NOTHING, BUT INFERIOR TO OTHER POSSIBILITIES WE HAVE DISCUSSED.

THAT CONCLUDES MY REMARKS. I WOULD BE HAPPY TO ANSWER ANY QUESTIONS.

congressional ACTION

JANUARY 23, 1976 • VOLUME 20 • NUMBER 2

A BULLETIN

to help members of the National Chamber's Congressional Action system keep track of what Congress is doing . . . and communicate with their Senators and Representatives on legislation that affects their business, their employees, and their communities.

★ DEMOCRATS' REACTION TO PRESIDENT'S BUDGET ★
AND STATE OF THE UNION MESSAGE INDICATES
CONFRONTATION WILL CONTINUE IN 2nd SESSION
OVER LEVEL OF SPENDING, "PRIORITIES" -- p. 3

One of the things that has made the 94th Congress different from previous Congresses is the large number of activist Democratic "freshmen." They arrived last year, jaunty and confident, ready to remake both the Congress and the nation, as they combined to topple some Committee Chairmen and force through rule changes. They met again this

year before the start of the Session, and called the House Democratic leadership before them for an accounting. But they were less ebullient. Perhaps they are learning that the Federal solution to all the Nation's problems is not as simple as it seems.

NATURAL GAS DEREGULATION: House to Take Up Natural Gas Bill Early in February

If you want to express your views to your Congressman on the need for deregulation of natural gas, you have little time left. A completely unsatisfactory bill, H.R. 9464 (Dingell, D-Mich.) is now expected to be debated on the House floor during the first week in February.

In fact, the overall debate will probably encompass four separate debates.

1. **The debate on the Rule.** The House Committee on Rules has authorized another bill, H.R. 10480 (Krueger, D-Tex.; Broyhill, R-N.C.) to be offered as a substitute for the Dingell bill. Supporters of the Dingell bill are expected to try to persuade the House to reject this Rule, probably on the grounds that there have not been adequate hearings on the subject. This is nonsense. There have been 16 days of hearings on natural gas — comparable to the number of hearings held on the omnibus energy bill, H.R. 7014, which is much more complicated and comprehensive. The real purpose of the drive to defeat the Rule is to prevent consideration of the Krueger-Broyhill substitute. *Your Congressman should be urged to support the Rule.*

2. **The debate on the Krueger-Broyhill substitute (H.R. 10480).** The Krueger-Broyhill bill is supported by the National Chamber as a combination emergency/long-term gas price decontrol bill. It would allow pipelines to purchase emergency gas supplies from the intrastate market, would decontrol onshore new gas immediately, and would phase out regulation over offshore gas over five years. It is similar to the Pearson/Bentsen bill, S. 2310, passed by the Senate last October. During the hearings, nearly every impartial expert testified that the only reasonable answer to the natural gas shortage is removing Federal curbs from the wellhead price of natural gas. *Your Congressman should be urged to support the Krueger-Broyhill bill as a substitute for the Dingell bill.*

3. **The debate on the Dingell bill (H.R. 9464),** Essenti-

ally, this bill exempts from FPC price regulations sales of new on-shore gas to "distressed" interstate pipelines until April 15, 1977. Its basic defect is that it deals only with the short-term, but makes no effort to mitigate the long-term shortage by including provisions which will encourage gas exploration and additional production.

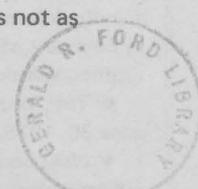
Additionally, there are specific defects. For example, according to FPC, FEA, and OTA studies, it appears the bill will operate to the disadvantage of pipelines serving at least 26 states, including the New England, Middle West, and Mountain States areas. Because the FPC must decide who will be eligible to make the emergency purchases, the door is opened to lengthy litigation and delay. Moreover, the increased prices paid for emergency gas will be paid only by industrial and commercial users whether they receive any additional gas or not — which will certainly not encourage conservation practices by residential users. *Your Congressman should be urged to oppose the Dingell bill.*

4. **The debate on amendments to the Krueger-Broyhill bill.** If opponents of natural gas price deregulation fail to defeat the Krueger-Broyhill bill, they will probably seek to emasculate it with amendments.

One of the amendments could well be designed to break up integrated oil companies and to order natural gas pipeline companies to divest themselves of their producing properties.

Another amendment would impose "incremental" or end use pricing. Such a system would shift the increased cost of unregulated gas from the residential customer to the industrial and agricultural customers. The increased cost to business would still be passed on to the residential customer in the form of higher prices for consumer goods and food.

The "benefits" of incremental pricing are only on the surface. *You should urge your Congressman to oppose weakening amendments to the Krueger-Broyhill bill.*



HOUSE LEADERSHIP ANNOUNCES TENTATIVE SCHEDULE

At a meeting of "freshmen" Democrats immediately prior to the start of the Second Session, Majority Whip McFall (D-Calif.) presented a useful outline of the planned House schedule.

Although tentative schedules set at the beginning of a Session are seldom, if ever, rigidly adhered to, they serve as a useful guide. The tentative schedule is:

- Vote on the President's veto of the \$36.1 billion Labor-HEW Appropriations bill, scheduled for January 27.
- "Early consideration" of the Conference Report on the \$6.2 billion Public Works Employment Act (H.R. 5427).
- Government Operations Committee markup of legislation to "extend and revise" the general revenue sharing program.
- Consideration "this spring" by the Education and Labor Committee of the Humphrey-Hawkins "Equal Opportunity and Full Employment" bill (H.R. 50) which would guarantee employment to all "able and willing adults" in either the private or public sectors through subsidies, public service employment and a standby job corps. "Hearings on the bill are scheduled to conclude in February with action by the Subcommittee on Equal Opportunities, scheduled for Mid-March."
- The "prospect" of extending the tax reduction, which expires June 30, 1976, for an additional six months.
- Ways and Means Committee consideration of additional tax reform areas such as estate, gift and inheritance taxes and changes in capital gains and losses "to achieve greater equity in our tax system by cracking down on tax shelters and loopholes."
- "Final action" on the Railroad Revitalization and Regulatory Reform bill (S. 2718) after the Commerce Committee works out an agreement to avoid a threatened Presidential veto on the grounds of cost.
- "Floor consideration in early February" of the Natural Gas Emergency Act (H.R. 9464) to deal with the natural gas shortage.
- Interior Committee action "by Lincoln's birthday" on a modified version of the Surface Mining Control Act (H.R. 9725).
- A delay "until March or April" for a vote on the Conference

Report on the Consumer Protection Act (S. 200), which would set up an independent Agency for Consumer Protection, "to permit time for public sentiment to build in support of the measure and in support of a possible veto override."

- A floor vote "soon" on the House Administration Committee-approved Postcard Registration bill (H.R. 1686), to establish a nationwide postcard registration system for Federal elections — a measure with strong Labor backing.
- ▶ Other issues likely to receive action during the Second Session, as outlined by Rep. McFall, include:
 - Clean Air Act Amendments — in Commerce Committee markup.
 - Health Insurance — Health and Environment Subcommittee hearings to continue into March, with Ways and Means Committee sharing jurisdiction.
 - Hatch Act Reform — Senate floor action on a House-passed measure within two weeks, to expand Federal employee participation in political activities.
 - Food Stamps — Agriculture Committee hearings to begin "by the end of February" and a report by the Agriculture Department on the facts about the program and its administration "in the spring."
 - Financial Institution Reform — Banking Committee to complete hearings and markup a bill "in February."
 - Minimum Wage Legislation — Education and Labor Committee "hopes to report a bill in the spring" raising the minimum wage to as much as \$3.00 an hour.
 - Regulatory Reform — Commerce Committee hearings "expected to continue at least through the first half of this year" to be followed by "extensive recommendations."
 - Appropriations — Appropriations Committee consideration of all bills between May 24 and June 4, with floor action between June 15 and July 2.
 - Second Concurrent Resolution on the Budget — adopted "in early September."

CONSTRUCTION-SITE PICKETING: House Sends Vetoed Bill Back to Labor Committee

Strong opposition to the measure has apparently convinced House leaders there is no use in attempting to override — at least at this time — the President's veto of the bill (H.R. 5900) giving construction trades unions legal authority to engage in secondary boycott picketing at construction sites.

On the first day of the Second Session, the House, by unanimous consent, agreed to return the bill to the Labor Committee, where, hopefully, it will receive an appropriate "burial."

COMPREHENSIVE EMPLOYMENT/TRAINING ACT: Public Service Jobs Bill May Move in House

The House Labor Committee may begin markup the week of January 26 on Rep. Daniels' (D-N.J.) H.R. 11187, to expand CETA's public service jobs program over the next two years and boosting the number of jobs from 300,000 to 600,000.

The Administration wants to phase out public service jobs as part of its effort to keep the FY '77 budget below \$395 billion, but the Congressional budget resolutions tentatively approved \$1.2 billion for new public service jobs for FY '76 and the three-month transition quarter ending September 30.

The Daniels bill adds a new twist to the allocation of funds. In addition to granting funds to cities, counties and States, this measure would allocate funds directly to new public and nonprofit groups such as daycare centers, colleges, and hospitals.

The Democrat's answer to the President's State of the Union Message clearly indicated support for new public service jobs as a means to fight present unemployment levels. If the bill clears Congress, a confrontation with the President seems assured.

CA
SPECIAL
REPORT

THE FY 1977 BUDGET
--A Question of "Priorities"

The President has now given his State of the Union, submitted his budget to Congress, and Senator Muskie (D-Me.), apparently selected because he was one of the few Democratic Senators not avowedly running for President, has presented his rebuttal.

The partisan reactions in Congress to all of these events make clear the basic battle between the President and the Congressional majority during this Second Session will continue to be over spending.

The basic battle, as the President noted in his Budget Message, is over the budget "as an element of our economic policy." Here the question is whether the proposed \$394.2 level of spending and projected deficit of \$43 billion are of the proper size to stimulate the economy — without feeding inflation. The Joint Economic Committee, controlled, of course, by the Democrats, has assumed a \$420 billion spending level, which would boost the deficit by another \$26 billion.

In fact, this overall battle over total dimensions will be determined and shaped by the results of numerous skirmishes. Few members of Congress are today calling openly for more Federal spending. The controversies, rather, arise from differences of opinion as to how the money should be spent. Most of the Democratic criticism of the President's budget was directed at his "priorities."

A budget, President Ford said, "helps to define the boundaries between responsibilities that we assign to governments and those that remain in the hands of private institutions and individual citizens." Differences of opinion over the proper location of these "boundaries" is one reason for the debate over "priorities." Although, the President did not mention it, an integral part of this controversy is the need or desirability for more and more regulation of private enterprise. Senator Muskie, for example, savagely attacked "the abuse of power by corporations" and called for more controls.

"In formulating this budget," the President said, "I have tried to achieve fairness and balance

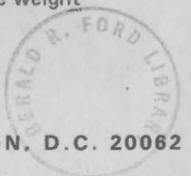
- between the taxpayer and those who will benefit by Federal spending;
- between national security and other pressing needs;
- between our own generation and the world we want to leave to our children;
- between those in some need and those in most need;
- between the programs we already have and those we would like to have;
- between aid to individuals and aid to State and local governments;

CHAMBER "GENERALLY" APPLAUDS BUDGET

The National Chamber has issued a statement on the President's FY 1977 Budget which —

- Generally applauds it, but expresses disappointment that both Federal spending and the Federal deficit will continue to increase.
- Urges Congress to hold spending to at least the proposed \$394.2 billion level.
- Warns that Congressional increases in spending could send the projected deficit of \$43 billion much higher.
- Points out the budget itself calls for expenditures of \$1,829 for every man, woman and child in the nation, or \$7,316 for a family of four. Thus, government spending is the number one item in every family's budget — more than the average family spends on food, clothing, housing, or new or used cars.
- Supports individual tax reductions offset by matching spending cuts, but favors an equitable across-the-board reduction.
- Welcomes tax changes for business and individual taxpayers that encourage capital formation, noting that the President emphasized the need to create private sector jobs for the long-range good of the economy.
- Says specifics of the tax proposals will require further study.
- Reserves comment on the proposal to raise Social Security taxes next January until it can study the legislation. In the past, the Chamber has supported equal employer-employee taxes to finance Social Security.
- Supports, generally, the recommendation that various health, education, child feeding and social programs be consolidated into four broad block grants with more administrative responsibility delegated to the States. The Chamber has long supported the principle of block grants with spending authority centered closer to the people, rather than in Washington.
- Hails as "courageous" in an election year, the President's statement, "The American people know that the promises that the Federal government will do more every year have not been kept. I make no such promises. I offer no such illusion."

- between immediate implementation of a good idea and the need to allow time for transition;
- between the desire to solve our problems quickly and the realization that for some problems, good solutions will take more time;
- between Federal control and direction to assure achievement of common goals and the recognition that State and local governments and individuals may do as well or better without restraints." Controversy is inevitable, because many members will not only question whether President Ford has struck the right balance, but indeed, whether it is not advisable in an election year to give one side of the equation more weight than the other.

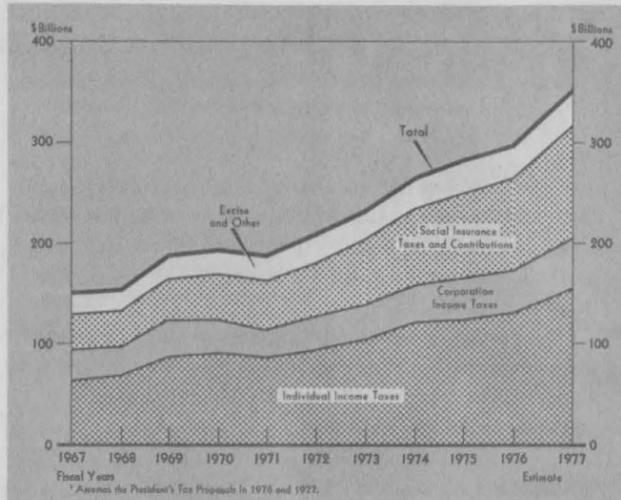


The Budget—Illustrated

In examining a budget as large as the one proposed for the Federal Government in FY 1977, it is easy to become bogged down in figures, to lose sight of the forest in looking at the trees. Moreover, many of the figures, especially those for revenues, are estimates; others will be changed by Congress. We hope these charts will help put in perspective the totals and trends in broad areas of spending. They show where spending is skyrocketing, where it is leveling off. Because all the charts are about the same size, the figures on the sides showing spending in billions are especially important.

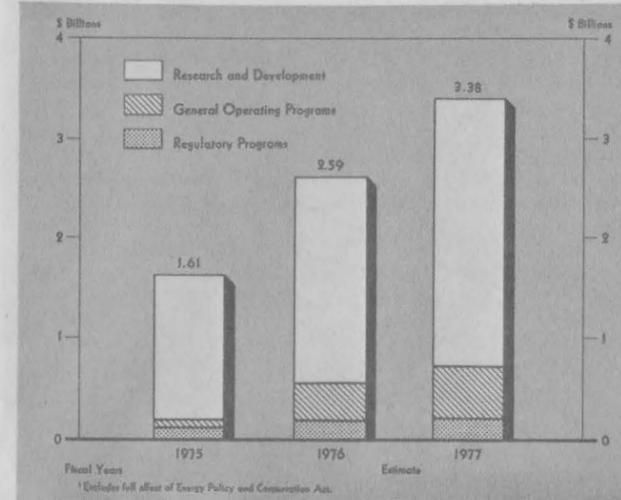
Where the Money Is Going . . .

Budget Receipts: 1967-1977



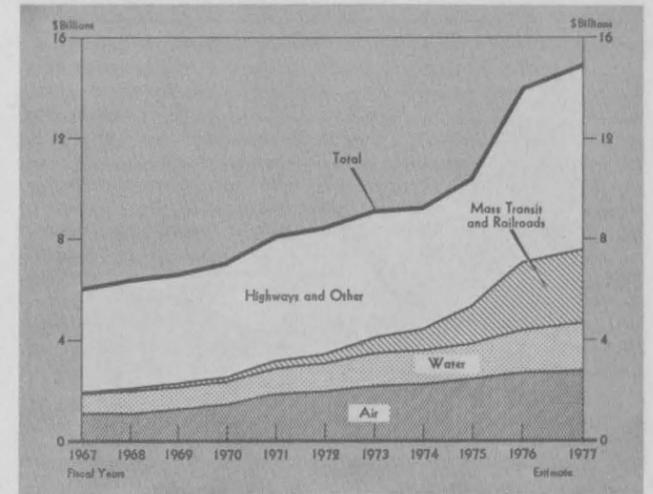
*Assesses the President's Tax Proposals in 1976 and 1977.

