

The original documents are located in Box 1, folder: “Memoranda to the President, May 1975” of the Frank Zarb Papers at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Frank Zarb donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

FEDERAL ENERGY ADMINISTRATION

Washington, D.C. 20461

May 12, 1975

Office of the Administrator

MEMORANDUM FOR THE PRESIDENT

FROM: Frank G. Zarb
THROUGH: Rogers C. B. Morton
SUBJECT: Biweekly Status Report

Legislative Status

The Conference Report on the congressional Surface Mining Bill, HR 25, was sent to the White House for Presidential action on May 7. Opponents of the measure gained substantial support on the House side.

Both the Ways and Means Committee and the Subcommittee on Energy and Power of the House Interstate and Foreign Commerce Committee are completing mark-up of their respective comprehensive energy proposals.

Action against the President's plan to decontrol old oil has been taken in both Houses. The Senate passed S 621, legislation to restrict his authority; floor action on a similar measure, HR 4035, has not been scheduled. However, HR 4035 has been granted an open rule and one hour of debate, and may be brought up for floor consideration at any time.

Status of Administrative Actions

Last week FEA took the first step toward converting power plants to coal when it sent "notices of intent" to nine Midwest utilities. The letters stated that 25 of the utilities' boilers at 12 power plants have been designated for possible future orders requiring coal use. Final regulations concerning prohibition and construction orders for conversion to coal as primary energy source were published in the Federal Register May 9, 1975.

Authority under the Energy Supply and Environmental Coordination Act to issue such orders expires June 30, 1975. Administration proposals for extensions of that authority (and other Clean Air Act amendments) are currently under consideration by the Congress.

Dwyer
P:OES:RCorn:vm:5/14/75
Zausner (2)
Eathbun (2)
Corn
Official File AE (2)
Reading
Zarb sig
cc:



Status of One Million Barrel Savings Program

Details on imports, apparent demand, prices and crude oil production are presented in Tab C. The following are significant trends:

- o Imports of crude oil and petroleum products for the four weeks ending April 25 were 5.23 million barrels per day, 0.26 million barrels per day below the target.
- o Following the normal seasonal pattern, apparent demand for the period declined to 15.90 million barrels per day, 0.14 million barrels per day below target. Demand for motor gasoline rose seasonally to 6.66 million barrels per day, 0.26 million barrels per day above target. Residual fuel oil was 0.14 million barrels per day above target, while demand for distillate was right on target.
- o Domestic crude oil production continued to decline, averaging 8.22 million barrels per day for the four weeks ending April 25. This was 8.2 percent below the same period of 1974 and 10.8 percent below 1973.

Major International Developments

According to the International Monetary Fund, the growth in international reserves of OPEC members has slowed and, in some cases, declines have set in.

There are persistent reports in the trade that Algerian oil is being offered, on an indirect barter basis, at prices as much as \$1.00 a barrel below the official selling price.

Iraq's sales from Eastern Mediterranean pipeline terminals have increased dramatically as a result of recent price cuts.



MAY 14 1975

MEMORANDUM

SUBJECT: Biweekly Status Report

FROM: Daniel B. Rathbun
Deputy Assistant Administrator for Data

TO: Eric R. Zausner
Acting Deputy Administrator

Attached is the proposed May 12 Biweekly Report for the President. The cut-off date for inputs was May 12.

Recommend signature on the attached memorandum to the Administrator.

Attachment

Dwyer
P:OES:RCorn:vm:5/12/75

Zausner (2)
Rathbun (2)
Corn

cc: Official File AE(2)
Reading
Zarb sig



FEDERAL ENERGY ADMINISTRATION
Washington, D.C. 20461

Office of the Administrator

MEMORANDUM

SUBJECT: Biweekly Status Report
FROM: Eric B. Zausner
TO: Frank G. Zarb

Attached is the Biweekly Status Report for the President. The cut-off date for inputs was May 12, 1975.

Recommend your signature and return to the Office of Energy Statistics for printing and distribution. Please call 254-3358 when letter is ready for pickup.

Attachment

Dwyer
P:OES:RCorn:vm:5/14/75

Zausner (2)
Rathbun (2)
Corn

cc: Official File AE (2)
Reading
Zarb sig



TAB A

Action on Energy Legislation

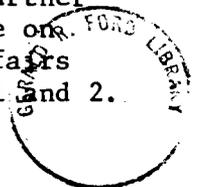


Action on Energy Legislation

CONGRESSIONAL ACTION

- o Consideration of Naval Petroleum Reserve legislation, HR 49 (House Interior) and HR 5919 (House Armed Services), has been delayed by a clash between committee members. Some members have urged that even further delay may be necessary until the comprehensive energy plans, containing provisions on strategic oil reserves, are completed.
- o President Ford's plan to decontrol old oil at a rate of 4 percent each month over the next two years will be under discussion in hearings scheduled for May 13 and 14. About June 1, the President will notify Congress as to his intention to proceed with his decontrol plan. At that time, either the House or the Senate will have five days to disapprove the President's action; a vote to disapprove is expected to pass the House.
- o Congressional Democrats are not waiting for the President to file his report to Congress on decontrol. On May 1, by a margin of 47-36, the Senate passed the bill, S 621, which restricts the President's authority to decontrol oil until either house has 30 days in which to disapprove his action. Floor action on a similar measure in the House, HR 4035, has not been scheduled.
- o Resolutions have been submitted in both houses expressing disapproval of the President's proposal to decontrol the price of domestic crude oil (H. Res. 439, S. Res. 145).
- o The Subcommittee on Energy and Power of the House Interstate and Foreign Commerce Committee hopes to complete mark-up of its comprehensive energy plan by the week of May 12. The Committee has tentatively adopted a decontrol plan to be phased in over a 3 1/2 year period.
- o On May 12th, the House Ways and Means Committee reported out its comprehensive energy program by a narrow margin of 19-16. The measure includes an import quota scheme, an energy trust fund and gasoline tax. The controversial windfall profits tax was omitted from the Bill and the purchasing authority provision was deleted. The legislation is expected to go before the Rules Committee during the week of May 12th with floor action possibly as early as May 20th.
- o Auto efficiency standards have been tentatively adopted by both the House Ways and Means Committee and the Subcommittee on Energy and Power. The Ways and Means proposal imposes a sliding scale of taxes from 2 percent on 1978 cars of less than 18 mpg up to 16 percent for 1981 models of less than 15 mpg. The Subcommittee on Energy and Power proposal would penalize car manufacturers whose models did not average 18.5 mpg by 1978 and 28 mpg by 1985.

- o The Conference Report on Surface Mining Bill, HR 25, passed both Houses during the week of May 5 and was sent to the White House for action on May 7. Opponents of the measure picked up a substantial number of votes in the House.
- o On May 6, the Senate Commerce Committee completed mark-up of natural gas legislation, S 692 as amended regarding independent producers. The deregulation formula for independent producers requires them to reinvest as much as 75 percent of their revenue from the "unregulated" prices in searching for new gas supplies. A producer qualifying as an independent would be barred from buying pipelines or oil refineries. Floor action is expected in June.
- o The Subcommittees on Financial Markets and Energy of the Senate Finance Committee held hearings on May 7 and 8 to consider the capability of the U.S. financial markets to handle energy projects required for energy independence.
- o On May 7 and 8, the Subcommittee on Minerals, Materials and Fuels of the Senate Interior and Insular Affairs Committee held hearings on S 391, amendments to the Federal Coal Leasing Act; the Subcommittee on Mines and Mining of the House Interior and Insular Affairs Committee completed mark-up of similar legislation, HR 3265, on May 2. Full committee consideration is expected in the near future.
- o Subcommittee on Interior and Related Agencies of the House Appropriations Committee held hearings on OCS leasing policy. S 521, OCS legislation before the Senate Interior and Insular Affairs Committee, would go into mark-up at the end of May after field hearings in Boston and New York. A similar bill, HR 6218, is presently being considered on the House side by a special ad hoc committee including members from the Interior, Judiciary, and Merchant Marine and Fisheries Committees.
- o The Senate Interior and Insular Affairs Committee continued hearings during the weeks of April 28 and May 5 on the nomination of Stanley K. Hathaway, to be Secretary of the Interior.
- o On April 30 and May 6-8, hearings were held by the Senate Public Works Committee to examine programs of TVA.
- o The Senate Interior Committee held oversight hearings on the Emergency Petroleum Allocation Act. Disunity among the industry witnesses on proposals to extend the Act is very evident.
- o The Senate Government Operations Committee held two weeks of hearings beginning April 21 on legislation granting the government's nuclear export functions to the Nuclear Regulatory Commission. There may be further hearings in June followed by mark-up sessions. The Subcommittee on Energy and the Environment of the House Interior and Insular Affairs Committee held hearings on nuclear energy on April 28, 29, May 1 and 2.



- o Hearings continued in the Senate Interior and Insular Affairs Committee on S 984, the Land Resources Planning and Assistance Act, and Title VIII of the President's program on April 29 and May 2. Further Committee action will be deferred until a similar House bill clears the Rules Committee. The House bill, HR 3510, was reported by the Subcommittee on Energy and the Environment on April 24. Full committee mark-up sessions will begin May 14; indications are that the members are split on the issue.
- o The House Interior and Insular Affairs Committee held hearings on Coal Slurry Pipeline legislation during the weeks of April 28 and May 5. A number of members have urged that the bills be referred to various subcommittees despite the Chairman's opposition. Various Administration witnesses have testified in support of the pipeline legislation. No similar Senate action is scheduled.
- o The Subcommittee on Oversight and Investigations of the House Interstate and Foreign Commerce Committee held hearings on electric utility problems during the week of May 5. The Subcommittee also resumed its oversight hearings on the Emergency Allocation Act and FEA Enforcement Policy during that week.
- o During the weeks of April 28 and May 5, the Ad Hoc Subcommittee on the review of the Breeder Reactor Program of the Joint Committee on Atomic Energy held hearings on the nuclear fast breeder reactor program.
- o The Joint Economic Committee resumed hearings on May 8 regarding the economic effects of proposed increased Federal expenditures to establish a commercially feasible liquid metal fast breeder reactor.
- o The Nuclear industry has organized a lobbying body, the Nuclear Energy Council, to be headed by former Congressman Craig Hosmer.
- o An AFL-CIO study will soon be published attacking the operations of the major oil companies and urging Congress to divide the industry into separate branches of operations--production, transportation, refining and marketing. Anti-diversification legislation has been introduced in both Houses.