Outlays for Energy

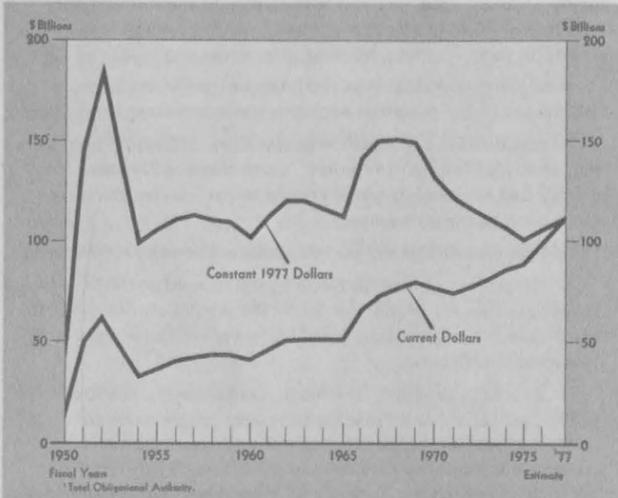


*Excludes full effect of Energy Policy and Conservation Act.

Outlays for Transportation

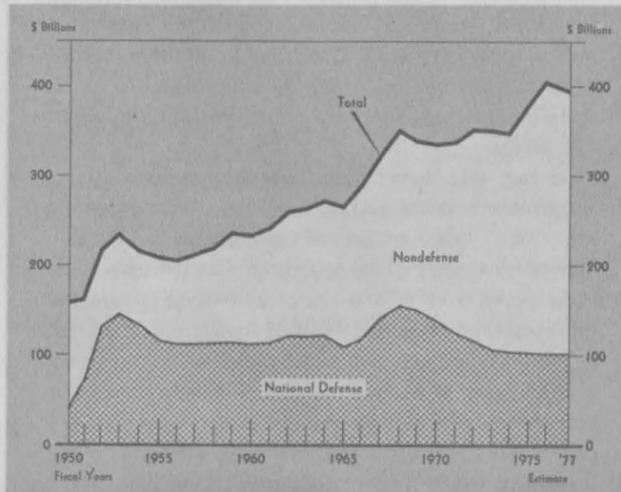


Military and Military Assistance Programs, 1950-1977

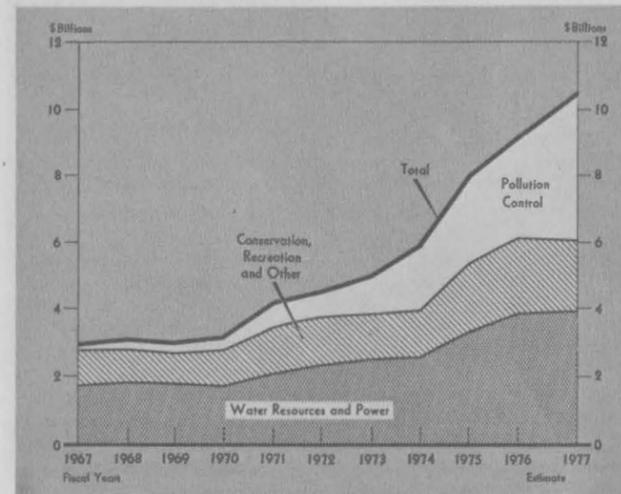


*Total Obligational Authority.

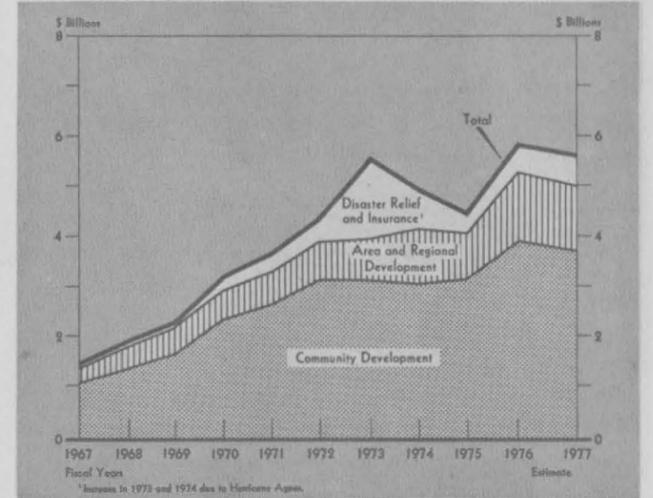
Federal Outlays—Constant 1977 Dollars



Outlays for Environment and Natural Resources

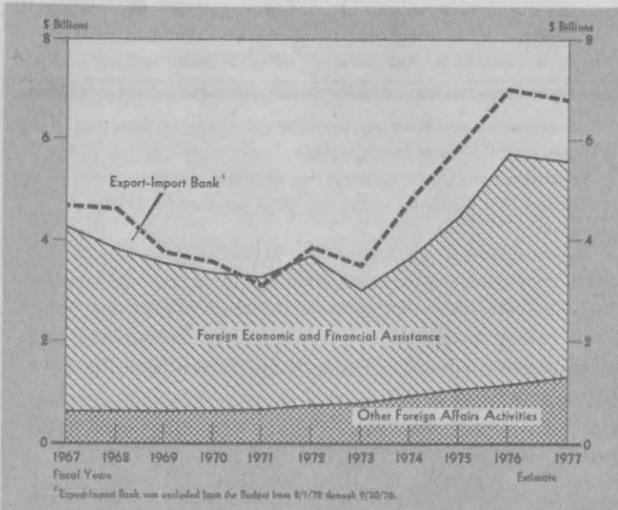


Outlays for Community and Regional Development



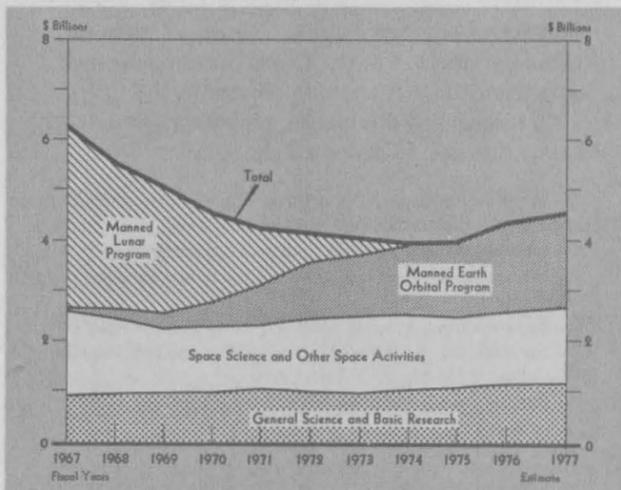
*Increase in 1973 and 1974 due to Hurricane Agnes.

Outlays for International Affairs

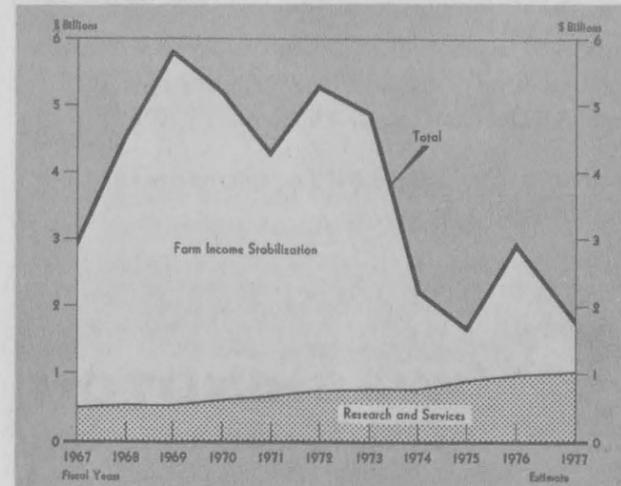


*Export-Import Bank was excluded from the Budget from 8/1/70 through 9/30/76.

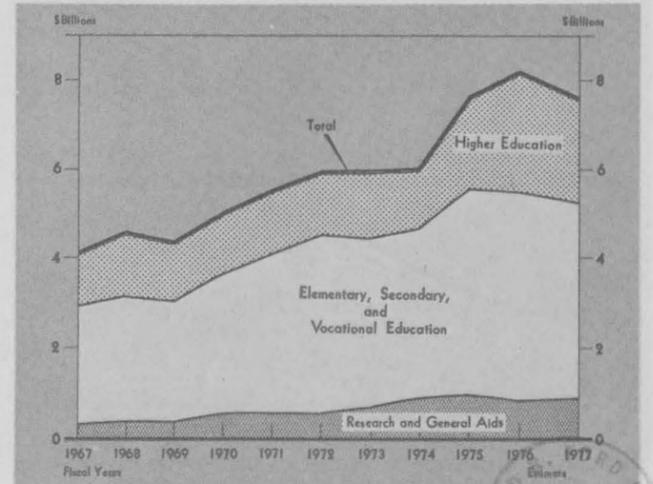
Outlays for General Science and Space



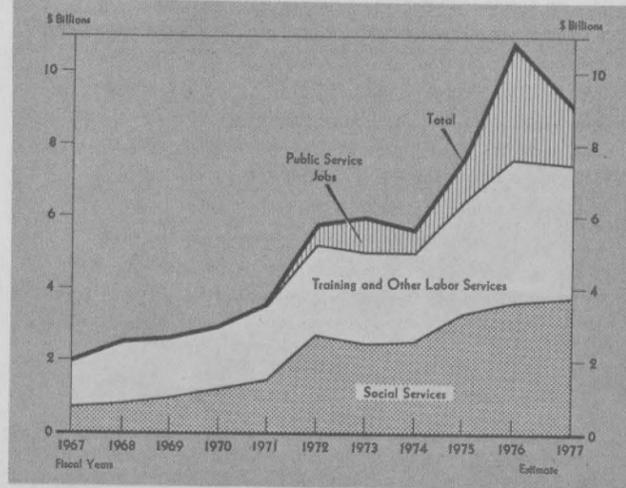
Outlays for Agriculture



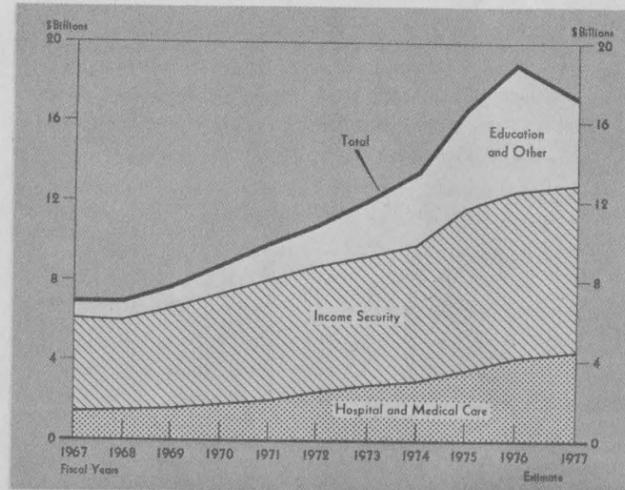
Outlays for Education



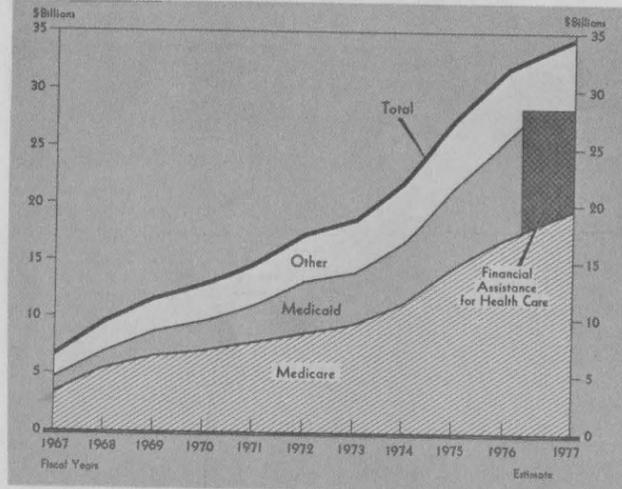
Outlays for Training, Employment, and Social Services



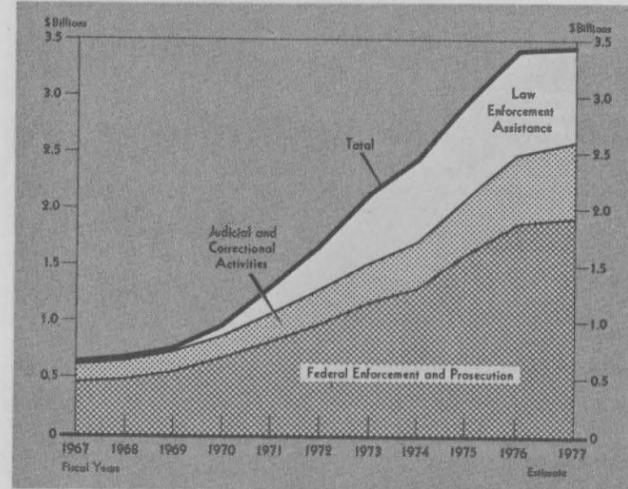
Outlays for Veterans Benefits and Services



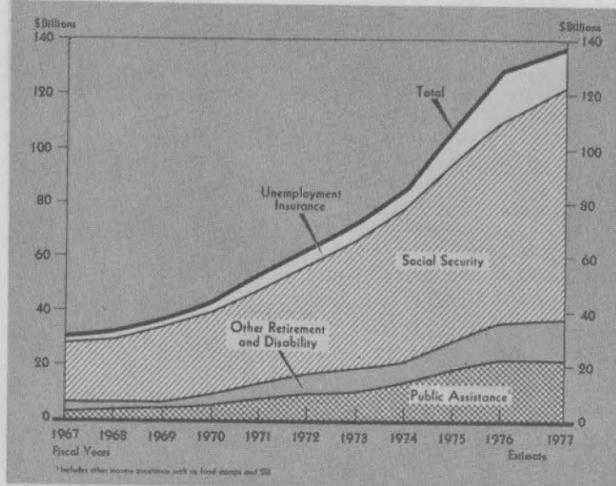
Health Outlays



Outlays for Law Enforcement and Justice



Income Security Outlays



General government—\$3.4 billions, down from \$3.5 billions in FY 1976

Revenue sharing and general purpose fiscal assistance—\$7.4 billions, up from \$7.2 billions in FY 1976

Interest on national debt—\$41.3 billions, up from \$34.8 billions in FY 1976



Up-to-the-minute information on Congressional issues affecting business. A three minute, recorded telephone summary.

WASHINGTON DIAL 202-872-1313

NATIONAL ENERGY PRODUCTION BOARD: "Dead" Issue Revived in Senate Interior

Although dormant in Senate Interior after a series of hearings last year, Senator Jackson's (D-Wash.) bill to establish a National Energy Production Board (NEPB), S. 740, is being refurbished by the Committee staff amid reports that Senator Jackson is anxious to push the measure through Committee markup.

As proposed, the five-member Board and its staff would formulate, recommend, carry out and monitor exploration and development of energy resources on Federal lands.

Among the specific tasks assigned the NEPB are (1) development of the Naval Petroleum Reserves, and (2) development of legislation to set up programs for Federal coal production, Federal energy transportation, and Federal oil and gas production.

This measure would put the U.S. government in control of exploration and development of a large proportion of

the energy resources in this country. What is needed now is *less, not more*, government involvement in the private sector's efforts to provide sufficient energy resources to meet our needs.

An NEPB would be unnecessary, inefficient, and set a dangerous precedent for further government involvement in private industry.

If your Senator (or Senators) is a member of the Interior Committee, you should let him know how you feel about the Federal government expanding even further into the energy field. The members of the Committee include:

- DEMOCRATS: Jackson (Wash.), Church (Idaho), Metcalf (Mont.), Johnston (La.), Abourezk (S.D.), Haskell (Colo.), Glenn (Ohio), Stone (Fla.), Bumpers (Ark.).
- REPUBLICANS: Fannin (Ariz.), Hansen (Wyo.), Hatfield (Oreg.), McClure (Idaho), Bartlett (Okla.).

RAILROAD AID: Conferees Agree on Scaled Down Version to Avoid Veto

The Conference Committee on the railroad aid bill, S. 2718, have agreed on a scaled down version of the measure in an effort to avert a Presidential veto.

If approved, the compromise would reduce the \$7.6 billion authorization to \$6.4 billion; give the Department of Transportation more authority over Conrail spending;

and cut back funds earmarked for high-speed passenger service between Boston and Washington, D.C. The bill includes Federal loans for railroad plant and equipment improvement, subsidies for branch line services, and gives the railroads new rate-making flexibility.

OTHER DEVELOPMENTS: Congress Moving on Other Legislation Affecting Business

BUDGET -- Senate Budget Committee held hearings the week of January 19 on the President's proposed \$394.2 billion budget; House Budget Committee scheduled 2 weeks of hearings beginning January 26. Under the new Budget Reform law, all Committees must submit spending requests to the Budget Committees by March 15, with Congressional approval of tentative budget targets by May 15.