PROGRESS OF ENERGY LEGISLATION: April 29 - May 12

ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
<p>A. OMNIBUS ENERGY BILL <u>(HR 2633, HR 2650, S 594)</u></p> <p>Title I - Naval Petroleum Reserve Development/Military Strategic Reserve</p> <p>Title II - National Strategic Petroleum Reserve</p>		<p>On March 18, the Interior and Insular Affairs Committee reported HR 49, a bill to transfer the management of the Naval Petroleum Reserve to the Department of the Interior.</p> <p>Armed Services Committee reported HR 5919 on April 18.</p> <p>Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee mark up completed on Title II, Part B (Strategic Reserves) of its "Energy Conservation Act of 1975."</p>	<p>Armed Services Committee is considering introducing a clean bill this summer. Joint hearings with the Interior and Insular Affairs Committee were held in March. (Title I)</p> <p>Interior and Insular Affairs Committee is expected to act on a revised version of S 677, Senator Jackson's reserves bill, rather than on this. (Title II)</p>	<p>On April 22, House Rules Committee granted an open rule with two hours of debate (to be divided between the Interior and Insular Affairs Committee and the Armed Services Committee) making HR 49 in order as an original bill with the text of HR 5919 in order as a substitute. Floor action has been delayed until possibly the week of May 12.</p>
<p>Title III - Natural Gas Amendment</p>		<p>House Interstate and Foreign Commerce and Ways and Means Committee have postponed action on natural gas until work on their respective omnibus energy bill is completed.</p>	<p>Commerce Committee ordered the bill S 692 reported with amendments on May 6.</p>	

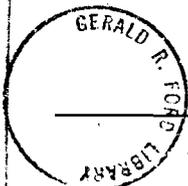


ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
<p>Title IV - Energy Supply and Environmental Coordination Act of 1974 Extension.</p>	<p>Administration witnesses will appear before the Senate Interior and Insular Affairs Committee hearings scheduled for the beginning of June.</p> <p>Administration witnesses are scheduled to testify before the Subcommittee on Environmental Pollution of the Senate Public Works Committee in mid May.</p>	<p>Energy and Power Subcommittee of Interstate and Foreign Commerce Committee is continuing mark up of Title VI (including coal conversion) of its "Energy Conservation and Oil Policy Act of 1975."</p>	<p>Interior and Insular Affairs Committee has scheduled hearings for the beginning of June on coal conversion and ESECA Act.</p> <p>The Subcommittee on Environmental Pollution of the Public Works Committee continued hearings on Clean Air Act Amendments during the week of April 28. A series of hearings are scheduled for the week of May 12 and May 21. Administration witnesses are scheduled to testify at that time. The Committee is expected to begin mark up sessions on its own bill in mid June.</p>	
<p>Title V - Clean Air Amendments</p> <p>Title VI - Significant Deterioration</p>	<p>Administration witnesses will appear before the Senate Interior and Insular Affairs Committee hearings scheduled for the beginning of June.</p> <p>Administration witnesses are scheduled to testify before the Subcommittee on Environmental Pollution of the Senate Public Works Committee in mid May.</p>	<p>In related action, Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee has completed mark up of Title V, Part A, Automobile Fuel Economy and Efficiency Standards and is continuing mark up of Title VI, of its "Energy Conservation and Policy Act of 1975."</p> <p>Health and Environment Subcommittee of Interstate and Foreign Commerce Committee continued mark up sessions on Clean Air Act Amendments during the weeks of April 28 and May 5.</p>	<p>Interior and Insular Affairs Committee has scheduled hearings for the beginning of June on coal conversion and ESECA Act.</p> <p>The Subcommittee on Environmental Pollution of the Public Works Committee continued hearings on Clean Air Act Amendments during the week of April 28. A series of hearings are scheduled for the week of May 12 and May 21. Administration witnesses are scheduled to testify at that time. The Committee is expected to begin mark up sessions on its bill in mid June.</p>	



PROGRESS OF ENERGY LEGISLATION: April 29 - May 12

ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
Title VII - Utilities Act of 1975	Administration witnesses are expected to appear before the Energy and Power Subcommittee of House Interstate and Foreign Commerce Committee at a future date not yet scheduled by the Subcommittee.	Energy and Power Subcommittee of Interstate and Foreign Commerce Committee is expected to hold hearings after completion of its "Energy Conservation and Oil Policy Act of 1975." Administration witnesses are expected to testify at that time.	The Government Operations Committee is planning to draft legislation to preempt Title VII.	
Title VIII - Energy (S 619) Facilities Planning and Development	Administration witnesses are expected to appear before the Energy and Power Subcommittee of House Interstate and Foreign Commerce Committee at a future date not yet scheduled by the Subcommittee.	Energy and Power Subcommittee of Interstate and Foreign Commerce Committee is expected to hold hearings after completion of its "Energy Conservation and Oil Policy Act of 1975." Administration witnesses are expected to testify at that time.	On April 29, the Environment and Land Resources Subcommittee of the Interior and Insular Affairs Committee resumed its hearings on Title VIII and S 984, "Land Resources Planning Assistance Act."	
Title IX - Energy Development Security		Energy and Power Subcommittee of Interstate and Foreign Commerce Committee completed mark up of Title II, Part A, Section 211, International Voluntary Agreements, of its "Energy Conservation and Oil Policy Act of 1975."		

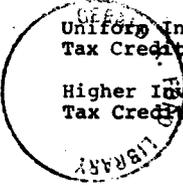


ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
<p>Title X - Building Energy Conservation Standards</p> <p>Title XI - Winterization Assistance</p>		<p>House passed HR 4485, the Emergency Middle-Income Housing Act of 1975, on March 21.</p> <p>Housing and Community Development Subcommittee of the Banking, Currency and Housing Committee reported out its own bill - HR 3573.</p> <p>Certain provisions dealing with Title XI will be included in HR 5005, the Ways and Means Committee omnibus energy bill.</p>	<p>The bill, HR 4485, passed by the Senate, was amended on April 24. The President's Title X is incorporated in the Senate provision.</p>	<p>House-Senate conference on HR 4485 began on May 7.</p>
<p>Title XII - National Appliance and Motor Vehicle Energy Labeling</p>		<p>Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee completed mark up of Title V, Part A, involving energy efficiency standards for automobiles. Mark up of Title V, Part B, involving other consumer products' standards, has not been completed due to a jurisdictional dispute over agency administration of the provisions. Title V is part of the Subcommittee's "Energy Conservation and Oil Policy Act of 1975."</p>	<p>Compromises will be made between Title XII and Senator Tunney's bill, S 349. No action is expected by the Commerce Committee in the next several months.</p>	



PROGRESS OF ENERGY LEGISLATION: April 29 - May 12

ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
Title XIII - Standby Authorities Act (S 620)		Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee completed mark up of Title II, Standby Authorities, of its "Energy Con- servation and Oil Policy Act of 1975."	Interior and In- sular Affairs reported S 622 on March 5. The report number is 94-26.	On April 10, the Senate passed S 622 by a margin of 60- 25.
B. <u>OTHER BILLS - SUPPLY</u> Surface Mining Legislation (HR 3110, S 652)		By a margin of 293- 115, the House pas- sed the Conference Report on HR 25 on May 7.	By voice vote, the Senate passed the Conference Report on HR 25 on May 5.	On May 7, the House- Senate passed Confer- ence Report was sent to the White House for Presidential action.
Nuclear Licensing and Siting Bill	On May 5, OMB approved the NRC draft bill after receiving comments from appropriate agencies.			
Nuclear Insurance Bill	Comments to OMB from appropriate agencies on the draft bill are expected to be com- pleted in the near future.			
C. <u>TAX PROPOSALS</u> Windfall Profits Tax Petroleum Excise Tax and Import Fee Natural Gas Excise Tax Uniform Investment Tax Credit Higher Investment Tax Credit	Administration main- tained ongoing com- munication with House Ways and Means Com- mittee during its drafting sessions.	Ways and Means Committee held mark up sessions on the "Energy Conservation and Conversion Act of 1975" (HR 5005) during the weeks of April 28 and May 5. The following are the components of HR 5005: Title I: Import Treatment of Oil.		



PROGRESS OF ENERGY LEGISLATION: April 29 - May 12

ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
<p>Preferred Stock Dividend Deduc- tions</p> <p>Residential Con- servation Tax Credit</p>		<p>Title II: Gasoline Conservation Program.</p> <p>Title III: Other Energy Conservation Programs.</p> <p>Title IV: Energy Conservation and Conversion Trust Fund.</p> <p>Title V: Encouraging Business Conversion for Greater Energy Saving.</p> <p>The Committee com- pleted work on May 12.</p>		



TAB B

Progress Report on Administrative Actions Within
the President's Energy Program



Progress Report on Administrative Actions
Within the President's Energy Program

<u>Administrative Activity</u>	<u>Lead Agency</u>	<u>Status</u>	<u>Next Steps</u>
<u>Near Term Program</u>			
1. Crude Oil Decontrol	FEA	S 621 was passed by the Senate on May 1. No floor action is scheduled at this time on HR 4035.	Action will depend upon House action and reaching a compromise on the overall energy program.
2. Energy Conservation	FEA	Draft guidelines for using energy conservation "mark" have been completed. Legislation has been drafted regarding the use and protection of the "mark".	Will submit legislation to OMB for approval before submitting to Congress.
3. Coal Conversion	FEA	Final regulations published in Federal Register May 9. First set of 12 Region VII prohibition orders published in Federal Register May 9.	Prohibition orders to be issued in five regions between Mid-May and early June. Final prohibition orders to be issued prior to July 1.
4. Import Fee Implementation	FEA	On May 1 the President announced his intention to delay further increases of the import fees for up to 30 days.	Further action will depend on evolving a compromise on the overall energy program.



<u>Administrative Activity</u>	<u>Lead Agency</u>	<u>Status</u>	<u>Next Steps</u>
<u>Mid Term Program</u>			
1. OCS Leasing	DOI	Final programmatic EIS on accelerated leasing program to be published by May 31. Central Gulf sale of 1.8 million acres to be held May 28. Proposed geophysical and geological data regulations were published in the Federal Register April 22. Comments are due by June 5.	Issuance of final rulemaking on ban on joint bidding by major oil companies targeted for May 25.
2. Emission Controls	EPA	Summary paper on air quality, energy impacts, health effects, and economics of EPA recommendations has been prepared.	Awaiting Presidential decision.
3. Auto-Efficiency Agreements	DOT	The four major automobile manufacturers have agreed in principle to the monitoring process.	Quarterly production reports and semi-annual sales reports to be submitted by the manufacturers.
4. Appliance Standards	NBS	Technical meetings have been held to discuss standards for individual appliances.	Draft program on appliance standards is scheduled for publication in the Federal Register by April 30.
5. Emergency Storage	FEA	FEA task force has been organized. Draft RFP's have been prepared.	Task Force to review draft RFP's and work statements.
6. Utility Study	FEA	Position paper on financial problems was submitted to the ERC April 8.	Final paper to be submitted to the President during the week of May 12.