CLEAN AIR -- House Commerce Committee resumes markup January 27-29 of the controversial Clean Air Act Amendments strongly opposed by the National Chamber; Senate Public Works Committee has set February 6 target date for completion of its markup of similar legislation.

FOOD STAMP REFORM -- House Agriculture Committee opens initial hearings January 28-29, February 10-11 on various bills to reform the Food Stamp Program; Senate Agriculture Committee begins markup of a food stamp proposal January 26. The President's budget calls for a cut-back in funding, reduction in the rolls, plus basic reforms.

FOREIGN TRADE -- Senate Finance Committee holds oversight hearings January 29-30 on U.S. foreign trade

policy and the administration of the 1974 Foreign Trade Act.

OFFSHORE DRILLING -- House Select Ad Hoc Committee on the Outer Continental Shelf may begin markup the week of January 26 on legislation calling for new procedures governing offshore leasing that could involve even longer delays to development.

UNEMPLOYMENT COMPENSATION -- House Budget Committee acts January 27 on a request that it recommend to the House Rules Committee a waiver, on grounds of "emergency" legislation, for consideration of the Unemployment Compensation bill which contains new spending and taxes for fiscal '77. Under new budget process, no bill containing new spending can be brought to the floor until after the budget targets have been approved (May 15) unless deemed "emergency legislation."

WORKMEN'S COMPENSATION -- House Labor's Manpower Subcommittee begins hearings January 28 on a bill to replace the proven, efficient, State-regulated workmen's compensation system with a Federal system with all the red tape and bureaucracy that would certainly accompany it.

NEWSPAPER





Social programs voted by Congress take taxes from one area or one group and redistribute it to other areas and other groups. One of the surprising things about the whole process is that many of the most ardent supporters of such programs come from big cities, like New York City. The Library of Congress reports, according to *Nation's Business*, that citizens of New York City paid \$20.87 billion into the Treasury in 1974 but got back only \$8.5 billion in grants and direct payments. New York State also sends more tax dollars to Washington than are returned to it, as do some other States, like Illinois, Michigan, Pennsylvania, Ohio, Indiana, and Wisconsin.

★ ★ ★ ★ ★

To the Editor of Congressional Action:

"I would suggest that you recommend to all businessmen that they begin to make photocopies of all forms, reports, directives and other of the endless, complex materials inundating business today to their Congressmen. Perhaps then the legislators would know what they have created."

★ ★ ★ ★ ★

"Mr. Speaker, the Occupational Safety and Health Act of 1970 is one of the most controversial laws now in effect. It has proven a disastrous obstacle for American business, in particular our small business concerns. For example, a survey conducted by McGraw-Hill publications indicated that OSHA cost business \$2.5 billion in 1973 and \$3.1 billion in 1974."

— Rep. James Collins (R-Tex.) in the *Congressional Record*

★ ★ ★ ★ ★

Shortly after he had told the Richmond Academy of Medicine that the Federal Government is operating one thousand separate domestic assistance programs, Senator Byrd (I-Va.), found out the figure was too low. Budget Director Lynn told him the figure was 1,010. The Federal programs tabulated in a recent study Byrd said, included:

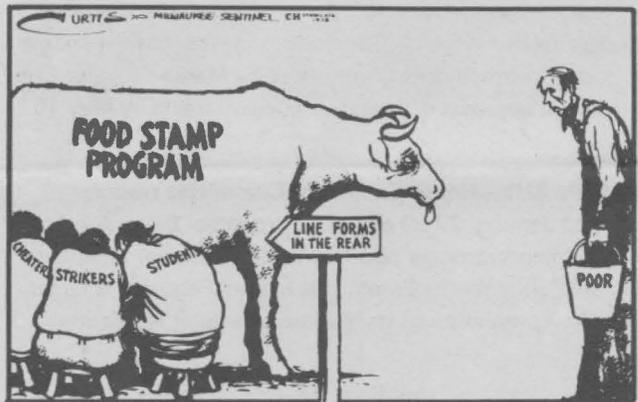
"— 82 environmental programs; 59 in community development; 74 in agriculture, and 75 in manpower and labor."
Byrd concluded: "The American people today have more government than we need. One thing for sure; we have more government than we can pay for."

★ ★ ★ ★ ★

After Rep. James Abdnor (R-S.D.) had sent a copy of proposed Federal Trade Commission Regulations to a banker in South Dakota for comment, he received a reply which said, in part:

"... After I spend the time required with Federal and State examiners File the pension reports required Sell the Government's Series-E bonds and cash them Check the premises for compliance with OSHA Make the required study on the Safety and Security Act Take an extra few minutes on each loan to see if we are complying with the Fair Housing Act That we do not treat unfairly the minority or the Females Comply with Wage and Hour Fill out some Credit Reports making sure to comply with the Fair Credit Reporting Act Explain one more time to a customer why we must take down currency info to comply with the Financial Record Keeping Act Cash hundreds of welfare checks at a financial loss Get raked over the coals for not making a loan where the party can't possibly repay etc., etc. . . . All this while I try to keep my head down during this Indian War, I sure as hell don't have much time left to digest another regulation"

★ ★ ★ ★ ★



"Isn't this getting a bit out of hand?"

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EDITOR

January 30, 1976
Vol. V, #3

WEEK OF FEBRUARY 2, 1976

MONDAY

SUSPENSIONS

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H.J. Res. 784--Defense Production Act Amendments	p. 2
H.R. 4979--Chickasaw National Recreation Area, Oklahoma	p. 3
H.R. 10370--Canaveral National Seashore, Florida	p. 5
S. 217--Pueblo Indian Lands, New Mexico	p. 6

* * * * *

TUESDAY AND BALANCE

H.R. 9464--Natural Gas Emergency Act	p. 7
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H.R. 2771--NONIMMIGRANT VISA WAIVER FOR GUAM

Committee on the Judiciary, H. Rept. 94-776
Introduced by Mr. Won Pat on February 4, 1975

SUMMARY

H.R. 2771 amends the Immigration and Nationality Act by authorizing the Attorney General and the Secretary of State, acting jointly, to waive the visa requirements for non-immigrants visiting Guam for not more than 15 days. Since under the present Act, a visa may be waived only in the case of nationals of contiguous territories or of adjacent islands, the committee hopes extension of a waiver will encourage tourist travel and thereby increase Guam's revenues. The Secretary of State shall determine those countries whose designation for a waiver would promote the foreign policy of the US. Foreign visitors will still be required to possess a valid passport and may not travel to other parts of the US under the waiver.

According to the Congressional Budget Office, H.R. 2771 will have only minimal budget impact. The bill, as amended, was reported favorably by the committee on December 16, 1975, by voice vote.

VIEWS

The administration has no objection to this bill.

H. J. RES. 784--DEFENSE PRODUCTION ACT AMENDMENTS

Committee on Banking, Currency, and Housing
(Report not available at press time)
Introduced by Mr. Rees on January 28, 1976

SUMMARY

On November 14, the House passed the Defense Production Act Amendments of 1975, and, on December 3, the conference report was approved. The Act authorizes the President to invite representatives of labor, industry, and other interests to make voluntary agreements which would expand production during national emergencies. It establishes specific procedures for formulating and executing such agreements and also those under the Agreement on an International Energy Policy (IEP). Agreements in accordance with the Act are exempt from antitrust prosecution.

H. J. Res. 784 makes one technical change in the Act, allowing certain of the Act's provisions to become effective upon enactment, instead of 120 days thereafter.

Included in these provisions is the authorization of contracting authority for the National Commission on Supplies and Shortages, and a change of the date by which the Commission must report to the President and Congress. The Amendments of 1975 changed the date from March 31, 1976, to December 31, 1976; but, if the requirement were altered 120 days after enactment, in mid-April, 1976, the Commission would still have to report on March 31. This resolution makes the amendment effective in time to allow the intended postponement.

VIEWS

The administration supports this bill.

H.R. 4979--CHICKASAW NATIONAL RECREATION AREA, OKLAHOMA
Committee on Interior and Insular Affairs
(Report not available at press time)
Introduced by Mr. Steed on March 14, 1975

SUMMARY

Background

Platt National Park, created to protect the mineral springs near Sulphur, Oklahoma, is a short distance from another unit in the National Park system, Arbuckle Reservoir. The National Park Service has developed a plan to create Chickasaw National Recreation Area by combining the 2 units through purchase of a stream valley which links them. The new recreation area would serve to commemorate the Chickasaw Indian Nation, whose history is tied to the region.

Provisions

This bill establishes the Chickasaw National Recreation Area, designated on a February 1974 National Park Service map. Interior may revise its boundaries, but the Area shall not exceed 10,000 acres. Lands that were once Platt National Park shall be integrated into Chickasaw; and Interior may commemorate the late Senator Platt of Connecticut and the original park by suitable markers. The US may cede concurrent jurisdiction to Oklahoma over former Platt lands after the State and Interior reach a written agreement providing for concurrent jurisdiction over all other Chickasaw lands.

Interior may acquire lands by donation, purchase, or exchange, including portions of tracts which fall outside the Area boundaries. The latter purchases, however, shall be exchanged for non-Federal lands inside the Area, or disposed of through GSA. Other Federal property in Chickasaw may be transferred to Interior without cost. State and local public lands may be acquired only by donation (with the exception of a small portion of Sulphur City land to be exchanged for former Platt lands, which lie outside the Area boundaries).

Under certain circumstances permanent residents in the Chickasaw area may receive occupancy rights on up to 3 acres of their property for life or for 25 years after acquisition. Should Interior terminate occupant rights because they conflict with the Area's uses, it shall pay fair market value for those rights remaining.

Chickasaw will be administered in accordance with the 1916 Organic Act, unless otherwise provided and lawful hunting and fishing will be permitted. Interior's operation of Arbuckle Dam and reservoir will not be affected.

Costs/Committee Action

The committee authorizes up to \$1.6 million for the acquisition of 1,170 acres of private lands and sets a limit of \$4.6 million on appropriations for area facilities. The committee amended and reported the legislation by voice vote on January 27.

Views

The administration has no objection to this bill.

H.R. 10370--CANAVERAL NATIONAL SEASHORE, FLORIDA

Committee on Interior and Insular Affairs (Report
not available at press time)

Introduced by Mr. Chappell et al., on October 28, 1975

SUMMARY

The 93rd Congress established the Canaveral National Seashore, and provided for a 5-member advisory commission, which included: 1 member from each of 2 counties in which the Seashore was located; 2 from the State; and 1 to represent the general public. The public representative has not yet been appointed. Interior now recommends deleting that category and enlarging the commission to 6, including 2 representatives from each county.

H.R. 10370 provides for this change in membership. The committee does not authorize any new funding for H.R. 10370, but notes there may be minor administrative costs for the reimbursable expenses of a new member. They reported the bill by voice vote on January 27.

VIEWS

The administration has no objection to this bill.

S. 217--PUEBLO INDIAN LANDS, NEW MEXICO

Committee on Interior and Insular Affairs (Report not available at press time)
Referred to the Committee on Interior and Insular Affairs on May 22, 1975

SUMMARY

Background

Legislation passed in 1926 permitted condemnation of Pueblo Indian lands in New Mexico for the same purposes for which other State lands could be condemned, and gave the US District Court jurisdiction over all proceedings. Congress passed another Act in 1928, however, which put the Pueblo Indian lands under Federal statutes pertaining to right-of-ways through Indian lands. In a 1948 Act providing for the granting of right-of-ways through Indian lands, the Pueblos again were specifically included. However, in 1956, the District Court held that the 1928 statute must expressly repeal the earlier one to be effective. Thus, the 1926 Act has been used 12 times since its inception to condemn right-of-ways on the Pueblo lands, and even now, a suit is pending.

Provisions

S. 217 repeals the 1926 Act. All proceedings pursuant to that Act pending or commencing on enactment which are not final shall be terminated; but rights of appeal from final orders or decrees are preserved.

The 1928 Act is amended: 1) to make provisions of the 1948 Act explicitly applicable to the Pueblos; 2) to clarify that the 1928 Act is applicable to all lands of the Pueblos, however acquired or held; and 3) to provide that if the Pueblos cannot reach an agreement on a request for a renewal or widening of an existing right-of-way within 60 days, and have not entered into a binding arbitration process, Interior -- at its discretion -- may grant the right-of-way for appropriate compensation, even without the Pueblos' consent. These 3 provisions were not included in the Senate version of S. 217.

Costs/Committee Action

The committee estimates that there will be no additional costs; and they reported the bill by voice vote on January 29.

Views

The administration favors the objectives of this legislation, but strongly prefers the enactment of S. 217 as passed by the Senate.

H.R. 9464--NATURAL GAS EMERGENCY ACT OF 1975

Committee on Interstate and Foreign Commerce, H. Rept. 94-73
Introduced by Mr. Dingell et al., on September 9, 1975

PURPOSE

H.R. 9464 authorizes, for a temporary emergency period, the purchase of new natural gas by certain pipelines at prices above national rates.

BACKGROUND

Senate Bill

On October 22 the Senate passed S. 2310 (Pearson-Bentsen), 58-32, providing certain emergency authorities and permanent deregulation of new natural gas. Title I allowed curtailed interstate pipelines, until April 4, 1976, to purchase unregulated gas for 180 days to meet the needs of priority customers. The bill imposed a ceiling price on these first sales equal to the highest wellhead price in the State of origin between June 1 and August 1, 1975, and prohibited the costs from being passed through to residential and small users. Title I also: 1) extended until June 30, 1976, FEA authority to prohibit plants with oil burning capacity from using natural gas; 2) permitted high-priority users to purchase unregulated intrastate gas directly and use interstate pipelines to transport it; and 3) extended, until April 4, 1976, Presidential authority to allocate and regulate the price of propane and butane.

Title II deregulated new onshore natural gas as of April 5, 1976, and defined this gas as that committed to interstate commerce for the first time on or after January 1, 1975, or that produced from new reservoirs or extensions of old reservoirs developed after that date.

Other major Title II provisions included: 1) deregulation of new offshore gas after January 1, 1981; 2) FPC authority to set, and modify every 2 years, national ceilings for old gas; 3) a requirement that pipelines give first priority on old gas to residential and small users; 4) extension of FPC jurisdiction to cover synthetic natural gas; 5) FPC authority to prohibit boiler fuel use of natural gas not contracted prior to January 1, 1975; 6) authority for intrastate gas to be transported in interstate pipelines under certain conditions; and 7) requirement that the Interior Secretary offer royalty gas from Federal lands to the public.

Administration Proposal

While affirming the need for deregulation of new gas at the wellhead, FEA Administrator Zarb submitted an emergency authority proposal on September 10. The proposal, to remain in effect until June 30, 1977, provided: 1) permission, during an 180-day emergency period, for interstate pipelines, whose high-priority customers are experiencing curtailments, to purchase gas at unregulated prices; 2) authority for high-priority consumers experiencing curtailments to purchase gas from intrastate sources at market prices and to transport the gas through interstate pipelines; 3) extension of FPC authority to require electric utility and industrial boiler conversions from natural gas or oil to coal, and from gas to oil when coal conversion is not practicable; and 4) authority to allocate and set prices for propane.

H.R. 9464 Inflationary Impact Statement

The committee states, that, under the emergency bill, during the 1975-76 season, the supplies likely to be available to distressed interstate pipelines would be surplus intrastate gas (priced at about \$1.75/mcf). They estimate that during this season there will be no net inflationary impact, because these surplus supplies are already unregulated. Furthermore, they contend that the costs of substituting intrastate gas must be weighed against the costs of plant closings and unemployment which would arise without the legislation. For the second season, the committee estimates that costs could reach \$1.5 billion. They base this figure on the assumption that 1 Tcf of gas which would otherwise be regulated will be supplied to distressed interstate pipelines at an unregulated price of \$2.00/mcf. It should be noted, however, that this estimate does not include the offsetting savings from reductions in curtailments of alternative fuels, conversion costs, work slowdowns, and unemployment.

PROVISIONS

Interstate pipelines, classified by FPC as "distressed", may purchase new natural gas at a price higher than the approved national rate during the supply emergency period--from date of enactment through April 15, 1977. The definition of new natural gas excludes gas produced on the outer continental shelf (presently required to be dedicated to interstate commerce) and only applies to natural gas not committed to interstate commerce on September 9, 1975. Gas shall be considered committed if contractually obligated to an interstate pipeline on September 9, 1975, or produced from a reserve subject to a reserve or production contract in effect on that date.