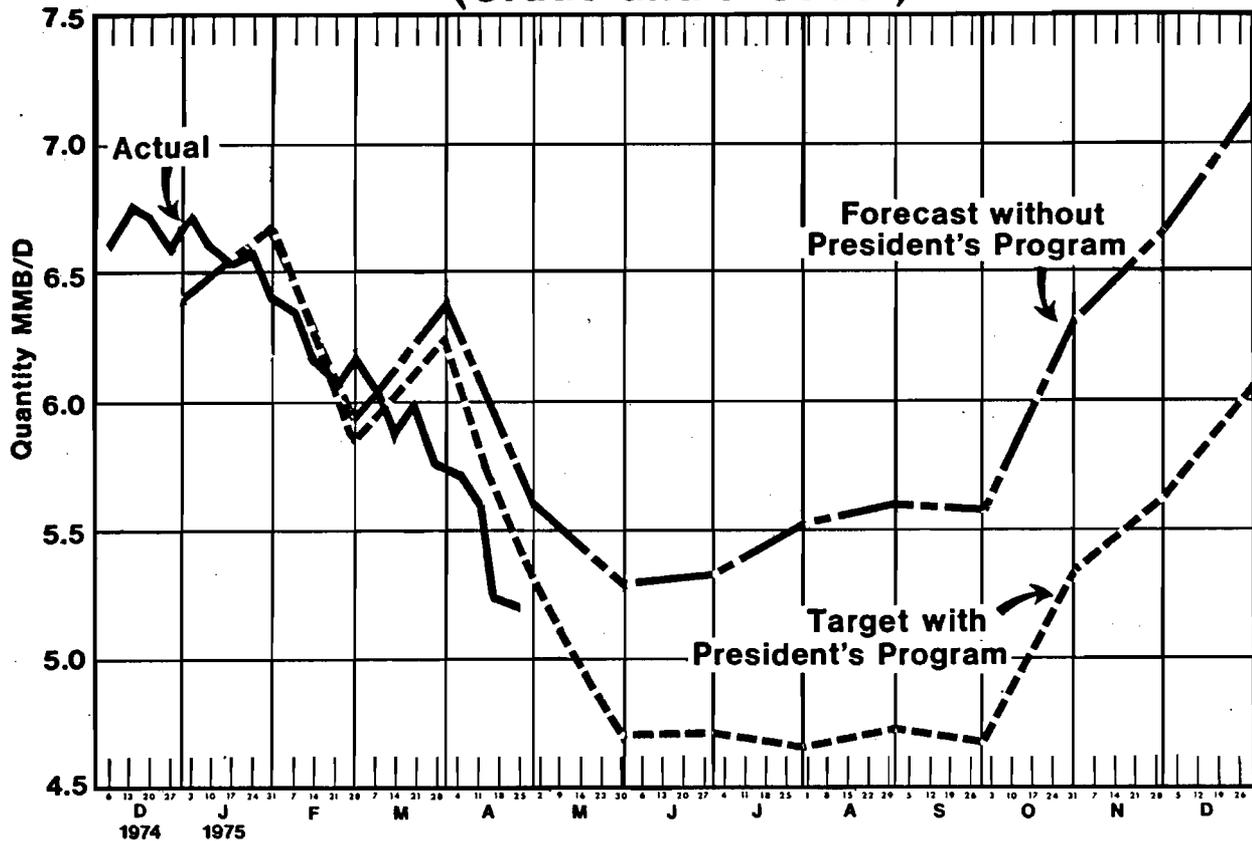


TAB C

Progress In Meeting Goal of One Million Barrels
Savings in 1975



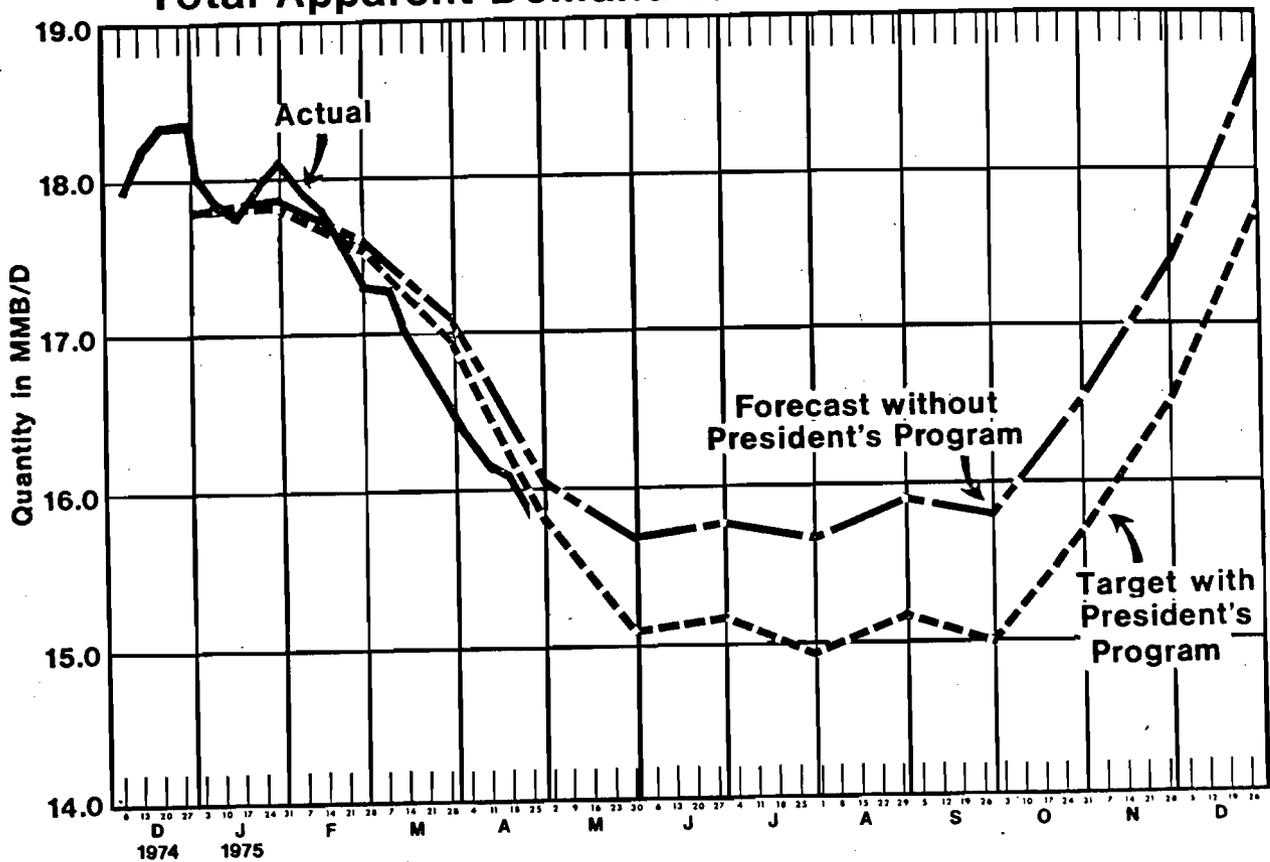
Table 1
Total U.S. Petroleum Imports
(Crude and Product)



- o Imports of crude oil and petroleum products for the four weeks ending April 25 were 5.23 million barrels per day, 0.26 million barrels per day below the target of 5.49 million barrels per day.
- o Imports continue to account for 32.9 percent of total U.S. demand for petroleum products.



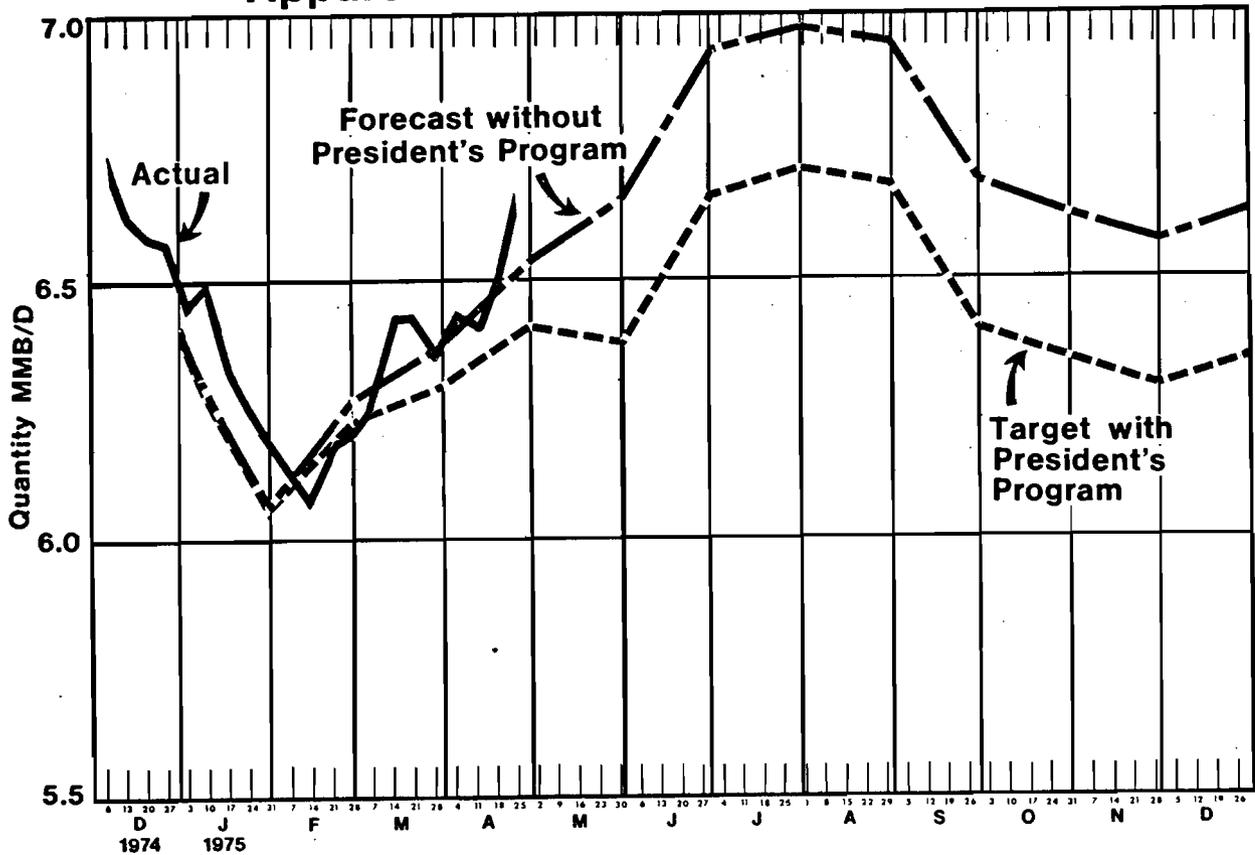
Table 2
Total Apparent Demand for Petroleum Products



- o Total apparent demand for petroleum products during the four weeks ending April 25 was 15.90 million barrels per day, 0.14 million barrels per day below the target of 16.04 million barrels per day and 0.35 million barrels per day below the forecast of 16.25 million barrels per day.
- o Demand for petroleum products in 1975 continued to account for approximately 44 percent of total energy demand.



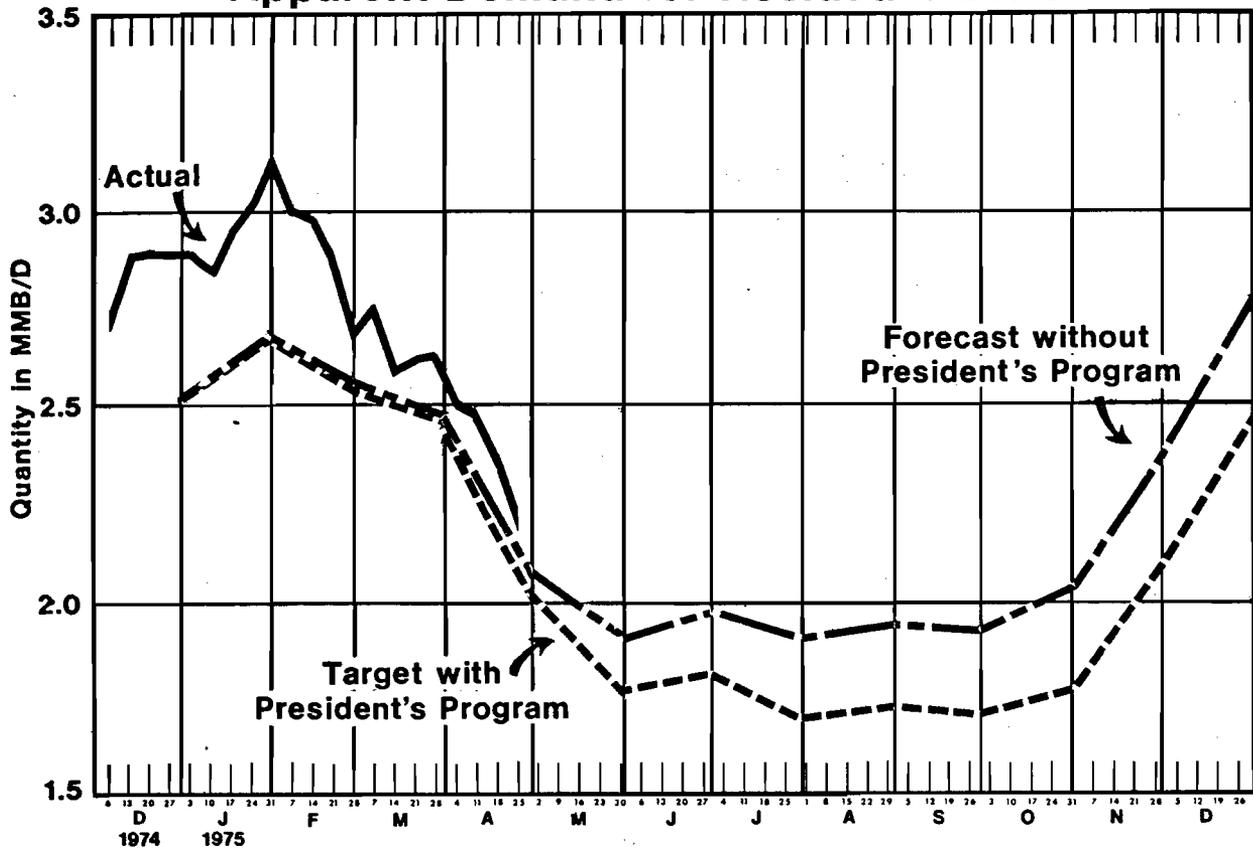
Table 3
Apparent Demand for Motor Gasoline



- o Apparent demand for motor gasoline for the four weeks ending April 25 was 6.66 million barrels per day, 0.26 million barrels per day above the target level of 6.40 million barrels per day, and 0.12 million barrels per day above the forecast.



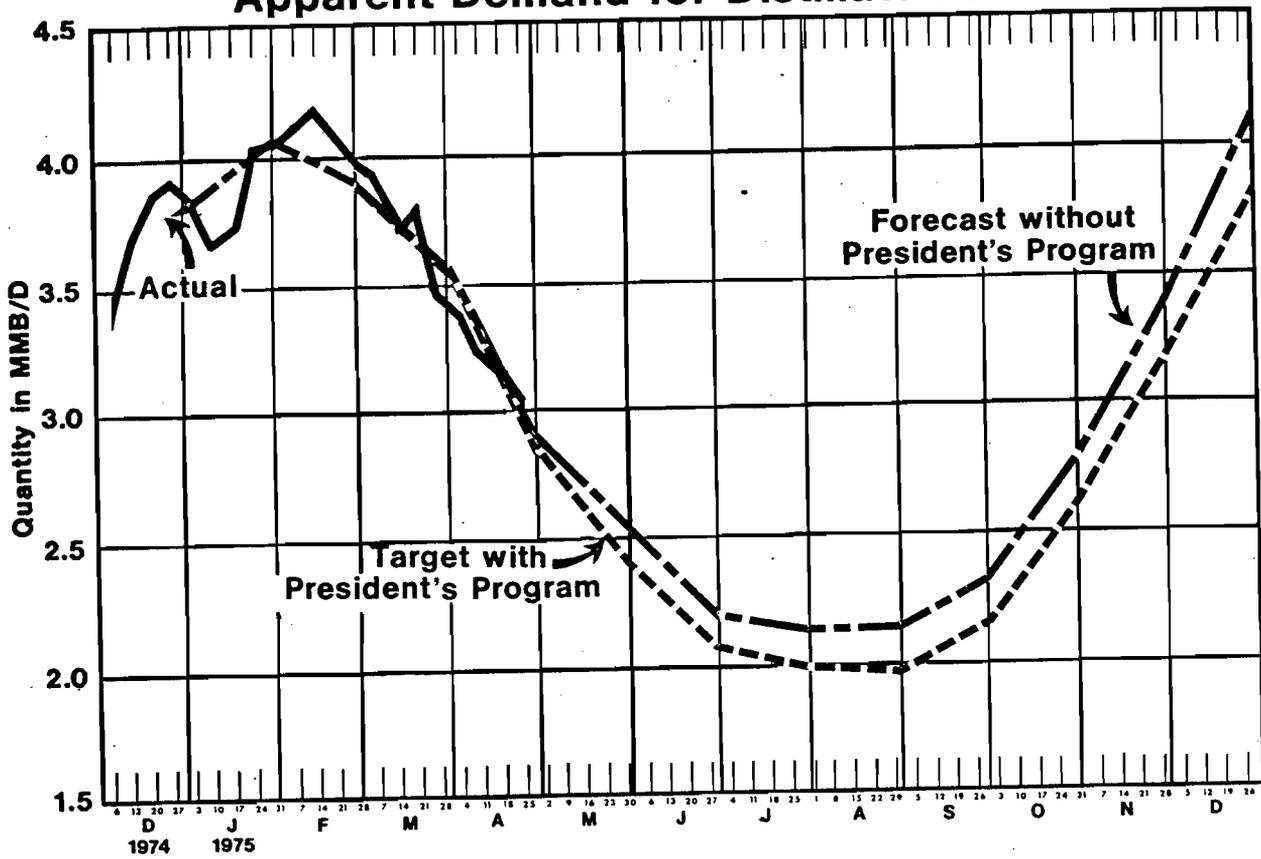
Table 4
Apparent Demand for Residual Fuel Oil



- o Apparent demand for the four weeks ending April 25 was 2.24 million barrels per day, which was 0.14 million barrels per day above the target of 2.10 million barrels per day.
- o At 1.36 million barrels per day, imports of residual fuel oil for the first quarter of 1975 were 22.9 percent lower than the first quarter of 1974, during the oil embargo.



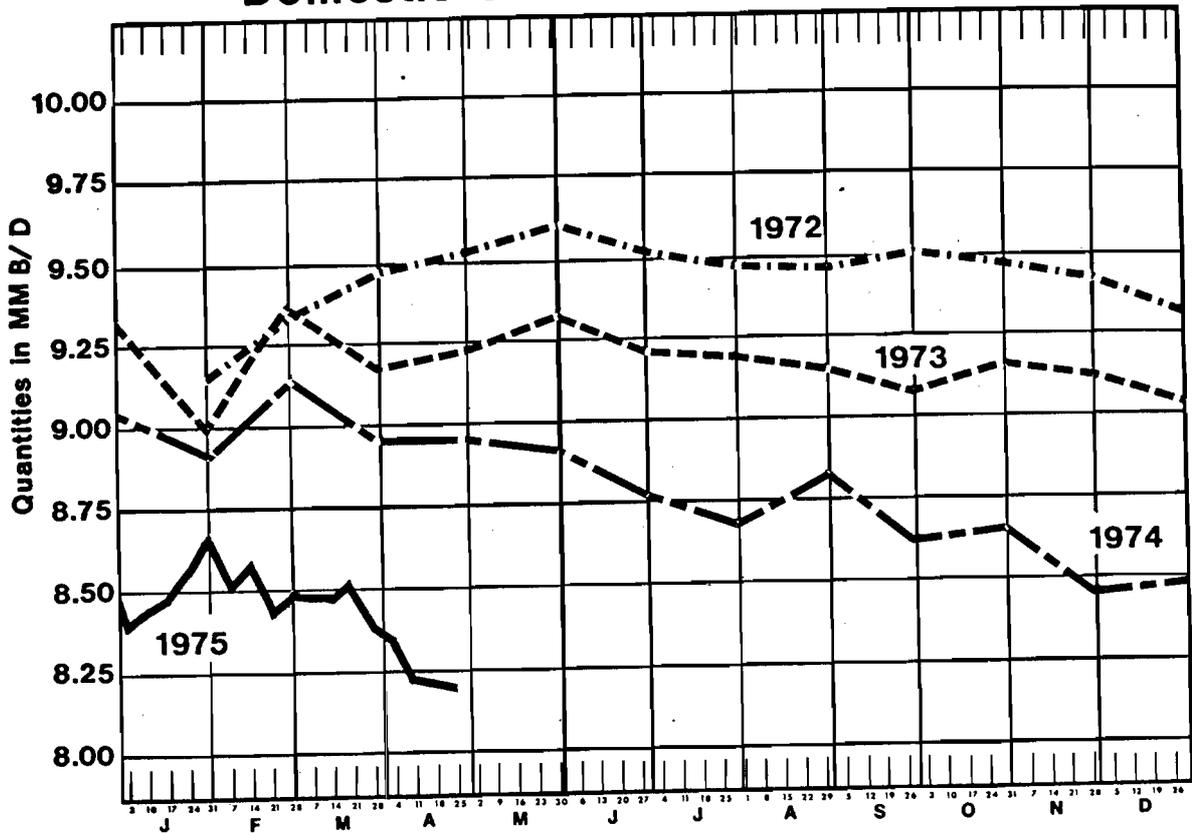
Table 5
Apparent Demand for Distillate Fuel Oil



- o Apparent demand for distillate fuel oil for the four weeks ending April 25 was 3.06 million barrels per day, only 0.06 million barrels per day above the target level of 3.00 million barrels per day.