The bill exempts first sales (at the wellhead) to distressed pipelines from the "just and reasonable" price requirements of the Natural Gas Act and provides that these sales shall not be considered interstate commerce -- in effect allowing them to be made at an unregulated market price.

Furthermore, during the emergency period, the bill exempts sales to distressed pipelines from the usually required FPC certification of abandonment. This provision allows producers to charge higher rates upon contract expiration, without certification that these sales are of public convenience and necessity.

In designating interstate pipelines as distressed -- those unlikely to obtain natural gas supplies adequate to meet projected requirements of essential users -- FPC is directed to consider a pipeline's curtailment plan and its projected available supplies. To determine the criteria for essential users, FPC shall consider: 1) the user's access to alternative fuels at reasonable prices as a substitute for curtailed gas; 2) extent to which alternative fuel conversion would incur unreasonable costs; and 3) impact of curtailment on unemployment, domestic food production, and public welfare.

FPC shall designate distressed interstate pipelines within 15 days of enactment, and throughout the emergency period. Pipelines not designated as distressed may petition for such classification, but petitions shall be considered denied unless approved by FPC within 21 days of filing. Petitions must include: 1) a pipeline's efforts, throughout the emergency period, to secure contract compliance by suppliers at prescribed or minimum rates, or to obtain additional supplies of gas from sources previously supplying the interstate market; and 2) certification that the pipeline is not in violation of any FPC certificate of public convenience and necessity.

During the emergency period, FPC may direct any pipeline to connect with a specified facility of any other pipeline. FPC may apportion the costs equitably. Contracts which prohibit commingling of natural gas with gas subject to FPC jurisdiction are declared against public policy and unenforceable with respect to gas delivered to distressed interstate pipelines. An unregulated pipeline ordered by FPC to transport new natural gas to a distressed pipeline will not be made subject to regulation.

Surcharge Rates

The distressed pipelines may not include the cost increases resulting from higher rates in general expenses, but must treat the excess as a special operating expense and pass through only this amount as a special surcharge. Pipelines may not assess residential and small commercial users for the surcharge; pass-throughs are allowed only to other customers who receive gas in excess of their base volume.

Local distribution companies must agree to this surcharge plan before they can accept delivery of extra gas from a distressed pipeline. However, there is no requirement at the local distribution level that surcharges apply to just those users receiving more than normal usage. State laws or regulatory agencies shall

not prohibit local distribution companies from agreeing to these surcharges.

The local distribution passthrough requirement is exempted where State or local regulatory agencies determine that acceptance of additional natural gas would displace higher-priced synthetic natural gas (SNG) or liquified natural gas (LNG), thereby reducing rates otherwise charged to residential or small commercial users.

Penalties and Enforcements

Persons determined by FPC to have violated the Act are liable, after notice and hearing, for civil penalties up to \$10,000 for each violation. If the violation is a continuing one, each day constitutes a separate offense. Penalties for willful violation include fines up to \$25,000 and/or up to 5 years imprisonment. The Attorney General or any individual may bring action in district courts. The courts may award compensatory damages to injured parties and also the costs of litigation. They may also award equitable relief to interstate pipelines appealing their denial of distress designation, but the courts cannot issue an ex parte temporary restraining order or restrain any FPC action other than the denial of distress designation.

Reporting

During the emergency period, distressed interstate pipelines must report weekly to FPC on the daily volumes each pipeline is likely to have, without the new gas, the volume it can deliver in curtailment plans to each customer, and the daily volume delivered to each customer during the preceding week. FPC shall report to Congress by June 15, in 1976 and 1977, on: 1) volumes and prices of new natural gas purchased by distressed interstate pipelines during the emergency period; 2) extent of each pipeline's curtailment; 3) producer compliance with contracts to deliver gas to interstate pipelines at prescribed or minimum rates and the extent to which the pipelines have worked to compel this compliance; 4) efforts of interstate pipelines to secure additional supplies of natural gas; and 5) the effectiveness of the Act in reducing curtailments and adverse economic and employment consequences.

COST/COMMITTEE ACTION

The committee estimates the administration and implementation costs of the bill to be \$1.1 million during the first 9 months and \$787,000 during the succeeding 7 months.

The Subcommittee on Oversight held hearings on natural gas supplies in June and July, and subsequently since January 21, 1976. After hearings in September and October on H.R. 9464, the Subcommittee on Energy and Power reported a substitute bill by voice vote on November 20. The full committee reported an amended bill, by voice vote on December 15. During both subcommittee and committee consideration, amendments proposing

permanent deregulation were ruled nongermane. Since January 20, 1976, the Energy and Power Subcommittee has been holding hearings on long-term legislation.

Dissenting Views

Messrs. Devine, Broyhill, Brown (Ohio), Carter, Satterfield, Collins (Texas), Stuckey, Frey, Hastings, Bryon, Heinz, Lent, McCollister, Madigan, Moorhead (Cal.) and Krueger feel that the question of long-term pricing policy should be considered now, because:

- the recent sharp curtailment of natural gas (from 1% of consumption in 1970 to the predicted 20% for 1976) indicates a shortage which will be long-term;
- there is broad support for long-term legislation, reflected both by the Senate's approval of a long-range policy and the fact that 35 out of 39 subcommittee witnesses favored long-range deregulation of at least new natural gas; and
- the present extent of investigation, testimony, and debate is sufficient for enactment of legislation now.

Supplementary Views

Mr. Heinz agrees with Messrs. Devine, et al., and will join them in offering amendments to deal with the long-range problem, while insuring the good faith of the producers and consumer protection.

Dissenting Views

Mr. Krueger argues that a bill providing permanent deregulation of natural gas is preferable to the committee's emergency bill, because:

- economic incentive is necessary to stimulate exploration and drilling;
- increased production is essential, as gas reserves have declined sharply;
- without a change in present policy, there will be a loss of jobs (perhaps massive), industrial slowdown, increased dependency on imported fuels, and increased pollution from substitute fuels.

Contending that monopoly forces do not exist in the production stage of the industry and that supply is, and prices can be, determined by the market, the Member notes that:

- the 8 largest producers control less than 50% of the market;
- the Institute of Gas Technology showed that exploration and

production in the industry are directly related to earnings; and

- Texas intrastate market prices fell from \$2.07/mcf in 1974 to the present \$1.60/mcf under free market conditions.

VIEWS

Although the administration supports short-term emergency gas purchasing authority, it is imperative that this bill be amended to include long-term deregulation of new natural gas. Such authority is contained in the Krueger amendment. The bill should also be amended to delete a requirement for statutory interference with local utility pricing, delete a troublesome citizen suit provision, and add a provision for emergency gas purchases by high-priority end users.

AMENDMENTS

Mr. Krueger will offer the following amendment as a substitute bill.

Title I

Emergency Authorities--Until April 15, 1976, curtailed interstate pipelines without sufficient supplies to meet high-priority customers will be permitted to purchase unregulated gas for up to 180 days. Until the same date, installations having oil or coal burning capability on June 30, 1975 may be prohibited from using gas if: 1) oil and coal are available and conversion is practicable; 2) reliability of electric service is not impaired; 3) gas will become available for high-priority curtailed customers of interstate pipelines; and 4) EPA does not certify within 15 days that conversion will violate the Clean Air Act. Prohibition orders must provide for compensation of affected facilities for increased costs and for gas transporters' loss of revenues -- compensation to be paid through increased rates to natural gas users benefiting from the order. The title also authorizes the President, during shortage periods, to allocate propane at equitable prices to historical users, and provides for enforcement and judicial review.

Title II

New Onshore Gas--The title immediately deregulates new onshore gas at the wellhead, which includes gas: 1) dedicated to interstate commerce for the first time on or after January 1, 1976; 2) from expiring interstate contracts; and 3) produced from wells commenced on or after January 1, 1976. For both onshore and offshore, FPC must continue to regulate gas sold between affiliates, and FPC is prohibited from decreasing previously approved prices for old gas.

New Offshore Gas--New offshore gas is completely deregulated on January 1, 1981. New offshore gas, produced from January 1, 1975, to December 31, 1980, is subject to interim regulation and FPC-set national ceilings based on the dollar valuation of Btu-equivalent crude oil. Charges over the offshore national ceiling are allowed for high-cost production. In setting ceilings, FPC must consider: 1) costs of optimal levels of exploration, development, and production; 2) promotion of gas conservation; and 3) consumer impact.

Boiler Fuel--The amendment prohibits boiler fuel use of natural gas, "affecting commerce", not contracted for prior to January 1, 1976, unless alternative fuels are not available. Boiler fuel contracts made before January 1, 1976, are terminated at the earlier of 12 years from enactment or at contract expiration, except when alternative fuels are not available or when gas is necessary for "start-up", testing or Clean Air Act requirements.

FPC Study--FPC is directed to conduct studies of the production, transportation and use of all natural, artificial, and synthetic gas. The studies must include information on ownership, operation, and management of all facilities, as well as total estimated reserves and current utilization. Within 90 days of enactment, FPC must conclude an initial study of reserves and utilization, including specific estimates for individual reserves other than those controlled by small producers. Beginning January 1, 1977, and annually till December 31, 1981, FPC must revise this study and report to Congress.

Others--FPC is directed to establish a priority (below residential, small user, and public health customers) for agriculture, food processing and packaging, and a second priority for non-boiler use of natural gas for customers without substitute fuels, regardless of whether they have firm or interruptible contracts. Finally, transportation of intrastate gas is allowed in interstate pipelines if interstate service is not affected and appropriate rates are charged.

Mr. Brown (Ohio) will offer the following amendment if the Krueger amendment is disapproved or radically altered.

New gas is defined as gas: 1) dedicated to interstate commerce for the first time on or after January 1, 1975; 2) from expiring interstate contracts; and 3) produced from wells commenced on or after January 1, 1975.

Within 15 days of enactment, FPC is required to designate: 1) as "distressed interstate pipelines" those unlikely to obtain supplies adequate to meet their essential user requirements; and 2) as "curtailed interstate pipelines" those having a curtailment plan on file with FPC and are curtailing under the plan.

The amendment exempts new natural gas sales to distressed and curtailed interstate pipelines from FPC price controls for 7 years after enactment -- according to the following schedule:

- From enactment through April 15, 1976--sales of onshore new gas to distressed interstate pipelines;
- From April 6, 1976, through April 15, 1977--sales of new gas to distressed or curtailed interstate pipelines; and
- From April 6, 1977, to the end of the 7-year period--sales of new gas to any curtailed interstate pipeline with a curtailment plan on file with the FPC.

Rights and obligations under contracts made during the 7-year period shall not be subject to FPC jurisdiction, and distressed or curtailed pipelines cannot be denied full recovery of amounts paid for the gas. Finally, the Interior Department shall determine the demand for gas, the extent of total estimated reserves, and reserve deliverability.

Mr. Fraser will offer the following amendment as a substitute for Mr. Krueger's amendment.

New Gas Base Prices--Within 180 days of enactment, FPC must set an initial national base price (a ceiling which can be surpassed under certain circumstances) for all new interstate and intrastate gas, retroactive to January 1, 1976. New gas is defined as gas not dedicated to interstate or intrastate commerce before January 1, 1976. FPC shall reset national base prices every 5 years, considering current and prospective real costs of production and allowing reasonable rates of return to attract necessary capital. To be eligible for full base pricing, new gas must be dedicated for at least 20 years; new gas dedicated for more than 10 years and less than 20 years is eligible for up to 75% of base prices. No new gas may be dedicated for less than 10 years.

The following adjustments are allowed in the base price: 1) starting January 1, 1977, an annual inflation adjustment (currently about 8%), each year's factor being applicable only for gas first delivered during that year; 2) an automatic annual increase of 2%, which may be increased to cover costs of production and provide a reasonable rate of return; 3) a special increase over adjusted based price in any high-cost production area if current and prospective costs over the next 5-year period will be substantially above national base price, and if such production promotes public convenience and necessity; and 4) additional adjustments including a gathering allowance, expenses incurred in removing natural gas impurities, amounts actually paid for Federal or State production taxes, a proportional adjustment for Btu content, and amounts equal to uncompensated value of advance payments to producers.

FPC must set a special price for new liquified, regasified, or synthetic natural gas which may exceed the base price for plain natural gas if it promotes public convenience and necessity and is just and reasonable. In the determination of just and reasonable prices, persons selling new SNG, if produced or if acquired from an affiliate, can include in their costs of service the interest paid and a reasonable return on equity expended in the construction of SNG plants.

The adjusted base price serves as a ceiling on FPC-allowed passthroughs of new gas costs incurred by pipelines. Small producers, however, may sell gas up to 50% above the adjusted national base price, except gas discovered by a large producer. FPC cannot decrease established and justified prices of new gas.

After enactment, all new gas produced on Federal lands must be sold or transported to pipelines. However, Federal and State governments may withdraw from interstate commerce a portion of new gas to which they are entitled as a royalty and resell it in intrastate commerce. FPC must prohibit new gas from being sold at national base prices if the gas was discovered on Federal lands 2 years or more prior to enactment and if FPC is not satisfied that it was reasonable for the producer to have failed to dedicate the gas to interstate commerce prior to enactment. This gas must be sold and treated as old gas.

With respect to old gas, the amendment prohibits FPC from allowing price increases unless they are necessary to cover costs of production and provide a reasonable rate of return or are necessary to afford a producer a price equal to a cost-based price authorized for a similarly situated producer.

Priority Deliveries--All pipelines must give first priority on old gas to local distributors to meet residential and small user requirements, and these distributors are prohibited from charging the residential and small users anything but the lesser costs of old gas. FPC shall prohibit the interruption or curtailment of gas for agriculture and food processing or packaging, except when the gas is required by residential, small, and public health users. This prohibition will also apply to intrastate gas in any State not taking steps, within 180 days of enactment to insure sufficient supply to agricultural users. FPC may also direct pipelines to connect with any other pipeline and shall apportion the costs equitably.

Boiler Fuel Use --FPC shall prohibit boiler fuel use of all interstate and intrastate gas not initially contracted prior to January 1, 1976, except use by residential and small users, unless feasible alternatives, other than oil and propane, produced in the State are not available. For boiler fuel contracted prior to January 1, 1976, FPC must assure that such use is ended, to the maximum possible extent, by 10 years from enactment, except: use by residential and small users; where alternative fuels are not available; where pollution standards would be violated; and where unreasonable economic hardship would be incurred.

Supply Emergencies--FPC is authorized to declare a supply emergency along transmission routes. FPC may direct any pipeline not itself experiencing an emergency to make compensated deliveries to other pipelines -- up to the point of creating its own emergency situation or causing significant unemployment in its own service area.

Reserve Information--FPC is directed to study and report to Congress on production and other transactions of all natural, artificial, and synthetic gas. It must also keep current information on ownership, operation, and management of facilities used in these transactions, as well as data on total estimated reserves and current utilization.

Mr. Eckhardt will offer, as a substitute for the Krueger amendment, an amendment identical to H.R. 9464 except that it extends the supply emergency period until April 15, 1978.

Amendments to Krueger Substitute

Section 103

Mr. Dodd may offer an amendment changing the definition of an independent producer from one who is not affiliated with transportation components of the industry, to one who does not control, nor is under common control with, refining, transportation, or marketing components of the industry.

Section 104

Mr. Brodhead will offer amendments to: 1) prohibit distributors from charging residential and small users for emergency-exempted gas; 2) set a price ceiling on first sales of emergency-exempted gas at the highest wellhead price charged in the State of origin for gas sold between June 1 and August 1, 1975; and 3) to require FPC to enforce obligations of producers to deliver contracted gas.

Section 105

Mr. Waxman will offer an amendment to exclude intermittent and supplementary systems from the pollution abatement systems for which natural gas may be used as a boiler fuel.

Mr. Brodhead will offer an amendment striking sections 105 and 106 -- boiler fuel prohibition and propane allocation -- contending that these authorities already exist.

Section 107

Mr. Eckhardt will offer an amendment terminating emergency period gas price exemptions, boiler fuel prohibition, and propane allocation authority on April 4, 1976.

Section 202

Mr. Edgar will offer an amendment (to both the Krueger and Fraser substitutes) defining a nonessential user as any consumer, other than a small residential user, who uses gas to heat single or double family residence. Distributors are prohibited from selling more gas to nonessential users than they were receiving at enactment, with exceptions for certain manufacturing needs and pollution abatement. Within 60 days of enactment, FPC shall set criteria determining whether a user's need cannot be practicably met by an alternative fuel.

Section 204

Mr. Rogers will offer an amendment defining new gas as 1) gas dedicated to interstate commerce for the first time on or after January 1, 1975--provided that it is gas not sold prior to enactment under limited-term certificates (5 years or less) or temporary emergency contracts, and, if offshore gas, it is committed for at least 15 years or until depletion; and 2) gas produced from reservoirs discovered on or after January 1, 1975, or produced from extensions of previously discovered wells initiated and completed on or after January 1, 1975, regardless of whether previously contracted to the interstate market.