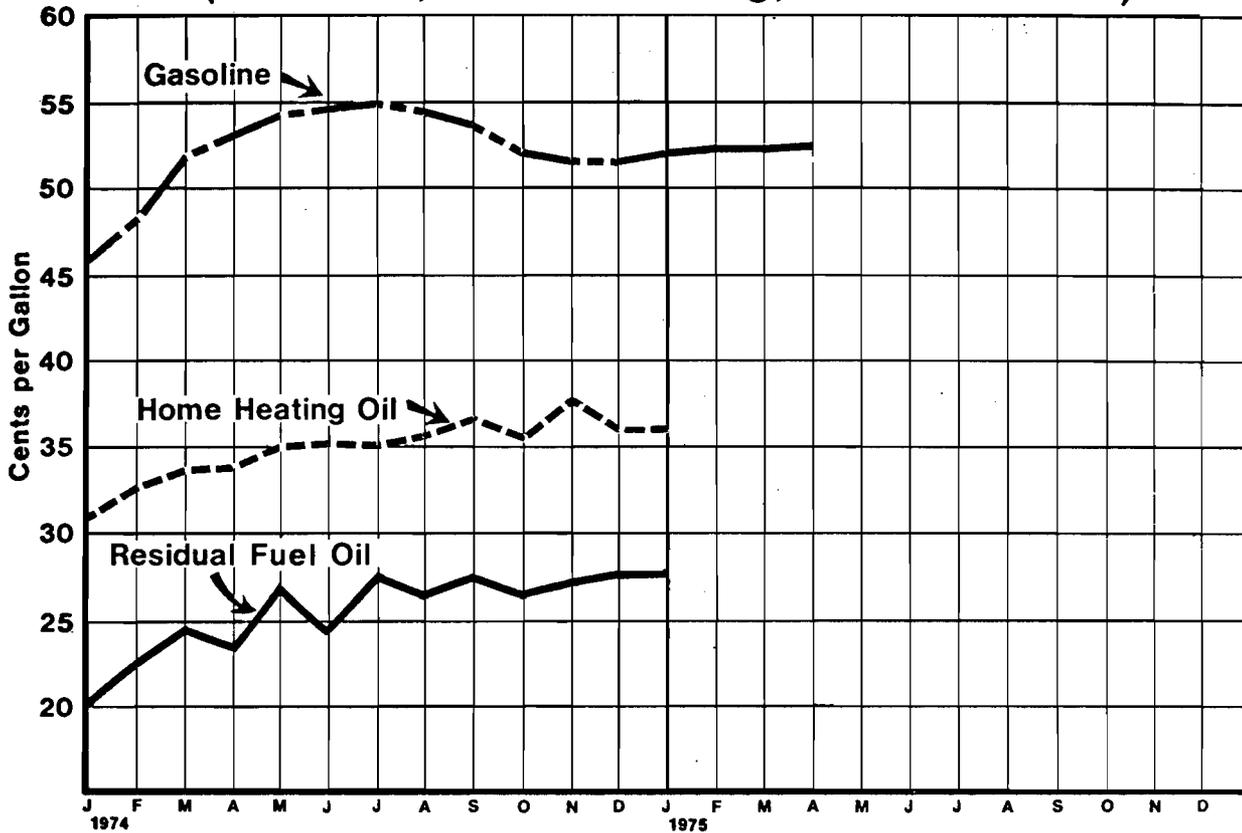
Table 6
Domestic Crude Oil Production



- o Production of crude oil and lease condensate continues to be below the level of the previous three years. Production for the four weeks ending April 25, at 8.22 million barrels per day was 8.2 percent below the same period of 1974 and 10.8 percent below the corresponding period in 1973.



Table 7
Retail Prices
(Gasoline, Home Heating, Residual Fuel)



(No new data since last report.)

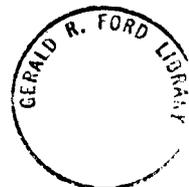
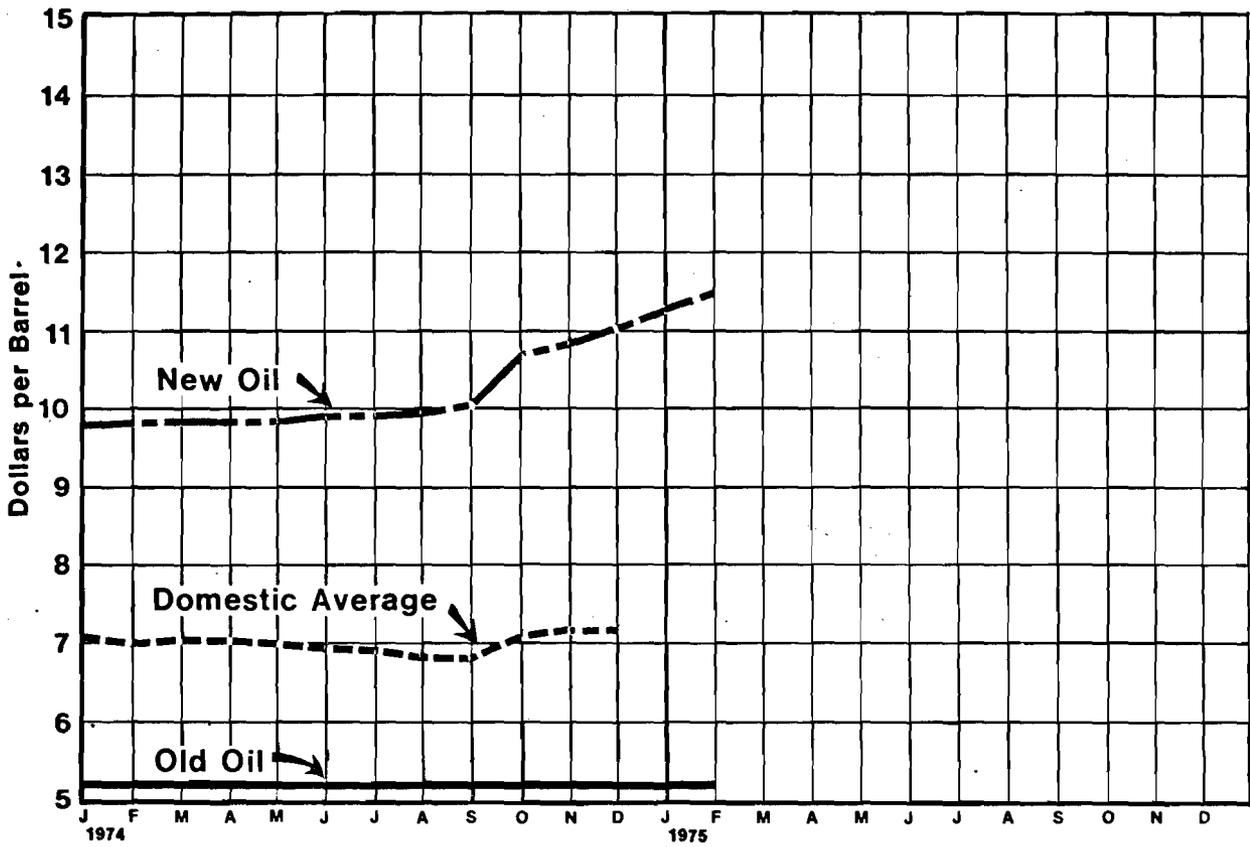


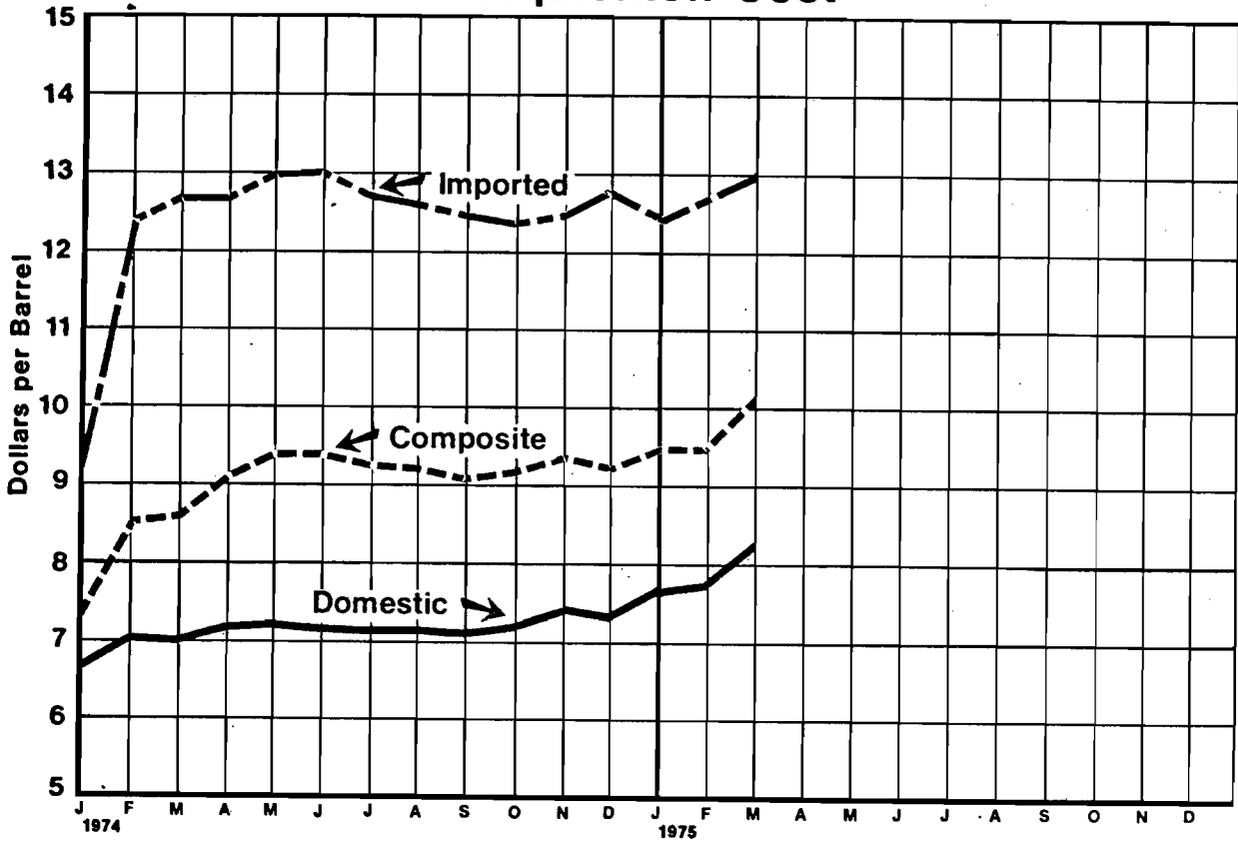
Table 8
**Crude Oil
 Wellhead Price**



(No new data since last report.)