Mr. Eckhardt will offer an amendment redefining new natural gas as that new gas produced by independent producers who do not directly or indirectly control, nor are controlled by, the transportation component of the industry.

Mr. Moffett will offer an amendment excluding from the definition of new gas that clause specifying gas dedicated by contracts expiring on or after January 1, 1976.

Mr. Maguire will offer an amendment striking from the definition of new gas that clause specifying gas produced from wells commenced on or after January 1, 1976.

Section 207

Ms. Abzug will offer an amendment to strike out a sentence generally requiring FPC to report and publish its production and reserve study, and insert a requirement that none of the information, other than trade secrets, may be withheld from disclosure, and that Congress must have access to the information.

Mr. Moffett will offer an amendment requiring FPC to conduct studies and investigations if requested by any Congressional legislative or oversight committee.

Section 208

Mr. Eckhardt will offer a technical amendment restricting FPC ceiling consideration to factors related to gas from offshore Federal lands and adding a factor stating that offshore gas belongs to the people of the US and should be used for their benefit and not for that of private interests. The Member will also offer, as a new section 210, a provision that after August 1, 1976, all gas produced from Federal lands must be sold or transferred to an interstate pipeline, except minimal amounts for transportation purposes or outer continental shelf operating needs. He will also offer an amendment striking out "food packaging" as a priority.

Mr. Edgar will offer an amendment identical to the one he proposes for Section 202.

Mr. Waxman will offer an amendment for the non-emergency period identical to the one he proposes for Section 105.

Mr. Andrews (N.D.) will offer an amendment placing liquified, regasified, or synthetic interstate natural gas under FPC jurisdiction (except for certain feedstock derivatives and uses) and specifying such jurisdiction will not preempt State environmental laws.

Mr. Brodhead will offer an amendment shifting natural gas conservation authority (boiler fuel use) from FPC to FEA.

RULE

H.R. 9464 will be considered under an open rule allowing 3 hours of debate--2 hours controlled by the committee and 1 hour by Mr. Krueger. An amendment offered by Mr. Krueger in the nature of a substitute will be in order. If Mr. Krueger's amendment is not agreed to, it will be in order to consider, without intervention of any point of order, an amendment by Mr. Brown of Ohio.

JOHN B. ANDERSON
16TH DISTRICT, ILLINOIS

CHAIRMAN, REPUBLICAN CONFERENCE

MEMBER:
JOINT COMMITTEE ON
ATOMIC ENERGY
COMMITTEE ON RULES

MICHAEL J. MASTERSON
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DON WOLFENBERGER
LEGISLATIVE ASSISTANT

February 2, 1976

RE: NATURAL GAS RULE (H. RES. 937)

Dear Colleague:

On Tuesday of this week the House is scheduled to take up H. Res. 937, the rule which makes in order consideration of the "Natural Gas Emergency Act of 1975" (H.R. 9464). Under the terms of this rule, three hours of general debate will be equally divided between the Commerce Committee member recognized by the Speaker to call up the bill, the ranking minority member, and Congressman Krueger. After general debate, the House will proceed with consideration of amendments under the five minute rule, including the sequential consideration of the Krueger and Brown substitutes, against which points of order have been waived.

As one of the 12 Rules Committee members who voted for this rule, I would like to explain why I felt such a rule was necessary after listening to some nine witnesses over several hours on December 16, 1975. The rule has variously been described in several "Dear Colleague" letters you have received as: "extremely unusual and unfair," "extraordinary," "almost unprecedented," "offensive," "unjustifiable," "perverts the regular legislative process." On the contrary, the Rules Committee majority concluded that this was the fairest and most effective approach (a) to insure that the bill would be called up in the House in the first place, and (b) to give the House the fullest range of choices on which to work its will. Moreover, since the Senate-passed bill contains a long-term deregulation provision, nearly identical to the Krueger substitute, it was felt that our conferees should have an explicit reading from the full House on this subject.

Why does the rule permit recognition of any member of the Interstate and Foreign Commerce Committee to call up the bill? Both Chairman Staggers and Subcommittee Chairman Dingell testified that they neither requested nor wanted a rule. Instead, they had asked the Speaker to place their bill under the suspension procedure which allows for only forty minutes of debate and no amendments; this despite the fact that a Krueger seven-year amendment was defeated on a 19-19 tie vote in full committee. The Speaker correctly refused this request and urged the Chairman to request a rule. It may be recalled that in 1974 the Rules Committee made a special amendment in order to the metric conversion bill, whereupon the chairman of the Science Committee refused to bring up the bill under regular procedures and instead brought it up under suspension. When it failed to receive the requisite two-thirds vote, he was quoted as saying he had brought it up under suspension "because I wanted to get rid" of the bill. Chairman Dingell has indicated that if the natural gas rule is adopted over his objections, "I will handle the legislation on the floor." Obviously, Chairman Dingell would be the first recognized for the purpose of calling up the bill, so this aspect of the rule becomes an academic matter.

Why does the rule waive points of order against the Krueger and Brown substitutes? Congressman Krueger testified that while his substitute would have been germane to the original H.R. 9464, which amended the Natural Gas Act, it was correctly ruled non-germane to the substitute offered in markup which did not amend that Act. Referring to that substitute, Congressman Dingell testified, "the chairman of the subcommittee and committee also crafted it so we could not find ourselves affronted with immediate deregulation of natural gas . . ." Congressman Bolling summarized, "I think that the testimony would make it very clear that circumstances beyond their control and circumstances within their control caused them to use, I hesitate to say the word 'trickery,' but to use legislative techniques in order to avoid the opportunity of the opponents of the majority's point of view to have their position heard or acted on in a generous fashion."

Is it unusual, unfair or unprecedented to make nongermane amendments in order? On numerous occasions the Rules Committee has reported rules which have made so-called non-germane amendments in order to a bill, so long as they bear on the subject of the bill. In fact, on Feb. 26, 1975, the Rules Committee, on binding instructions from the Democratic Caucus, reported a rule on the tax reduction act making in order the completely unrelated oil and gas depletion allowance repeal amendment, contrary to the wishes of the chairman of the Ways and Means Committee. The Record reveals that nine out of ten of the Interstate Energy Subcommittee Democrats voted for that special rule.



Does the rule discharge the Interstate and Foreign Commerce Committee from further consideration of certain legislation? The rule contains no such language. It simply makes in order substitute amendments for H.R. 9464 which are printed in the Congressional Record of December 8, 1975. The committee effectively discharged itself from consideration of these alternatives by the device of a substitute in the case of the Krueger amendment, and by a 19-19 rejection vote in the case of what is now the Brown amendment. The Committee intentionally avoided a direct vote on the Krueger proposal, even though it knew full well it would eventually have to face the issue in conference with the Senate over a nearly identical provision in S. 2310 which was adopted by a vote of 58-32 on October 22, 1975.

Should the rule be defeated to permit further consideration of the deregulation issue by the Commerce Committee? Adoption of the rule will not prejudice the House vote on the deregulation amendment itself; it will simply permit the proponents of this approach to make their case and the House then to work its will. If, as proponents claim, ample testimony has been gathered and work done on this deregulation proposal, then the final vote should reflect this. If, on the other hand, as the opponents claim, more information and work is needed and they are able to persuasively make this case, then the House vote should reflect this. But neither case can be made during debate on the rule, and the House is at least entitled to a fuller debate of the issues involved and an opportunity to then directly register its sentiment on this issue which will be taken up in conference.

In conclusion, I think the rule we have granted has been unfairly maligned. Whereas in past years the Rules Committee has been criticized for holding up or blocking legislation from coming to the floor, in recent times it has bent over backwards to expeditiously clear bills for floor action and insure that the House has the fullest possible opportunity to consider and act on the fullest possible range of choices. The opponents of this rule, on the other hand, have sought to limit the freedom of action available to the House, first, by attempting to bring their bill up under suspension, second, by not requesting any rule, and third, by attempting to deny up to one-half of the committee's membership the opportunity to offer an alternative approach on the House floor. A vote for this rule is a vote for openness and freedom of choice; a vote against this rule is a vote to prevent the House from fully and freely debating and working its will on the substantive merits of the issues and alternatives involved in the natural gas problem. I therefore strongly urge you to vote for H. Res. 937 as reported by the Committee on Rules to at least give yourself a chance to consider all the issues and alternatives and then decide for yourself what should be done.

Very truly yours,

John B. Anderson

JOHN B. ANDERSON
Member of Congress

P.S. For further discussion of this issue, see the special order on "The Natural Gas Rule" in today's (Monday, Feb. 2, 1976) Congressional Record.

File

STATE AND PARTY REPORT

3 FEB. 1976 2:01 PM PAGE

ROLL NO. 32

H RES 937

RECORDED VOTE

CLOSED 3 FEB. 1976 1:59 PM

AUTHOR(S) MR. BOLLING.

ON AGREEING TO THE RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 9464, THE NATURAL GAS EMERGENCY ACT.

	AYES	NOES	PRES	NY
DEMOCRATIC	102	175		11
REPUBLICAN	128	9		7
OTHER				
TOTAL	230	184		18



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

ALABAMA

DEVILL YEA
 FLOWERS YEA
 JONES (AL) YEA
 NICHOLS YEA

BUCHANAN YEA
 DICKINSON YEA
 EDWARDS (AL) YEA

ALASKA

YOUNG (AK) YEA

ARIZONA

UDALL NY

CONLAN YEA
 RHODES YEA
 STEIGER (AZ) YEA

ARKANSAS

ALEXANDER YEA
 HILLS YEA
 THORNTON YEA

HAMMERSCHMIDT YEA

CALIFORNIA

ANDERSON (CA) NAY
 BROWN (CA) YEA
 BURKE (CA) NAY
 BURTON, JOHN NAY
 BURTON, PHILLIP NAY
 CORMAN NAY
 DANIELSON NAY
 DELLUMS NAY
 EDWARDS (CA) NY
 HANNAFORD YEA
 HAWKINS NAY
 JOHNSON (CA) YEA
 KREBS NAY
 LEGGETT NAY
 LLOYD (CA) NAY
 MC FALL YEA
 MILLER (CA) NAY
 MINETA NAY
 MOSS NAY
 PATTERSON (CA) NAY
 REES YEA
 ROYBAL NAY
 RYAN NAY
 SISK YEA
 STARK NAY
 VAN DEERLIN NAY
 WAXMAN NAY
 WILSON, C. H. YEA

BELL YEA
 BURGNER YEA
 CLAUSEN, DON H. YEA
 CLAWSON, DEL YEA
 GOLDWATER YEA
 HINSHAW NY
 KETCHUM YEA
 LAGOMARSINO YEA
 MC CLOSKEY YEA
 MOORHEAD (CA) YEA
 PETTIS YEA
 ROUSSELOT YEA
 TALCOTT YEA
 WIGGINS YEA
 WILSON, BOB YEA

COLORADO

EVANS (CO) NAY
 SCHROEDER YEA
 WIRTH YEA

ARMSTRONG YEA
 JOHNSON (CO) YEA



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

CONNECTICUT

COTTER	NAY
DODD	NAY
GIAMMO	YEA
MOFFETT	NAY

MC KINNEY	YEA
SARASIN	YEA

LAWARE

DU PONT	YEA
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ORIDA

BENNETT	YEA
CHAPPELL	YEA
FASCELL	YEA
FUGUA	YEA
GIBBONS	YEA
HALEY	YEA
LEHMAN	YEA
PEPPER	YEA
ROGERS	NAY
SIKES	YEA

BAFALIS	YEA
BURKE (FL)	YEA
FREY	YEA
KELLY	YEA
YOUNG (FL)	YEA

ORGIA

BRINKLEY	NAY
FLYNT	NAY
GINN	NAY
LANDRUM	YEA
LEVITAS	NAY
MATHIS	NAY
MC DONALD	YEA
STEPHENS	NAY
STUCKEY	YEA
YOUNG (GA)	NAY

DAII

NATSUNAGA	YEA
NINK	NAY

AHO

HANSEN	YEA
SYMS	YEA



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

ILLINOIS

ANNUNZIO NAY
 COLLINS (IL) NAY
 FARY NAY
 HALL NAY
 HETCALFE NY
 MIKYA NAY
 MURPHY (IL) NY
 PRICE NAY
 ROSTENKOWSKI NY
 RUSSO NAY
 SHIPLEY YEA
 SIMON NAY
 YATES NAY

ANDERSON (IL) YE
 CRANE YE
 DERWINSKI YE
 ERLENBORN YE
 FINDLEY YE
 HYDE YE
 MADIGAN YE
 MC CLORY YE
 MICHEL YE
 O'BRIEN YE
 RAILSBACK NY

INDIANA

BRADENAS NAY
 EVANS (IN) NAY
 FITHIAN NAY
 HAMILTON YEA
 HAYES (IN) YEA
 JACOBS NAY
 MADDER NAY
 ROUSH NAY
 SHARP NAY

HILLIS YE
 MYERS (IN) YE

IOWA

BEDELL NAY
 SLOVIN NAY
 HARKIN NAY
 MEZVINSKY NAY
 SMITH (IA) NAY

GRASSLEY. YE

KANSAS

KEYS NAY

SEBELIUS YE
 SHRIVER YE
 SKUBITZ YE
 WINN YE

KENTUCKY

BRECKINRIDGE NAY
 HUBBARD YEA
 MAZZOLI NAY
 HATCHER YEA
 PERKINS NAY

CARTER YE
 SNYDER NY

LOUISIANA

BOGGS YEA
 BREAUX YEA
 HEBERT YEA
 LONG (LA) YEA
 PASCHAN YEA
 WAGGONER YEA

MOORE YE
 TREEN YE



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

INE

COHEN	YEA
EMERY	YEA

RYLAND

BYRON	YEA
LONG (ND)	YEA
MITCHELL (ND)	NAY
SARBANES	NAY
SPELLMAN	NAY

BAUMAN	YEA
GUDE	NAY
HOLT	YEA

SSACHUSETTS

BOLAND	NAY
BURKE (MA)	NAY
BRINAN	NAY
EARLY	NAY
HARRINGTON	NAY
MACDONALD	NAY
HOAKLEY	NAY
O'NEILL	YEA
STUBBS	NAY
TSONGAS	NAY

CONTE	NAY
HECKLER (MA)	NAY

CHIGAN

BLANCHARD	NAY
BRODHEAD	NAY
CARR	NAY
CONYERS	NAY
DIGGS	NV
DINGELL	NAY
FORD (MI)	NAY
NEZZI	NAY
O'HARA	NAY
RIEGLE	NAY
TRAXLER	NAY
VANDER VEEN	NAY

BROOKFIELD	YEA
BROWN (MI)	NV
CEDERBERG	YEA
ESCH	YEA
HUTCHINSON	YEA
RUPPE	YEA
VANDER JAGT	YEA

MINNESOTA

BERGLAND	NAY
FRASER	NAY
KARTH	NAY
NOLAN	NAY
OBERSTAR	NAY

FRENZEL	YEA
HAGEDORN	YEA
QUIE	YEA

MISSISSIPPI

BOWEN	YEA
MONTGOMERY	YEA
WHITTEN	YEA

COCHRAN	YEA
LOTT	YEA



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

MISSOURI

BOLLING NAY
 BURLISON (MO) YEA
 CLAY NAY
 HUNGATE YEA
 ICHORD YEA
 LITTON NAY
 RANDALL YEA
 SULLIVAN NAY
 SYMINGTON NY

TAYLOR (MO)

YEA

MONTANA

BAUCUS NAY
 HELCHER YEA

NEBRASKA

MC COLLISTER
 SMITH (NB)
 THONE

YEA

YEA

YEA

NEVADA

SANTINI NAY

NEW HAMPSHIRE

D'ANDOURS NAY

CLEVELAND

YEA

NEW JERSEY

DANIELS (NJ) NAY
 FLORIO NAY
 HELSTOSKI NAY
 HOWARD NAY
 HUGHES NAY
 MAGUIRE NAY
 MEYNER NAY
 MINICH NAY
 PATTEN (NJ) NAY
 RODINO NAY
 ROE NAY
 THOMPSON NAY