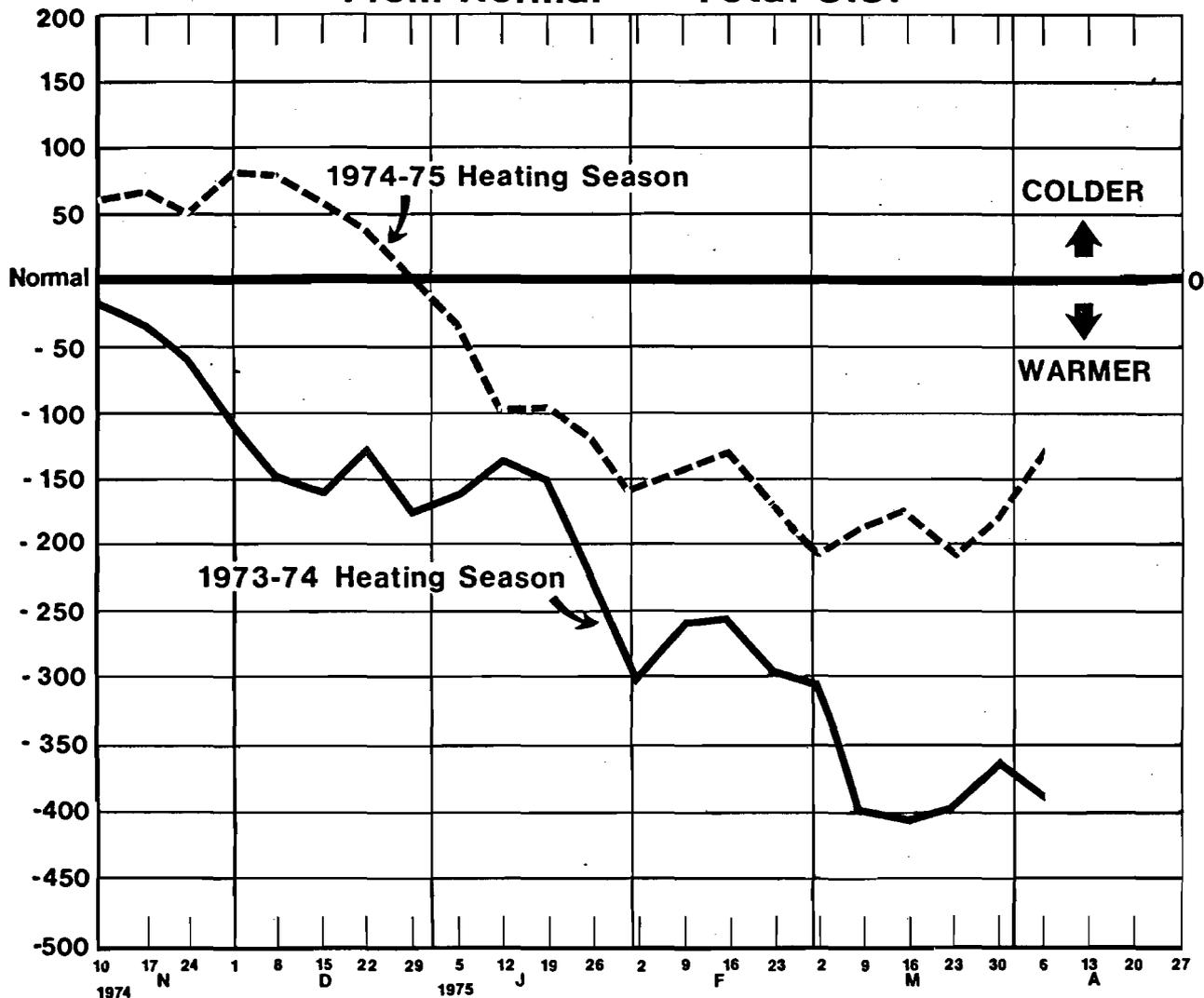
Table 9
**Crude Oil Refiner
 Acquisition Cost**



(No new data since last report.)



Table 10
**Departure of Cumulative
 Distillate Heating Oil Degree-Days
 From Normal — Total U.S.**



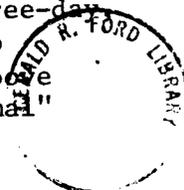
- o For the 2-week period ended April 6, 1975, the weather in the continental United States was colder than normal (29.5 percent more distillate heating oil degree-days).
- o So far in the 1974-75 heating season, the weather has been warmer than normal but colder than last year. Distillate heating oil degree-days for the U.S. have totalled 2.8 percent fewer than normal. A year ago, the distillate heating oil degree-days for the heating season were 8.5 percent fewer than normal.
- o Through April 6, all PAD Districts except PAD II have accumulated less degree-days (warmer) this heating season than normal. The percentage changes are as follows:

PAD I (East Coast)	-4.3
PAD II (Mid-Continent)	+0.9
PAD III (Gulf Coast)	-6.9
PAD IV (Rocky Mountain)	-1.4
PAD V (West Coast)	-4.6



DEFINITIONS

- Apparent Demand -- Demand for products, in terms of real consumption, is not available; production plus imports plus withdrawals from primary stocks is used as a proxy for demand (consumption). Secondary stocks, not measured by FEA, are substantial for some products.
- Actuals -- Four-week moving averages computed from the Weekly Petroleum Reporting System.
- Forecast -- A petroleum product demand forecast is made, based on a projection of the economy, which would occur without the President's program, and on a projection of normal weather. The forecast is periodically revised to take account of actual weather and revised macroeconomic forecasts.
- Target -- The Target incorporates reductions in consumption implicit in the President's energy policy, as given in the State of the Union Message. In addition it is assumed that:
- domestic production increases by 160 MB/D by the end of 1975 due to the development of Elk Hills.
 - petroleum demand is reduced by 98 MB/D by the end of 1975 due to switching from oil to coal.
 - petroleum demand due to natural gas curtailments ceases after May 1, 1975, due to the deregulation of new natural gas at the wellhead.
 - price changes due to the President's policies are held constant in real terms at their May 1975 levels.
- Degree-Days -- The number of degree-days in one day is the number of degrees by which the mean temperature for the day is below 65° F. Statewide averages for degree-days are based on population weights. These statewide averages are then aggregated into P.A.D. Districts and the national average using a weighting scheme based on each State's consumption of fuel oil per degree-day thereby relating the impact of the weather to distillate heating oil demand. Note that "above normal" degree-days correspond to "below normal" temperatures.



TAB D

Major International Events

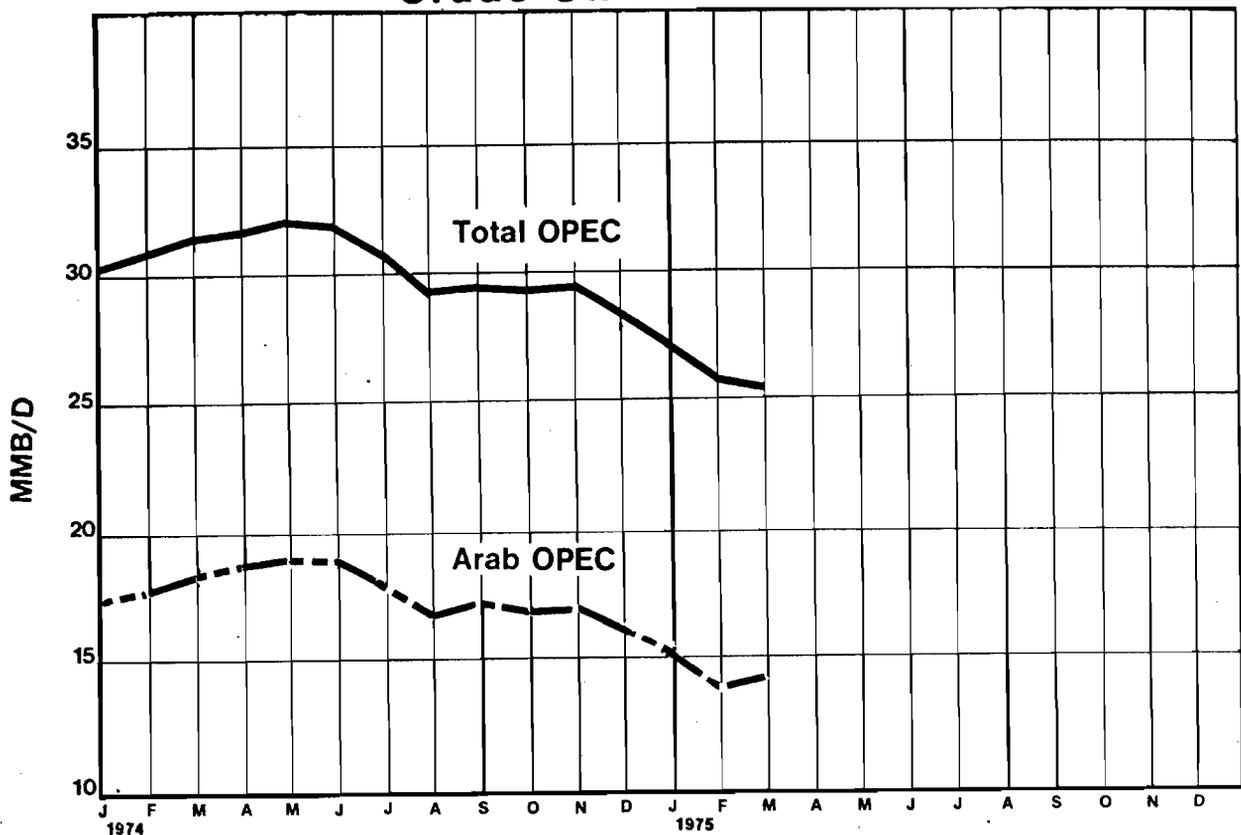


Major International Events

- o Saudi Arabian Oil Minister Yamani stated in a press conference that a long-term oil deal with the U.S. was "possible." No further details have been made available.
- o Iraq's sales from Mediterranean outlets have increased dramatically over the last month as a result of price cuts which have made Mediterranean crude competitive with Persian Gulf crude.
- o A trilateral gas deal has been signed by Iran, the U.S.S.R. and the Federal Republic of Germany. Iran will supply about 1.2 billion cubic feet of natural gas per day to the U.S.S.R. which will supply an equivalent volume to Germany.
- o Private U.S. and Japanese firms and the Soviet government are considering revival of the Yakutsk natural gas project's exploration phase with private capital. According to law, no U.S. Export-Import Bank credits are available.
- o The proposed Shell-Iran export refinery project has been postponed indefinitely.
- o The National Iranian Oil Company, in conjunction with BP and Norwegian Saga, bid successfully on several leases off the coast of Greenland.
- o There are persistent reports in the trade that Algerian crude oil is being offered, on an indirect barter basis, at prices as much as \$1 a barrel below the official selling price of \$11.75. The offerings come from sellers of equipment to the country who have been told they must take crude oil in part payment.
- o Iran has reportedly agreed to absorb 94 percent of the 4.2 cents per barrel increase in oil producing costs in order to ease downward pressures on the international oil companies' profit margins.
- o The International Monetary Fund says that the growth in international reserves of OPEC members has slowed, and in some cases, declines have set in. Saudi Arabia, with reserves of \$15.9 billion in January continues to rank third behind West Germany (\$34.4 billion in March) and the United States (\$16.7 billion in March). Iran ranked second in March among OPEC members with \$8.3 billion, followed by Venezuela (\$7.4 billion) and Nigeria (\$6.1 billion). All three countries are continuing to improve their reserve positions, although at a diminishing rate. Reserves of Libya (\$3.0 billion in March) and Algeria (\$1.1 billion) have been steadily declining since the second quarter of 1974.



OPEC Countries Crude Oil Production



(no new data since last report.)





FEDERAL ENERGY ADMINISTRATION
WASHINGTON, D.C. 20561

MAY 12 1975

5/6 - fy thru ashew
5/12 - ashew
5/12 - returned to
gl for bond
Deary

OFFICE OF THE ADMINISTRATOR

V-1502914

INFORMATION MEMORANDUM

FORN/GENERAL

MEMORANDUM FOR THE PRESIDENT

FROM : Frank G. Zarb /s/ Frank G. Zarb
THROUGH: Rogers C. B. Morton
SUBJECT: Electric Utility Financing Problems
Additional Government Initiatives

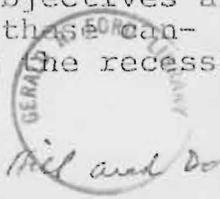
BACKGROUND

The investor-owned electric utility industry, which supplies nearly 80 percent of the Nation's electricity, is in serious financial difficulty. Industry problems that were developing prior to the 1973 oil embargo have greatly increased due to the ensuing rapid escalation in fuel costs, inflation rate, and interest rates. As a result of these problems, the Nation's energy, environmental and economic objectives are being threatened.

Although there is no longer the imminent threat of a utility bankruptcy or the omission of a stock dividend, a basic financial recovery has not taken place. One indication of the continuing nature of the problem is the discount of utility common stock prices from book value. At the end of February, the average common stock was selling at approximately 70 percent of book value.

Short-term financial stability has been achieved by a \$22 billion cut-back in capital expenditures. In 1974 there were 235 coal and nuclear plants delayed or cancelled. This represents 114,000 MW of nuclear capacity--nearly 60 percent of the total planned nuclear facilities--and 74,000 MW of fossil fuel plants--or 30 percent of planned capacity. Nearly 70 percent of the nuclear cancellations and deferrals and 45 percent of the coal plant decisions were attributed to financing problems. In addition to jeopardizing the Nation's energy objectives and the adequacy of future electricity availability, these cancellations and deferrals accelerated and deepened the recession and increased unemployment by more than 120,000.

Coordinated and approved by ERC, Eric Fausner, John Hill and Don Craven. BH



CURRENT PROGRAMS

1. Utilities Act of 1975

The Utilities Act of 1975 was submitted to Congress as Title VII of the Energy Independence Act. This Act addresses the basic financing problem--the inability of state regulatory commissions to react to the new economic problems in a timely manner. The intent of the Act is to increase utility cash flow and return on investment and to restore investor confidence. As you know, this would be achieved by establishing a series of minimum Federal standards for several key state regulatory practices, including (a) the elimination of regulatory lag, (b) the inclusion of construction-work-in-progress practices.

2. Other Provisions

Additional provisions of the Program are:

A. Administration Proposal:

Increase the investment tax credit (ITC) to 12 percent for three years followed by a permanent level of 7 percent.

Legislative Status:

The "Tax Reduction Act of 1975" H.R. 2166, provides for a 10 percent ITC for two years reverting down to the current 4 percent level.

Additional ITC provisions may be requested after Treasury completes its general review of capital formation tax policies.

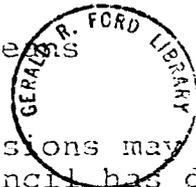
B. Administration Proposal:

Introduce a special class of preferred stock, the dividends of which are tax deductible by the issuer.

Legislative Status:

Part of H.R. 5005 in the House Ways and Means Committee. The Bill is in mark-up.

Since enactment and implementation of these provisions may not occur on a timely basis, the Energy Resources Council has decided to move forward with supplementary actions. These initiatives are indicated below for your information.



ADDITIONAL ACTIONS TO BE IMPLEMENTED

A. Executive Actions

1. Issue National Guidelines for Electricity Ratemaking:

The Guidelines will be consistent with the provisions of the Utilities Act of 1975 and will be designed to make state regulatory practices more responsive to our national energy and economic needs. They will establish a basis for future Federal actions if necessary. Typical guidelines might be:

- accelerated rate hearings
- include construction-work-in-progress into the rate base
- fuel adjustment provisions
- use of innovative rate structures, such as peak-load pricing.

In addition, criteria for energy conservation, plant reliability, and consumer protection will be included. The Guidelines will be developed by FEA in cooperation with the ERC and representatives of the private sector.

2. Initiate an Aggressive Information and Education Effort:

An essential feature of the Guidelines approach is an aggressive campaign by the Administration to communicate with state legislators, state regulatory authorities, utility companies, consumer groups, and the public.

To be effective, the Administration must present a unified and consistent position, emphasizing the role that electric utilities must play in meeting our National energy and economic goals. This effort will be directed and coordinated by FEA.

B. Legislative Initiatives

To induce state regulatory authorities to incorporate these Guidelines, tax incentives are necessary. These incentives would be available only to those states which incorporate the key provisions of the Guidelines.



However, Treasury is now evaluating tax incentives to encourage capital formation as part of a general tax reform package. Specific incentive recommendations may be forthcoming upon completion of this review.

C. Other Financial Alternatives

The Energy Resources Council has several other far-reaching financial alternatives under consideration. A thorough evaluation of these options is currently underway and recommendations are scheduled to be submitted to you on July 15.

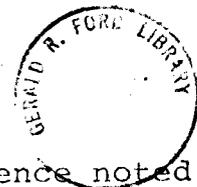
These alternatives include:

- ° Guarantee of utility debt
- ° Government purchase of utility stock
- ° Tax-free stock dividends
- ° Contract to purchase electricity from new plants (to remove uncertainties in demand)
- ° Government purchase or construction of power generating plants and lease back to utilities.

Retyped:lrc/Rm 3400/5/10/75

Copies distributed to Zausner & Hill. Concurrence noted on earlier memos and in discussion with the Administrator.
Per RNaples

Don Zausner



ca. 5/18/75 15
3/15



FEDERAL ENERGY ADMINISTRATION
WASHINGTON, D.C. 20461

OFFICE OF THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Decontrol and Import Fee Options

FROM: Frank G. Zarb

THRU: Rogers C. B. Morton

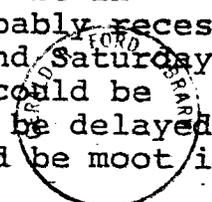
BACKGROUND

The basic issues to be resolved are the submission of a decontrol plan to the Congress and the imposition of the second dollar of import fees. In your April 30 statement on these issues, you directed the Federal Energy Administration to take steps to decontrol old oil over a 25 month period and announced postponement of the second dollar on the import fee for about another month.

Actions on Decontrol and Second Dollar Since April 30

The FEA issued a notice of proposed rulemaking, completed an inflation impact assessment, and has conducted public hearings on May 13-14 on phased decontrol of old oil. Consumer, industry, and regional positions at the hearing were quite mixed, but predictable, and there are indications that consumer organizations are likely to litigate our plan. The decontrol plan cannot be submitted to the Congress before Friday, May 16, and either House can override the plan by a majority vote within five days.

The decontrol situation is complicated by the timing of the Congressional recess. While we believe that parliamentary tactics could forestall a Senate vote within five days and could be completed before recess, there is a legal question involving possible House action. The House will be in session but not meeting on May 16, and will probably recess on May 22. If the days when it will not meet and Saturdays count as legislative days, the five day period could be completed prior to recess. If not, action will be delayed until after June 1. The five day question would be moot if a vote occurs before the recess, as is likely.



The second dollar import fee has been delayed indefinitely by the amended proclamation and affirmative action would be required to impose any additional fee. No vote has been taken to override your veto of the bill which would prohibit any import fee after January 15, 1975, but such a vote would be likely if another dollar is imposed.

Congressional Action to Date

The House Ways and Means Committee narrowly reported out a bill for consideration by the full House. It contains an import quota, gasoline tax, automobile standards and efficiency tax, industrial tax on oil and natural gas, an energy trust fund, tax breaks for insulation, coal mines, railroads, etc. The bill has several major shortcomings:

- Places heavy reliance on a gasoline tax (up to 23¢/gallon or almost \$10 per barrel).
- Does not allow for a tariff on imported products higher than crude oil tariff (to protect domestic refining capacity).
- Contains no windfall profits tax, which is vital to implement decontrol.
- Taxes on other than gasoline are too small, take effect too slowly, and have too many exemptions. They start in 1977 at 17¢ per barrel and rise to \$1 per barrel by 1982.
- An energy trust fund is established.

The Commerce Subcommittee on Energy and Power has reported a bill for full Committee markup. The bill takes a major step towards decontrol and provides authorities for development of an emergency storage system. The decontrol proposal includes:

- Decontrol of old oil gradually in about 3-4 years.
- Windfall profits tax starting at \$7.50 for new oil, but with a liberal plowback provision for domestic exploration and development.



- Decontrol of tertiary recovery, with exemption from windfall tax.
- Slow phase-out of windfall tax.

However, there are several objectionable provisions, including:

- Permanent extension of the Allocation Act.
- Use of the allocation program to cut gasoline use.
- Congressional preapproval of emergency measures.

There are several areas of major overlap and inconsistency between these two House bills. There has been no further progress in the Senate, and no progress is likely between now and the recess.

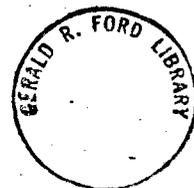
Expected Events in the Next Week

The Ways and Means bill could be considered by the full House next week, although it may be delayed for political reasons or to rationalize it with the Commerce Committee legislation. The Commerce Committee will probably markup the subcommittee bill, but is not expected to finish next week.

In either case, the bills are probably going to be considerably modified and made more objectionable as they proceed through the House. There will be attempts to substantially reduce the gasoline tax and tariff provisions in the Ways and Means bill. It is also possible that the decontrol plan may not survive the full Commerce Committee (it was decided by Chairman Dingell's vote in the Subcommittee).

OPTIONS

Decisions are required on implementation of decontrol, imposition of additional import fees and the timing of these actions. It does not seem reasonable to do nothing on either measure or to propose immediate implementation of both. Although there has been a lot of activity, Congress has clearly not produced anything acceptable in the last month and taking no administrative action would be an unacceptable sign of fear of unfavorable Congressional action and lack of Presidential leadership. Moving immediately on both measures only increases the probability of strong partisan response and adverse Congressional action. The options, then, are only which of the two measures will be put forward first.



Option I: Defer submission of the decontrol plan, but impose the second dollar import fee on June 1

Under this option a final decision on decontrol would be deferred until early June, but the import fees would be increased while the Congress was on recess. This action would be based on the favorable action taken by the House Commerce Subcommittee on decontrol, but the unacceptability of several aspects of the House Ways and Means bill reported out earlier this week.