FENWICK
 FORSYTHE
 RINALDO

NAY

YEA

NY

NEW MEXICO

RUNNELS YEA

LUJAN

YEA



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

NEW YORK			
ABZUG	NAY	CONABLE	YEA
ADDABBO	NAY	FISH	YEA
ABRO	NAY	GILMAN	YEA
BADILLO	NAY	HORTON	YEA
BIAGGI	NAY	KEMP	YEA
BINGHAM	NAY	LENT	YEA
CHISHOLM	NY	MC EWEEN	YEA
DELANEY	NAY	MITCHELL (NY)	YEA
DOWNNEY (NY)	NAY	PEYGER	NAY
HANLEY	NAY	WALSH	YEA
HOLTZMAN	NAY	WYDLER	YEA
KOCH	NAY		
LAFALCE	NAY		
MC HUGH	NAY		
MURPHY (NY)	YEA		
HOWAK	NAY		
OTTINGER	NAY		
PATTISON (NY)	NAY		
PIKE	NAY		
RANGEL	NAY		
RICHMOND	NAY		
ROSENTHAL	NAY		
SCHEUER	NAY		
SOLARZ	NAY		
STRATTON	NAY		
WOLFF	NAY		
ZEFERETTI	NAY		
NORTH CAROLINA			
ANDREWS (NC)	NY	BROYHILL	YEA
FOUNTAIN	YEA	MARTIN	YEA
HEFNER	YEA		
HENDERSON	YEA		
JONES (NC)	YEA		
HEAL	YEA		
PREYER	YEA		
ROSE	YEA		
TAYLOR (NC)	YEA		
NORTH DAKOTA			
		ANDREWS (ND)	YEA



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

OHIO

ASHLEY	YEA
CARNEY	NAY
HAYS (OH)	NAY
MOTTL	NAY
SEIBERLING	NAY
STANTON, JAMES V.	NAY
STOKES	NAY
YANIK	NAY

ASHBROOK	YE
BROWN (OH)	YE
CLANCY	YE
DEVINE	YE
GRADISON	YE
GUYER	YE
HARSHA	NA
KINDNESS	YE
LATTA	YE
HILLER (OH)	YE
MOSHER	YE
REGULA	YE
STANTON, J. WILLIAM	YE
WHALEN	NA
WYLIE	YE

OKLAHOMA

ALBERT	
ENGLISH	YEA
JONES (OK)	YEA
RISENHOOVER	YEA
STEED	YEA

JARMAN	YE
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OREGON

AUCOIN	YEA
BURCAN (OR)	NAY
ULLMAN	YEA
WEAVER	NAY

PENNSYLVANIA

BARRETT	NAY
BENT	YEA
EDGAR	NAY
EILBERG	NAY
FLOOD	NAY
GAYDOS	NAY
GREEN	NAY
MOORHEAD (PA)	NAY
MORGAN	NAY
MURTHA	YEA
NIX	NAY
ROONEY	NAY
VIGORITO	NAY
YATRON	NAY

BIESTER	NY
COUGHLIN	YE
ESHELMAN	NY
GOODLING	YE
HEINZ	YE
JOHNSON (PA)	YE
MC DADE	NA
MYERS (PA)	YE
SCHNEEBELI	YE
SCHULZE	YE
SHUSTER	YE

RHODE ISLAND

BEARD (RI)	NAY
ST GERMAIN	NAY



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

SOUTH CAROLINA

DAVIS NAY
 DERRICK YEA
 HOLLAND YEA
 JENNETTE NAY
 MANN YEA

SPENCE YEA

SOUTH DAKOTA

ABDNOR YEA
 PRESSLER YEA

TENNESSEE

ALLEN NAY
 EVINS (TN) NAY
 FORD (TN) NAY
 JONES (TN) YEA
 LLOYD (TN) NAY

BEARD (TN) YEA
 DUNCAN (TN) YEA
 GUILLEN YEA

TEXAS

BROOKS YEA
 BURLESON (TX) YEA
 DE LA GARZA YEA
 ECKHARDT NAY
 GONZALEZ NAY
 HIGHTOWER YEA
 JORDAN YEA
 KAZEN YEA
 KRUEGER YEA
 MAHON YEA
 MILFORD YEA
 PATHAN (TX) YEA
 PICKLE YEA
 PDAGE YEA
 ROBERTS YEA
 TEAGUE YEA
 WHITE YEA
 WILSON, (TX) YEA
 WRIGHT YEA
 YOUNG (TX) YEA

ARCHER YEA
 COLLINS (TX) YEA
 STEELMAN YEA

Tennessee

HOWE NAY
 MC KAY YEA

VERMONT

JEFFORDS NAY

VIRGINIA

DANIEL, DAN YEA
 DOWNING (VA) YEA
 FISHER YEA
 HARRIS NAY
 SATTERFIELD YEA

BUTLER YEA
 DANIEL, R. W. YEA
 ROBINSON YEA
 WAMPLER YEA
 WHITEHURST YEA



ROLL NO. 32

DEMOCRATIC

OTHER

REPUBLICAN

WASHINGTON

ADAMS	NAY
BONKER	NAY
FOLEY	YEA
HICKS	NAY
MC CORMACK	NV
NEEDS	NAY

PRITCHARD

YEA

WEST VIRGINIA

HECHLER (WV)	NAY
MOLLOHAN	YEA
SLACK	YEA
STAGGERS	NAY

WISCONSIN

ASPIN	NAY
BALDUS	NAY
CORNELL	NAY
KASTENMEIER	NAY
OBEY	NAY
REUSS	NAY
ZABLOCKI	NAY

KASTEN
STEIGER (WI)YEA
YEA

WYOMING

RONCALIO	YEA
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* * * * * E N D O F R E P O R T * * * * *





HOUSE REJECTS FULL NATURAL GAS DEREGULATION

The House Feb. 5 shied away from full-scale natural gas deregulation and voted instead to tighten price controls over the nation's largest gas producers.

In a cliff-hanging 205-201 recorded vote, the House accepted a fall-back proposal hastily devised by opponents of the industry in their desperate fight against a wider deregulation amendment that House leaders had pushed to the floor.

That compromise, offered by Neal Smith (D Iowa), ended price controls over small gas producers but enlarged regulation of major companies. By accepting it, the House thwarted a campaign for all-out deregulation that had seemed on the verge of success.

The reversal stunned industry supporters, notably Texas Democrat Robert Krueger, the 40-year-old freshman who had won House leadership support to force floor action on an amendment that was similar to a deregulation plan that the Senate accepted in 1975. (*Senate action, 1975 Weekly Report p. 2292*)

"I feel whipped," an ashen-faced Krueger remarked after a sudden showdown vote ended three days of floor maneuvering over his controversial proposal to free natural gas prices from Federal Power Commission (FPC) controls.

Clearly elated by the startling turnaround, House Interstate and Foreign Commerce Subcommittee on Energy and Power Chairman John D. Dingell (D Mich.) meanwhile exchanged congratulations with the labor and consumer group lobbyists who had helped reverse the momentum for wide deregulation that had developed earlier in the week.

Despite those sharply defined emotions, the House decision still left federal energy policy in confusion. Although the House had approved limited deregulation for small producers, it was doubtful that conferees could resolve the conflicting House and Senate approaches into a natural gas pricing policy that President Ford would accept.

That prospect, Krueger predicted, "means we will go another year without a natural gas policy."

Preliminary Maneuvers

The House Feb. 3 had forced the natural gas issue to the floor in a 230-184 recorded vote endorsing the Rules Committee's decision to allow Krueger to offer his permanent deregulation proposal to a more limited measure (HR 9464) designed to meet short-term gas shortages. (*Vote 20, p. 294*)

By adopting that rule, the House rebuffed Interstate and Foreign Commerce Committee leaders who had blocked Krueger's amendment in committee and bitterly protested the Rules Committee's Dec. 16, 1975, recommendation that the full House be given a chance to follow the Senate's lead by linking long-term deregulation to the emergency measure. (*Rules Committee action, 1975 Weekly Report p. 2768*)

In passing a similar emergency measure (S 2310) in October 1975, the Senate had tacked on a floor amendment

that would end price controls on "new" natural gas from onshore reserves immediately and terminate offshore gas regulation after five years.

But Dingell's Energy and Power Subcommittee, dominated by hard-line foes of deregulation, separated the emergency and long-term issues, crafting HR 9464 in such a way to make the Senate's floor amendment non-germane to the bill. Krueger thus was denied a vote on his similar proposal during both subcommittee and full committee action on the emergency measure, which allowed interstate gas pipelines whose supplies were curtailed to buy more expensive gas from intrastate markets.

Interstate and Foreign Commerce Committee Chairman Harley O. Staggers (D W.Va.) asked House leaders to bring HR 9464 up for quick floor action under suspension of the rules, a procedure that would prohibit amendments. But Speaker Carl Albert (D Okla.) refused and instead sent the bill to the Rules Committee to ready floor action.

Over Commerce Committee leaders' objections, the Rules Committee by a 12-4 vote granted a rule allowing Krueger to offer his amendment and permitting any committee member to bring HR 9464 to the floor.

Caucus Deliberation

No longer able to bottle up deregulation proposals in committee, and increasingly dubious about whether even emergency measures were needed, Staggers, Dingell and other opponents mounted an effort to head off floor consideration of HR 9464 by defeating the rule (H Res 937) proposed by the Rules Committee. In the week before floor debate began, members were suggesting that Albert, who represents an Oklahoma gas-producing district, was using his powers to advance the industry's cause.

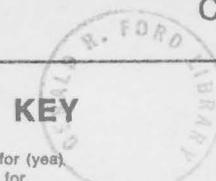
Dingell and Rep. John E. Moss (D Calif.), chairman of the Interstate and Foreign Commerce Subcommittee on Oversight and Investigations, also held hearings during January to develop charges that natural gas producers were withholding from production reserves that could be used to meet shortages without deregulation.



Robert Krueger (D Texas)



Neal Smith (D Iowa)



20 21 22 23 24 25 26 27

KEY

- Y Voted for (yea).
- ✓ Paired for.
- † Announced for.
- N Voted against (nay).
- X Paired against.
- Announced against.
- P Voted "present."
- Voted "present" to avoid possible conflict of interest.
- ? Did not vote or otherwise make a position known.

20 21 22 23 24 25 26 27

20. HR 9464. Natural Gas Deregulation. Adoption of the resolution (H Res 937) providing for House floor consideration of the bill to permit interstate natural gas pipeline companies to avert emergency shortages by buying unregulated intrastate gas. The rule permitted consideration of a substitute by Robert Krueger (D Texas) to end federal regulation of interstate gas prices. (Deregulation opponents tried to defeat the rule to keep Krueger's amendment from coming before the House.) Adopted 230-184: R 128-9; D 102-175 (ND 34-156; SD 68-19), Feb. 3, 1976. A "yea" was a vote supporting the President's position. (*Story, p. 259*)

21. HR 9464. Natural Gas Deregulation. Eckhardt (D Texas) amendment, to the Krueger (D Texas) substitute amendment to deregulate natural gas prices, to delete provisions that would end the Federal Power Commission's (FPC) authority to reduce price ceilings on gas still under federal regulation. Adopted 232-184: R 25-112; D 207-72 (ND 175-16; SD 32-56), Feb. 4, 1976. (*Story, p. 259*)

22. HR 9464. Natural Gas Deregulation. Eckhardt (D Texas) amendment, to the Krueger substitute amendment, to allow the Federal Power Commission to set varying ceilings, instead of a single national ceiling, on prices for offshore natural gas that would remain under federal regulation for five years. Rejected 182-236: R 13-125; D 169-111 (ND 155-37; SD 14-74), Feb. 4, 1976. (*Story, p. 259*)

23. S Con Res 92. Lincoln Birthday Recess. Adoption of the concurrent resolution providing for the adjournment of the Senate from the close of business on Feb. 6 until 12 noon Feb. 16 and for the adjournment of the House of Representatives from the close of business on Feb. 11 until 12 noon Feb. 16, unless called back into session by the congressional leadership. Adopted 327-80: R 91-42; D 236-38 (ND 164-26; SD 72-12), Feb. 5, 1976.

24. HR 9464. Natural Gas Deregulation. Hughes (D N.J.) amendment, to the Krueger substitute amendment, to direct the Federal Power Commission to give industrial as well as agricultural users of natural gas feedstocks priority access to natural gas supplies. Rejected 131-274: R 16-117; D 115-157 (ND 110-77; SD 5-80), Feb. 5, 1976. (*Story, p. 259*)

25. HR 9464. Natural Gas Deregulation. Smith (D Iowa) substitute amendment, to the Krueger (D Texas) substitute amendment, to deregulate natural gas sold by small producers with sales of less than 100-billion cubic feet a year, but continue Federal Power Commission regulation of major gas producers. The amendment extended federal controls over major companies to cover gas sales intrastate markets. Adopted 205-201: R 13-117; D 192-84 (ND 173-19; SD 19-65), Feb. 5, 1976. A "nay" was a vote supporting the President's position. (*Story, p. 259*)

26. HR 9464. Natural Gas Deregulation. Krueger (D Texas) substitute amendment, as amended by the Smith (D Iowa) substitute (see vote 25, above). Adopted 219-184: R 17-112; D 202-72 (ND 176-11; SD 26-61), Feb. 5, 1976. A "nay" was a vote supporting the President's position. (*Story, p. 259*)

27. HR 9464. Natural Gas Deregulation. Brown (R Ohio) motion to recommit the bill to deregulate natural gas sold by small producers and expand regulation of natural gas sold by major producers to the committee with instructions to report it back with the Krueger (D Texas) substitute amendment. (The motion in effect would have negated adoption of the Smith (D Iowa) substitute (see vote 25, above) and reinstated the Krueger proposal to deregulate all new onshore natural gas in 1976 and offshore gas in 1981.) Rejected 198-204: R 113-15; D 85-189 (ND 20-167; SD 65-22), Feb. 5, 1976. A "yea" was a vote supporting the President's position. (*Story, p. 259*)

	20	21	22	23	24	25	26	27
ALABAMA								
1 Edwards	Y	N	N	Y	N	N	N	Y
2 Dickinson	Y	N	N	Y	N	N	N	Y
3 Nichols	Y	N	N	Y	N	N	N	Y
4 Bevil	Y	Y	Y	N	Y	N	Y	N
5 Jones	Y	N	?	Y	N	N	N	N
6 Buchanan	Y	N	N	Y	N	N	Y	Y
7 Flowers	Y	N	N	Y	N	N	Y	Y
ALASKA								
AL Young	Y	N	N	Y	N	N	N	Y
ARIZONA								
1 Rhodes	Y	N	N	Y	N	N	N	Y
2 Udall	X	?	?	?	?	?	✓	?
3 Stelger	Y	N	N	Y	N	?	?	?
4 Conlan	Y	N	N	Y	N	N	N	Y
ARKANSAS								
1 Alexander	Y	Y	N	Y	N	?	?	?
2 Mills	Y	N	N	Y	N	X	N	Y
3 Hammerschmidt	Y	N	N	N	N	N	N	Y
4 Thornton	Y	N	N	Y	N	N	N	Y
CALIFORNIA								
1 Johnson	Y	N	N	Y	N	N	N	Y
2 Clausen	Y	N	N	Y	N	N	N	Y
3 Moss	N	Y	Y	Y	Y	Y	Y	N
4 Leggett	N	Y	Y	Y	Y	Y	Y	N
5 Burton, J.	N	Y	Y	Y	Y	Y	Y	N
6 Burton, P.	N	Y	Y	Y	Y	Y	Y	N
7 Miller	N	Y	Y	Y	Y	Y	Y	N
8 Dellums	N	Y	Y	Y	Y	Y	Y	N
9 Stark	N	?	?	?	?	Y	Y	X
10 Edwards	X	Y	Y	Y	Y	Y	Y	N
11 Ryan	N	Y	Y	Y	N	Y	N	Y
12 McCloskey	Y	Y	N	Y	N	?	N	Y
13 Mineta	N	Y	Y	Y	Y	Y	N	Y
14 McFall	Y	Y	Y	Y	Y	Y	N	Y
15 Sisk	Y	N	Y	N	Y	Y	N	Y
16 Talcott	Y	N	N	Y	N	N	Y	Y
17 Krebs	N	Y	Y	Y	N	Y	Y	N
18 Ketchum	Y	N	N	Y	N	N	N	Y
19 Lagomarsino	Y	N	N	Y	N	N	N	Y
20 Goldwater	Y	N	N	N	N	N	N	Y
21 Corman	N	Y	Y	Y	Y	Y	N	Y
22 Moorhead	Y	N	N	Y	N	N	Y	Y
23 Rees	Y	Y	N	Y	N	N	N	Y
24 Waxman	N	Y	Y	Y	Y	Y	N	Y
25 Roybal	N	Y	Y	Y	Y	Y	N	Y
26 Rousselot	Y	N	N	?	N	N	N	Y
27 Bell	Y	N	N	Y	N	N	Y	Y
28 Burke	N	Y	Y	Y	Y	Y	N	Y
29 Hawkins	N	Y	?	?	?	?	✓	X
30 Danielson	N	Y	Y	Y	Y	Y	N	Y
31 Wilson	Y	Y	N	Y	Y	Y	N	Y
32 Anderson	N	Y	N	Y	Y	Y	N	Y
33 Clawson	Y	N	N	Y	N	N	Y	Y
34 Hannaford	Y	Y	N	Y	N	Y	N	Y
35 Lloyd	N	Y	Y	Y	Y	Y	N	Y
36 Brown	Y	?	?	?	Y	N	Y	Y
37 Pettis	Y	N	N	Y	N	N	Y	Y
38 Patterson	N	Y	Y	N	Y	N	Y	Y
39 Wiggins	Y	N	N	Y	N	N	Y	Y
40 Hinshaw	✓	?	?	?	?	?	?	?
41 Wilson	Y	N	N	Y	N	N	N	Y
42 Van Deerlin	N	Y	Y	Y	Y	Y	Y	N
43 Burgener	Y	N	N	Y	N	N	Y	Y
COLORADO								
1 Schroeder	Y	Y	N	N	N	N	Y	Y
2 Wirth	Y	Y	N	N	Y	N	Y	N
3 Evans	N	Y	Y	N	Y	?	N	Y
4 Johnson	Y	N	N	Y	N	N	N	Y
CONNECTICUT								
5 Armstrong	Y	N	N	N	N	N	N	Y
1 Cotter	N	Y	Y	N	Y	Y	Y	N
2 Dodd	N	Y	N	Y	Y	Y	Y	N
3 Gaiamo	Y	N	N	Y	Y	N	Y	Y
4 McKinney	Y	N	Y	N	Y	N	N	Y
5 Sarasin	Y	N	N	Y	N	Y	N	Y
6 Mofitt	N	Y	Y	Y	Y	Y	Y	N
DELAWARE								
AL du Pont	Y	Y	N	Y	N	N	Y	N
FLORIDA								
1 Sikes	Y	N	N	?	N	N	N	Y
2 Fuqua	Y	N	N	Y	N	N	N	Y
3 Bennett	Y	N	Y	N	Y	N	N	Y
4 Chappell	Y	N	Y	N	X	N	Y	Y
5 Kelly	Y	N	N	N	N	N	N	Y
6 Young	Y	N	N	N	N	N	N	Y
7 Gibbons	Y	N	Y	Y	N	Y	N	Y
8 Haley	Y	N	Y	N	N	N	Y	Y
9 Frey	Y	N	Y	N	N	N	Y	Y
10 Batelli	Y	N	Y	N	N	N	Y	Y
11 Rogers	N	Y	N	N	Y	Y	N	Y
12 Burke	Y	N	N	N	N	N	Y	Y
13 Lehman	Y	N	Y	N	N	N	Y	N
14 Pepper	Y	N	Y	N	N	N	Y	N
15 Fascell	Y	N	N	N	Y	Y	N	N
GEORGIA								
1 Ginn	N	Y	N	Y	N	N	N	Y
2 Mathis	N	N	N	Y	N	N	N	Y
3 Brinkley	N	Y	N	Y	N	Y	Y	Y
4 Levitas	N	Y	N	Y	Y	Y	Y	Y
5 Young	N	Y	Y	?	?	Y	Y	N
6 Flynt	N	N	N	N	N	N	N	Y
7 McDonald	Y	N	Y	N	N	N	Y	Y
8 Stuckey	Y	N	N	N	N	N	Y	Y
9 Landrum	Y	N	N	Y	?	N	N	Y
10 Stephens	✓	Y	N	Y	N	N	N	Y
HAWAII								
1 Matsunaga	Y	Y	Y	Y	N	Y	Y	N
2 Mink	N	Y	Y	Y	Y	Y	Y	N
IDAHO								
1 Symms	Y	N	Y	N	N	X	?	?
2 Hansen, G.	Y	N	Y	N	N	N	Y	Y
ILLINOIS								
1 Metcalfe	X	?	?	?	?	?	✓	✓
2 Murphy	X	?	?	?	?	?	✓	✓
3 Russo	N	Y	Y	Y	Y	Y	Y	N
4 Derwinski	Y	N	Y	N	N	N	Y	Y
5 Fary	N	Y	Y	N	Y	Y	Y	N
6 Hyde	Y	N	Y	N	N	N	Y	Y
7 Collins	N	Y	Y	?	?	Y	Y	N
8 Rostenkowski	?	?	?	?	?	✓	✓	X
9 Yates	N	Y	Y	Y	Y	Y	Y	N
10 Mikva	N	Y	Y	Y	Y	Y	Y	N
11 Annunzio	N	Y	Y	N	Y	Y	N	Y
12 Crane	Y	N	Y	N	N	N	Y	Y
13 McClory	Y	N	Y	N	N	N	Y	Y
14 Erlenborn	Y	N	Y	N	N	N	Y	Y
15 Hall	N	Y	Y	N	Y	Y	Y	N
16 Anderson	Y	Y	?	P	?	X	X	✓
17 O'Brien	Y	N	Y	N	N	N	Y	Y
18 Michel	Y	N	Y	N	N	N	Y	Y
19 Rallsback	✓	N	N	Y	?	N	N	Y
20 Findley	Y	N	Y	N	N	N	Y	Y
21 Madigan	Y	N	Y	?	N	N	Y	Y
22 Shipley	Y	N	Y	N	Y	Y	Y	N
23 Price	N	Y	Y	Y	Y	Y	Y	N
24 Simon	N	Y	Y	N	Y	Y	Y	N
INDIANA								
1 Madden	N	Y	Y	Y	Y	Y	Y	N
2 Fithian	N	Y	Y	N	Y	Y	Y	N
3 Brademas	N	Y	Y	Y	Y	Y	Y	N
4 Roush	N	Y	Y	N	Y	Y	Y	N
5 Hillis	Y	N	Y	N	N	Y	Y	N
6 Evans	Y	N	Y	N	Y	Y	Y	N
7 Myers	Y	N	N	N	N	Y	Y	N
8 Hayes	Y	Y	N	Y	N	Y	Y	N
9 Hamilton	Y	Y	Y	N	Y	Y	Y	N
10 Sharp	N	Y	Y	N	Y	Y	Y	N
11 Jacobs	N	Y	Y	N	Y	Y	Y	N
IOWA								
1 Mezvinsky	N	Y	Y	Y	N	Y	Y	N
2 Blouin	N	Y	Y	N	Y	Y	Y	N
3 Grassley	Y	N	Y	N	N	Y	Y	N
4 Smith	N	Y	Y	Y	N	Y	Y	N
5 Harkin	N	Y	Y	N	N	Y	Y	N
6 BeDeil	N	Y	N	N	Y	Y	Y	N

Democrats Republicans

Corresponding to Congressional Record Votes 32, 34, 35, 36, 37, 38, 39, 40

	20	21	22	23	24	25	26	27		20	21	22	23	24	25	26	27		20	21	22	23	24	25	26	27		20	21	22	23	24	25	26	27				
KANSAS																																							
1 Sebellus	Y	?	?	Y	N	N	N	Y		4 Randall	Y	Y	N	N	N	N	N		9 Martin	Y	N	N	Y	N	N	N	Y	7 Jones	Y	Y	Y	Y	N	N	N	Y			
2 Keys	N	Y	Y	Y	Y	Y	Y	N		5 Bolling	N	N	Y	Y	Y	Y	Y	N	10 Broyhill	Y	N	N	Y	N	N	N	Y	8 Ford	N	Y	Y	Y	Y	Y	Y	N			
3 Winn	Y	N	Y	N	N	N	N	Y		6 Litton	N	Y	N	N	N	Y	Y	N	11 Taylor	Y	Y	Y	N	N	N	Y		TEXAS											
4 Shriver	Y	N	Y	N	N	N	N	Y		7 Taylor	Y	N	Y	N	N	N	Y		NORTH DAKOTA																				
5 Skubltz	Y	N	N	?	?	N	N	Y		8 Ichord	Y	N	Y	N	N	Y	Y		AL Andrews																				
KENTUCKY																																							
1 Hubbard	Y	N	N	N	N	N	N	Y		9 Hungate	Y	Y	Y	Y	Y	Y	N		OHIO																				
2 Natcher	Y	N	Y	N	N	N	N	Y		10 Burlison	Y	Y	Y	Y	Y	Y	N		1 Gradison	Y	N	N	Y	N	N	Y	4 Roberts	Y	N	N	Y	N	N	N	Y				
3 Mazzoli	N	Y	N	Y	N	Y	Y	N		MONTANA																													
4 Snyder	Y	Y	N	Y	N	Y	Y	N		1 Baucus	N	Y	Y	Y	Y	Y	N		2 Clancy	Y	N	N	N	N	X	X	Y	5 Steelman	Y	N	N	Y	N	N	?	Y			
5 Carter	Y	Y	N	Y	N	N	N	Y		2 Melcher	Y	Y	N	Y	Y	Y	N		3 Whalen	N	Y	Y	Y	Y	Y	N	6 Teague	Y	N	N	Y	N	N	N	Y				
6 Breckinridge	N	Y	Y	N	Y	Y	Y	N		NEBRASKA																													
7 Perkins	N	Y	N	Y	Y	Y	Y	N		1 Thone	Y	N	N	N	N	N	Y		4 Guyer	Y	N	N	N	N	N	Y	7 Archer	Y	N	N	N	N	N	Y	Y				
LOUISIANA																																							
1 Hebert	Y	N	N	?	N	N	N	Y		2 McCollister	Y	N	N	Y	N	N	Y		5 Letta	Y	N	N	N	N	N	Y	8 Eckhardt	N	Y	Y	Y	Y	Y	N	Y				
2 Boggs	Y	N	N	Y	N	N	N	Y		3 Smith	Y	N	N	Y	N	N	Y		6 Harsha	N	Y	Y	?	?	?	?	9 Brooks	Y	N	N	Y	N	X	N	Y				
3 Trean	Y	N	N	Y	N	N	N	Y		NEVADA																													
4 Waggonner	Y	N	Y	N	N	N	N	Y		AL Santini	N	Y	Y	N	N	Y	Y		7 Brown	Y	N	Y	N	N	N	Y	10 Pickle	Y	N	N	Y	N	N	N	Y				
5 Passman	Y	N	Y	N	N	N	N	Y		NEW HAMPSHIRE																													
6 Moore	Y	N	N	N	N	N	N	Y		1 D'Amours	N	Y	Y	Y	Y	Y	N		8 Kindness	Y	N	Y	N	N	N	Y	11 Poage	Y	N	N	Y	N	N	N	Y				
7 Breaux	Y	N	Y	N	N	N	N	Y		2 Cleveland	Y	N	N	Y	N	N	Y		9 Ashley	Y	Y	Y	Y	Y	Y	N	12 Wright	Y	N	N	Y	N	N	N	Y				
8 Long	Y	N	Y	N	N	N	N	Y		NEW JERSEY																													
MAINE																																							
1 Emery	Y	Y	Y	Y	Y	Y	Y	Y		1 Florio	N	Y	Y	Y	Y	Y	N		10 Miller	Y	N	N	N	N	N	Y	13 Jortan	Y	N	N	N	N	N	Y					
2 Cohen	Y	Y	Y	Y	Y	Y	Y	N		2 Hughes	N	Y	Y	Y	Y	Y	N		11 Stanton	Y	N	N	Y	N	N	Y	14 Young	Y	N	N	Y	N	N	N	Y				
MARYLAND																																							
1 Beuman	Y	N	N	N	N	N	N	Y		3 Howard	N	Y	Y	Y	Y	Y	N		12 Devine	Y	N	N	N	N	N	Y	15 de la Garza	Y	N	N	Y	N	N	N	Y				
2 Long	Y	N	Y	N	N	N	N	Y		4 Thompson	N	Y	Y	Y	Y	Y	N		13 Mosher	Y	N	N	Y	N	N	Y	16 White	Y	N	N	Y	N	N	N	Y				
3 Sarbanes	N	Y	Y	Y	Y	Y	Y	N		5 Fenwick	N	Y	Y	Y	Y	Y	N		14 Seiberling	N	Y	Y	Y	Y	Y	N	17 Burleson	Y	N	Y	N	N	N	Y					
4 Holt	Y	N	Y	N	N	N	N	Y		6 Forsythe	Y	N	N	N	N	N	Y		15 Wylie	Y	N	N	N	N	?	X	18 Jordan	Y	Y	N	Y	N	N	Y	Y				
5 Spellman	N	Y	Y	Y	Y	Y	Y	N		7 Maguire	N	Y	Y	Y	Y	Y	N		16 Regula	Y	N	N	N	N	N	Y	19 Mahon	Y	N	Y	N	N	N	Y	Y				
6 Byron	Y	N	Y	N	N	N	N	Y		8 Roe	N	Y	Y	Y	Y	Y	N		17 Ashbrook	Y	N	N	N	?	X	20 Gonzalez	N	Y	Y	?	N	N	N	N	N				
7 Mitchell	N	Y	Y	Y	Y	Y	Y	N		9 Helstoski	N	Y	Y	Y	Y	Y	N		18 Hays	N	Y	N	Y	Y	Y	N	21 Krueger	Y	N	N	Y	N	N	N	Y				
8 Gude	N	Y	Y	N	Y	Y	Y	N		10 Rodino	N	Y	Y	Y	Y	Y	N		19 Carney	N	Y	Y	Y	Y	Y	N	22 Vacancy												
MASSACHUSETTS																																							
1 Conte	N	Y	Y	Y	Y	N	N	N		11 Minish	N	Y	Y	Y	Y	Y	N		20 Stanton	N	Y	Y	Y	Y	Y	N	23 Kazen	Y	N	N	Y	N	N	N	Y				
2 Boland	N	Y	Y	Y	Y	Y	Y	N		12 Rinaldo	?	Y	Y	Y	Y	Y	N		21 Stokes	N	Y	Y	Y	Y	Y	N	24 Milford	Y	N	N	Y	N	N	N	Y				
3 Early	N	Y	Y	Y	Y	Y	Y	N		13 Meyner	N	Y	Y	Y	Y	Y	N		22 Vanik	N	Y	N	Y	Y	Y	N	UTAH												
4 Drinan	N	Y	Y	Y	Y	Y	Y	N		14 Daniels	N	Y	Y	Y	Y	Y	N		23 Motil	N	Y	Y	N	Y	Y	N	1 McKay	Y	Y	N	Y	N	N	Y	Y				
5 Tsongas	N	Y	Y	Y	Y	Y	Y	N		15 Patten	N	Y	Y	Y	Y	Y	N		OKLAHOMA																				
6 Harrington	N	Y	Y	Y	Y	Y	Y	X		NEW MEXICO																													
7 Macdonald	N	Y	Y	Y	Y	Y	Y	N		1 Lujan	Y	N	N	N	N	N	Y		1 Jones	Y	N	N	Y	N	N	Y	2 Howe	N	Y	N	?	N	?	?	?				
8 O'Neill	Y	Y	Y	Y	Y	Y	Y	N		2 Rannels	Y	N	N	Y	N	N	Y		2 Risenhoover	Y	N	N	Y	?	N	N	Y	VERMONT											
9 Moakley	N	Y	Y	Y	Y	Y	Y	N		NEW YORK																													
10 Heckler	N	Y	Y	Y	Y	Y	Y	N		1 Pike	N	Y	Y	Y	Y	Y	N		3 Albert	Y	N	N	Y	N	N	Y	AL Jeffords	N	Y	Y	?	?	?	?	?	X			
11 Burke	N	Y	Y	Y	Y	Y	Y	N		2 Downey	N	Y	Y	Y	Y	Y	N		4 Steed	Y	N	N	Y	N	N	Y	VIRGINIA												
12 Studds	N	Y	Y	Y	Y	Y	Y	N		3 Ambro	N	Y	Y	Y	Y	Y	N		5 Jarman	Y	N	N	?	N	N	Y	1 Downing	Y	N	N	Y	N	N	N	Y				
MICHIGAN																																							
1 Conyers	N	Y	Y	Y	Y	Y	Y	N		4 Lent	Y	N	N	N	N	N	Y		6 English	Y	N	N	Y	N	N	Y	2 Whitehurst	Y	N	N	Y	N	N	N	Y				
2 Esch	Y	?	N	?	?	?	X	?		5 Wylder	Y	N	N	N	N	N	Y		OREGON																				
3 Brown	Y	?	?	?	?	?	?	?		6 Wolff	N	Y	Y	Y	Y	Y	N		1 AuCoin	Y	Y	Y	N	Y	Y	Y	3 Satterfield	Y	N	N	N	N	N	Y					
4 Hutchinson	Y	N	N	Y	N	N	N	Y		7 Addabbo	N	Y	Y	Y	Y	Y	N		2 Ullman	Y	Y	N	Y	Y	Y	N	4 Daniel	Y	N	N	Y	N	N	N	Y				
5 Vander Veen	N	?	Y	Y	Y	Y	Y	N		8 Rosenthal	N	Y	Y	Y	Y	Y	N		3 Duncan	N	Y	N	?	N	Y	Y	5 Daniel	Y	N	N	Y	N	N	N	Y				
6 Carr	N	Y	Y	N	Y	Y	Y	N		9 Delaney	N	Y	Y	Y	Y	Y	N		4 Weaver	N	Y	Y	N	Y	Y	N	6 Butler	Y	N	N	Y	N	N	N	Y				
7 Riegle	N	Y	Y	Y	Y	Y	Y	N		10 Biaggi	N	Y	Y	Y	Y	Y	N		PENNSYLVANIA																				
8 Traxler	N	Y	Y	N	Y	Y	Y	N		11 Scheuer	N	Y	Y	Y	Y	Y	N		1 Barrett	N	Y	Y	Y	Y	Y	Y	7 Robinson	Y	N	N	Y	N	N	N	Y				
9 Vander Jagt	Y	N	N	Y	N	N	N	Y		12 Chisholm	X	Y	Y	Y	Y	Y	N		2 Nix	N	Y	Y	Y	Y	Y	N	8 Harris	N	Y	Y	N	Y	Y	Y	Y				
10 Cederberg	Y	N	N	Y	N	N	N	Y		13 Solarz	N	Y	Y	Y	Y	Y	N		3 Green	N	Y	N	Y	Y	Y	N	9 Wampler	Y	N	N	N	N	N	Y	Y				
11 Ruppe	Y	N	N	Y	N	N	N	Y		14 Richmond	N	Y	Y	Y	Y	Y	N		4 Eiberg	N	Y	Y	Y	Y	Y	N	10 Fisher	Y	Y	Y	Y	Y	Y	Y	Y				
12 O'Hara	N	Y	Y	N	Y	Y	Y	N		15 Zeferetti	N	Y	Y	Y	Y	Y	N		5 Schulze	Y	N	N	N	N	N	Y	WASHINGTON												
13 Diggs	X	?	?	?	?	?	X			16 Holtzman	N	Y	Y	Y	Y	Y	N		6 Yatron	N	Y	N	N	Y	Y	Y	1 Pritchard	Y	N	N	Y	N	N	N	Y				
14 Nedzi	N	Y																																					

STATE AND PARTY REPORT

5 FEB. 1976 5:04 PM PAGE

ROLL NO. 49

P. R. 2404 YEA-AND-NAY

CLOSED 5 FEB. 1976 5:04 PM

BY CLERK DR. BINGELL *of Ohio*

EDUCATE WITH INSTRUCTIONS

NATURAL GAS EMERGENCY ACT

	YEA	NAY	PRES	BY
EMERGENCY	85	189		14
REPEAL	113	15		16
TOTAL	198	204		30



STATE AND PARTY REPORT

8 FEB. 1976 5:06 PM PAGE

ROLL NO. 43

F R 9404

YEA-AND-NAY

CLOSED

8 FEB. 1976

5:01 PM

House of Ohio

BTNGELL

STANFORD

EXHIBIT WITH INSTRUCTIONS

NATURAL GAS EMERGENCY ACT

	YEA	NAY	PRES	NY
EMERGENTIC	95	189		14
REPUBLICAN	113	15		16
DEM				
TOTAL	190	204		30



POLL NO. 44

DEMOCRATIC

REPUBLICAN

DEMOCRATIC

ASHLEY MAY
 CARRIGY MAY
 HAYS (OR) MAY
 HUTT MAY
 SEIBERLING MAY
 STANTON, JAMES V. MAY
 STOKES MAY
 VANIN MAY

ASHBROOK NY
 BROWN (OR) YES
 CLANCY NY
 DEVINE YES
 GIBBSON YES
 GUYER YES
 HARTER NY
 KIMMERS YES
 LAYLA YES
 MILLER (OR) YES
 MOSEY YES
 RECHER YES
 STANTON, G. WILLIAM YES
 WALSH YES
 WYLLIE NY

ALBERT
 BRIDGES YES
 JONES (OR) YES
 RIGBY-CORNER YES
 STEEL YES

JAYSON YES

BROWN
 BUCKLIN YES
 DUNNAN (OR) MAY
 JELLYMAN MAY
 WELLS MAY

WYLYMARA
 BERRETTI MAY
 BENT YES
 BICE MAY
 BILLYNGE MAY
 BLOOM MAY
 BRADSHAW NY
 BRIDGES MAY
 BROWN (OR) MAY
 BURMAN MAY
 BURMAN MAY
 CHAMBERS MAY
 COOPER YES
 FROST MAY
 GIBSON YES

GRUBBER NY
 GUNN (OR) NY
 HAYES (OR) NY
 JONES (OR) YES
 KIMMERS NY
 JOHNSON (OR) YES
 MC BRIDE MAY
 MORGAN (OR) NY
 SCHNEIDER YES
 SCHNEIDER YES
 SCHNEIDER YES

WISLER
 STARR, B.L. MAY
 STARR, B.L. MAY



STATE AND PARTY REPORT

5 FEB 1976 5 34 P.

ROLL NO 40

DEMOCRATIC

* OTHER *

REPUBLICAN

WASHINGTON			
ADAMS	NAY	FRITCHARD	YEA
BURFEL	NAY		
COLEY	NAY		
ELDER	NAY		
NO CONTRACT	YEA		
NEENE	NAY		
WEST VIRGINIA			
BECKER (NY)	NAY		
HOLLAND	YEA		
CLARKE	YEA		
STALLERS	NAY		
GEORGIA			
ASPIN	NAY	KASTEN	YEA
BALDWIN	NAY	STEIGER (RI)	YEA
CORNELL	NAY		
WESTBREITER	NAY		
JOEY	NAY		
RUSS	NAY		
TARLOCKI	NAY		
MAINE			
ROACHLO	YEA		

* * * * * E N D O F R E P O R T * * * * *



COMPLETE VOTE RESULTS

5 FEB. 1976 4:11 PM P10

ROLL NO. 39

H R 9464 205 RECORDED VOTE

CLOSED 5 FEB 1976 4:06

AUTHOR(S): SMITH OF IOWA

ON AGREEING TO THE AMENDMENT (SUBSTITUTE AMENDMENT FOR CRUZER AMENDMENT
AMENDMENT PROVIDES THAT THOSE COMPANIES PRODUCING MORE THAN 100 BILLION
CUBIC FEET OF GAS PER YEAR WOULD BE COVERED, AND THOSE UNDER THAT WOULD BE
DEREGULATED.

AYES	NOES	PRES	AB
205	201		26



COMPLETE VOTE RESULTS

5 FEB 1978 9 21 AM 100E

ROLL NO 38

PAGES - 205

DEWIS	DELANEY	DEWETTE
DEWIS	DELLORS	DEWITT
DEWIS	DEERT	DEWITTENHUISER
DEWIS	DIRGELLE	DEYS
DEWIS	DOED	DECON
DEWIS (CA)	DOWNNEY (NY)	DEEBS
DEWITTO	DRINMAN	DEFLICE
DELEY	DUNGAN (OR)	DESGEIT
DEIN	EARLY	DEVITAS
DEON	ECKHART	LITTON
DEWELD	EDGAR	LLOYD (CA)
DEWIS	EDWARDS (CA)	LLOYD (TN)
DEWITT	ELBERG	MACDONALD
DEWIS	EVANS (CO)	KARSEN
DEWIS	EVANS (IN)	KEGDIRE
DEWIS	EVANS (TN)	KEGDIRER
DEWIS (RI)	FARR	KEVINER
DEWIS	FASCELL	KEVINSKY
DEWIS	FENWICK	KILLER (OR)
DEWIS	FISHER	KINER
DEWIS	FITHIAN	KIRK
DEWIS	FLOOD	KITCHELL (NE)
DEWIS	FLORID	KITCHELL (NY)
DEWIS	FOLEY	KOARLEY
DEWIS	FORD (RI)	KOFFEIT
DEWIS	FORD (TN)	KOORNHEED (PA)
DEWIS	FRAZER	KORAN
DEWIS	GAYDOS	KOSS
DEWIS	GILMAN	KOTTLE
DEWIS	GREEN	KORTER
DEWIS (CA)	GUDE	KRELL
DEWIS (CA)	HALL	KREZ?
DEWIS (CA)	HANLEY	KIRK
DEWIS (CA)	HARRISFORD	KITCHELL (NE)
DEWIS (CA)	HARVIN	KITCHELL (NY)
DEWIS (CA)	HARRINGTON	KOARLEY
DEWIS (CA)	HARRIS	KOFFEIT
DEWIS (CA)	HAYES (IN)	KOORNHEED (PA)
DEWIS (CA)	HAYS (OR)	KORAN
DEWIS (CA)	HECKLER (NY)	KOSS
DEWIS (CA)	HECKLER (PA)	KOTTLE
DEWIS (CA)	HELDGOSKI	KORTER
DEWIS (CA)	HICHS	KRELL
DEWIS (CA)	HOLTZMAN	KREZ?
DEWIS (CA)	HODGAS	KIRK
DEWIS (CA)	HODGES	KITCHELL (NE)
DEWIS (CA)	HONGATE	KITCHELL (NY)
DEWIS (CA)	JACOS	KOARLEY



COMPLETE LIST RESULTS

5 FEB. 1975 4:11 PM

ROLL NO. 28

PAGES - 201

FERRIS	ENGLISH	KELLY
FERRIS (NC)	ERLENSORN	KEMP
FERRIS (ND)	FINDLEY	KETCHUM
FISHER	FISH	KIMMERS
FISHERSON	FLOWERS	KROEGER
FISHERS	FLYNT	LABONRE SING
FISHER (TN)	FOGARTY	LANDRUM
FISHER (TN)	FOUNTAIN	LEITA
FISHER (TN)	FRENZEL	LENNAN
FISHER (TN)	FREY	LEVY
FISHER (TN)	FURUA	LONG (LR)
FISHER (TN)	GIANO	LONG (NB)
FISHER (TN)	GIBSONS	LOTT
FISHER (TN)	GIRN	LOJAN
FISHER (TN)	GOLDBATER	MADIGAN
FISHER (TN)	GOLZALEZ	MARON
FISHER (TN)	GOODELING	MARR
FISHER (TN)	GOODLISON	MARTIN
FISHER (TN)	GRASSLEY	MATHIS
FISHER (TN)	GUYER	MC CLODY
FISHER (TN)	HAGEDORN	MC COLLISTER
FISHER (TN)	HALEY	MC GERNACK
FISHER (TN)	HAMILTON	MC DAZE
FISHER (TN)	HANREPSCHMIDT	MC DONALD
FISHER (TN)	HANSEN	MC RAY
FISHER (TN)	HEBERT	MC KINNEY
FISHER (TN)	HEMNER	MICHEL
FISHER (TN)	HEINZ	MILGORE
FISHER (TN)	HENDERSON	MILLER (OR)
FISHER (TN)	NIGHTOWER	MULLOHN
FISHER (TN)	HILLIS	MONTGOMERY
FISHER (TN)	HOLT	MOORE
FISHER (TN)	HORTON	MORREHEAD (CA)
FISHER (TN)	HUBBARD	MOSEY
FISHER (TN)	HUTCHINSON	MURPHY (NY)
FISHER (TN)	HYDE	MATERS (IN)
FISHER (TN)	IGORAN	MYERS (PH)
FISHER (TN)	IGORAN	NATCHEL
FISHER (TN)	IGORAN	NICHOLS
FISHER (TN)	IGORAN (CA)	O'BRIEN
FISHER (TN)	IGORAN (CO)	PASCHAK
FISHER (TN)	IGORAN (PA)	PATMAN (TX)
FISHER (TN)	JONES (AL)	PEPPER
FISHER (TN)	JONES (NC)	PETTIS
FISHER (TN)	JONES (OR)	PICOLE
FISHER (TN)	JONES (TN)	PAGE
FISHER (TN)	JORDAN	PREYER
FISHER (TN)	KRISTEN	PRITCHARD
FISHER (TN)	KREER	



COMPLETE VOTE RESULTS

5 FEB. 1976 11 PM

ROLL NO. 38

COLE
 COLLIER
 FAYLE BEACH
 FARRALL
 FEES
 FERRER
 FORTES
 GIBSONHOVER
 ROBERTS
 ROBINSON
 RONCALTO
 TROJNEY
 ROUSELOT
 RUMMELS
 RUPPE
 SANTINI
 SARASIN
 SHATTERFIELD
 SCHROEDER

SCHULZE
 SEBELIUS
 SHRIYER
 SHUSTER
 SIKES
 SKUBITZ
 SLACK
 SMITH (NB)
 SPENCE
 STANTON, J. WILLIAM
 STEED
 STEELMAN
 STEIGER (WI)
 STEPHENS
 STUCKEY
 SYNKS
 TALCOTT
 TAYLOR (ND)
 TAYLOR (NC)

TEAGUE
 THONE
 THORNTON
 TREEN
 VANDER JAGT
 VASCONNER
 WAMPLER
 WHITE
 WHITEHURST
 WHITTEN
 WIGGINS
 WILSON, BOB
 WILSON, (TX)
 WINN
 WRIGHT
 WYBLER
 YOUNG (AK)
 YOUNG (FL)
 YOUNG (TX)



COMPLETE VOTE RESULTS

5 FEB. 1976 - 11 PM

ROLL NO. 38

BOIE
 BOILEM
 BOILBEACK
 BOHALL
 BOBS
 BOGUA
 BOHES
 BOSENHOVER
 BOBERTS
 BOBINSON
 BOBOLTO
 BOOBY
 BOUSELOT
 BOUNELS
 BOFFE
 BOITINI
 BOBASIN
 BOBTERFIELD
 BOHGOEDER

SCHULZE
 SEBELIUS
 SHRIYER
 SHUSTER
 SIKES
 SKUBITZ
 SLACK
 SMITH (NB)
 SPENCE
 STANTON, J. WILLIAM
 STEED
 STEELMAN
 STEIGER (WI)
 STEPHENS
 STUCKEY
 SYNKS
 TALCOTT
 TAYLOR (NO)
 TAYLOR (NC)

TEAGUE
 TONE
 THORNTON
 TREEN
 VANDER JAGT
 VASCONDER
 WAMPLER
 WHITE
 WHITEHURST
 WHITTEN
 WIGGINS
 WILSON, BOB
 WILSON, (TX)
 WINN
 WRIGHT
 WYBLER
 YOUNG (AK)
 YOUNG (FL)
 YOUNG (TX)



COMPLETE VOTE RESULTS

5 FEB. 1976 4 11 PM

ROLL NO 38

NOT VOTING - 26

ALEXANDER
ANDERSON (IL)
CHAMBERS
CROSS
DODD (MI)
GARRETT
GIBBY
RIGGS
SOCH

ESHELMAN
HARSHA
HAWKINS
HINSBACH
HOLLAND
HOWE
JEFFORDS
MC CLOSKEY
MC EVEN

METCALFE
MILLS
MURPHY (IL)
ROSTENKOWSKI
SCHNEEBELI
STEIGER (AZ)
WALL
WYLIE

* * * * * E N D O F R E P O R T * * * * *



THE WHITE HOUSE

WASHINGTON

February 6, 1976

MEMORANDUM FOR: MAX FRIEDERSDORF

THROUGH: VERN LOEN

FROM: TOM LOEFFLER

**SUBJECT: Status of Natural Gas Legislation
(HR-9464, S. 2310)**

At this moment neither the House nor the Senate has acted on the other's natural gas legislation. In other words, the Senate and House passed versions have not been "married" together. Therefore, presently there is no natural gas legislation which can be referred to a conference committee for action.

In the event a decision is made to convene a conference on natural gas legislation, the following are available options:

- (1) Send the House passed version (HR-9464 as amended by Smith proposal) to the Senate -- have the bill referred to the appropriate Senate committee/committees -- have the committee/committees report out the legislation -- full Senate consideration -- go to conference if necessary.
- (2) Send the House passed version (HR-9464 as amended by Smith proposal) to the Senate -- have HR-9464 held at the Senate desk -- have full Senate act without referring the bill to a committee -- go to conference if necessary.
- (3) Wait for the House Interstate and Foreign Commerce Committee to report out their version of S. 2310 (the Pearson Bentsen provision already passed by the Senate) -- have the full House act on the measure -- go to conference if necessary.

(4) An appropriate member of the House could seek recognition on the Floor and ask for unanimous consent to discharge the Interstate and Foreign Commerce Committee from further action on S. 2310, call up S. 2310, strike everything after the enacting clause and insert in lieu thereof the language embodied in HR-9464 as amended by the Smith proposal -- go to conference if necessary.

**cc: Charlie Leppert
Bill Kendall
Joe Jencks**