Pros

- Avoids high likelihood of decontrol disapproval by a simple majority of either House.
- -- Leaves more time for House to act on decontrol.
- Rewards Chairman Dingell, but keeps pressure on full Committee and the House.

Cons

- Delays action on the more important of your two proposals.
- If the tariff vote is lost, we may never be able to get decontrol administratively.

Option II: Send up the decontrol plan, but defer action on increased import fees pending the outcome of the vote on decontrol

This option would delay the tariff decision until after both Houses acted on decontrol.

Pros

- Provides maximum pressure to get decontrol.
- Can use tariff delay to gain New England delegation support for the proposal.
- Moves forward on most important administrative action.

Cons

- Can be a major political setback by simple majority vote to disapprove by either House.



RECOMMENDATIONS

We recommend that no final decision be made or announced before May 22, so that Congressional action or inaction in these last few days before the recess can be used to our advantage rather than theirs.

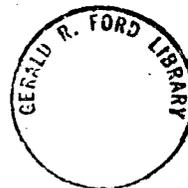
Our highest priority must be to achieve old oil decontrol rather than imposing additional tariffs, although we still would want both. By the same token, our next action must also be the one with the greatest chance of not being reversed in the Congress.

Decontrol will be hardest to sustain because it will require a large number of House Democrats to vote for your proposal. Yet a coalition of Republicans, oil state Democrats and the New England delegation might be put together.

While we recommend you make no decision today, however, a likely program for the coming days may be as follows:

1. Determine if we could muster sufficient strength from the New England delegation and oil states delegation to sustain our Administrative decontrol program. It is likely that to win New England delegation support they would ask for indefinite delay of the second dollar.
2. Should we determine that sufficient voting strength could be put together to sustain your Administrative program on decontrol we would proceed with that element and hold up additional import tariffs at least until late summer.
3. In the event it is clear we will not have sufficient support to sustain our Administrative decontrol program at this time we will recommend imposition of the second dollar on June 1.

If you concur with this approach we will proceed to consult with appropriate Members of Congress without making final commitments with respect to the tariff decision.





FEDERAL ENERGY ADMINISTRATION

WASHINGTON, D.C. 20581

May 20, 1975

OFFICE OF THE ADMINISTRATOR

BRIEFING ON ENERGY POLICY AND RECOMMENDATIONS

Wednesday, May 21, 1975
5:00 p.m. (60 minutes)
The Cabinet Room

From: Frank G. Zarb

I. PURPOSE

To discuss strategy on imposing the second dollar of import fees and administratively decontrolling old oil.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background:

1. House Ways and Means has reported an unacceptable energy tax bill. The leadership has pulled this legislation back from the Rules Committee and no action is expected before the recess. The House Commerce Subcommittee has reported a bill containing a major step toward decontrol, as well as several objectionable provisions. The full committee will not complete action before the recess. No significant action has occurred in the Senate.
2. The Congress has still not moved effectively on the energy crisis and the President will probably be required to take some additional action during the Congressional recess which begins at the close of business this week.

B. Participants: Rogers Morton, Frank Zarb, Bill Seidman, Bill Simon, Alan Greenspan, James Cannon, Max Friedersdorf, John Marsh, John Dunlop and Arthur Burns.

C. Press Plan: No press plan at this time.

III. TALKING POINTS

1. We oppose the House Ways and Means bill the way it stands because it falls far short of our goals. Too much of its emphasis is misdirected on gasoline taxes and import quotas.



2. The Subcommittee on Energy and Power bill represents a major step toward decontrol but contains general objectionable provisions.
3. As you know, on April 30 I deferred the second dollar of import fee until about June 1 and directed the Federal Energy Administration to begin taking steps to decontrol old oil over a 25 month period.
4. Frank, will you assess the legislative situation for us and quickly review the options on decontrol and the second dollar.
5. Then I would like to hear from each of you regarding your views of the situation and the alternatives open to me at this time.



JUN 2 1975

*picked by my
Dr. Kathleen's
office for printing
(B. Snyder)
5/29 FZ - send
5/29 to Zausner
for rewrite
5/30 to be rewritten
again per FZ*

FEDERAL ENERGY ADMINISTRATION

Washington, D.C. 20461

May 27, 1975

Office of the Administrator

MEMORANDUM FOR THE PRESIDENT

FROM: Frank C. Zarb *Frank*
THROUGH: Rogers C. B. Morton
SUBJECT: Biweekly Status Report

Legislative Status

The House voted to postpone floor consideration of the vetoed Surface Mining legislation until June 10 by a narrow margin of 200-195.

The House Ways and Means Committee completed action on its energy tax bill. A Rule is expected to be granted immediately after the Memorial Day Recess.

The Energy and Power Subcommittee of the House Interstate and Foreign Commerce Committee completed work on its omnibus energy plan and has referred the legislation to the full committee. The legislation provides for decontrol of old oil at a rate of 1 percent per month retroactive to May 1972.

Status of One Million Barrel Savings Program

Details on imports, apparent demand, prices and crude oil production are presented in Tab C. The following are significant trends:

- o Domestic crude oil production for the four weeks ending May 9 increased by 2 percent over the four week period ending April 11, to a level of 3.4 million barrels per day. However, production to date this year is 5.8 percent below 1974.
- o Demand for motor gasoline was 0.25 million barrels per day above the President's target, but only slightly above the forecast without the program.

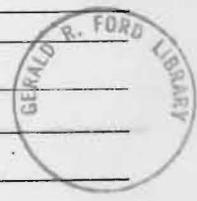
Ford, Gerald R.

*Dwyer
P:OES:RCorn:vm:5/30/75
Zausner (2)
Rathbun (2)
Corn
Official File AE(2)
Read
Zarb sig*

cc:

CONCURRENCES

SYMBOL	SURNAME	DATE					
	<i>DAVID</i>	<i>5/30/75</i>	<i>BP</i>				
	<i>UBA</i>		<i>Sa</i>				



Major International Developments

Saudi Arabia's Sheikh Yamani has said that OPEC will consider linking the price of oil to some yardstick other than the U.S. dollar.

The Shah of Iran anticipates that OPEC will end the nine-month price freeze and increase prices at its September meeting.



TAB A

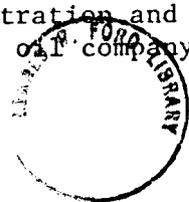
Action on Energy Legislation



Action on Energy Legislation

Congressional Action

- o On May 21, the House voted to postpone floor consideration of HR 25, the Surface Mining Control and Reclamation Act, by a narrow margin of 208-195. The leadership acknowledged that they did not have the votes to override the President's veto. Floor consideration of the bill has been scheduled for June 10.
- o The Energy and Power Subcommittee of the House Interstate and Foreign Commerce Committee reported its energy legislation, HR 7014, to the full Committee. Title III of the legislation provides for decontrol of old oil at a rate of 1 percent per month retroactive to May 1972.
- o On May 14, the House Interstate and Foreign Commerce Committee passed H Res 439, which disapproves the President's proposal to remove existing price controls on old oil. The Resolution has been tabled by the Committee until the President's decontrol plan is submitted to Congress.
- o The House Ways and Means Committee voted out its energy tax bill on May 12 by a margin of 19-16. The House Rules Committee postponed granting a rule on this bill, HR 6860, until June 2.
- o The Senate Interior and Insular Affairs Committee approved the nomination of Stanley K. Hathaway to be Secretary of the Interior.
- o The House Interior and Insular Affairs Committee continued its hearings on coal slurry pipeline legislation during the weeks of May 12 and May 19. The Committee also continued markup sessions on HR 3510, Land Use and Resources Conservation Act of 1975.
- o The Subcommittee on Environment and Land Resources of the Senate Interior and Insular Affairs Committee held a hearing on May 15 on S 507, the proposed National Resource Lands Management Act, and S 1292, legislation to provide for the management of the National Resource Lands.
- o Legislation was introduced in the Senate, S 1754, which would establish a National Oil Pollution Compensation Liability Administration and a National Oil Pollution Compensation Fund supported by oil company fees.



ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
<p>A. OMNIBUS ENERGY BILL (HR 7613, HR 2550, S 564)</p> <p>Title I - Naval Petroleum Reserve Development/ Military Strategic Reserve</p> <p>Title II - National Strategic Petroleum Reserve</p>		<p>On March 18, the Interior and Insular Affairs Committee reported HR 49, a bill to transfer the management of the Naval Petroleum Reserve to the Department of the Interior.</p> <p>Armed Services Committee reported HR 5919, which continues NPR management under the Navy, on April 18.</p> <p>Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee reported its omnibus energy plan, HR 7014, on May 13. The bill is pending full committee action. (Title II, Part I, Strategic Reserves)</p>	<p>Armed Services Committee is considering introducing a clean bill this summer. Joint hearings with the Interior and Insular Affairs Committee were held in March. (Title I)</p> <p>Interior and Insular Affairs Committee is expected to begin mark up sessions on a revised version of S 677, Senator Jackson's reserves bill, rather than on the President's, after the recess. (Title II)</p>	<p>On April 22, House Rules Committee granted an open rule with two hours of debate (to be divided between the Interior and Insular Affairs Committee and the Armed Services Committee) making HR 49 in order as an original bill with the text of HR 5919 in order as a substitute. Floor action is pending.</p>
<p>Title III - Natural Gas Amendment</p>		<p>House Interstate and Foreign Commerce and Ways and Means Committees have postponed action on natural gas until work on their respective omnibus energy bills is completed.</p>	<p>Commerce Committee ordered the bill S 692 reported with amendments on May 6. Floor action is expected in June.</p>	
<p>Title IV - Energy Supply and Environmental Coordination Act of 1974 Extension</p>	<p>Administration witnesses will appear before the Senate Public Works Committee hearings scheduled for the beginning of June.</p> <p>Russell E. Administrator of EPA testified before the Subcommittee on Environmental Policy of the Senate Public Works Committee on May 21.</p>	<p>Energy and Environment Committee of the Interstate and Foreign Commerce Committee reported its omnibus energy plan, HR 7014, on May 13. The bill is pending full committee action. (Title II, Part I, Strategic Reserves)</p>	<p>The Public Works Committee and S Res 45 members have scheduled hearings for the beginning of June on coal conversion and ESECA Act. Administration witnesses will testify.</p> <p>On May 21, the Subcommittee on Environmental Pollution of the Public Works Committee concluded its final two weeks of hearings on Clean Air Act Amendments. Mark up sessions are expected to begin in mid-June.</p>	



PROGRESS OF ENERGY LEGISLATION: May 12 - May 23

ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
<p>Title V - Clean Air Amendments</p> <p>Title VI - Significant Deterioration</p>	<p>Administration witnesses will appear before the Senate Interior and Insular Affairs Committee in hearings scheduled for the beginning of June.</p> <p>Russell Train, Administrator of EPA, testified before the subcommittee on Environmental Pollution of the Senate Public Works Committee on May 21.</p>	<p>Energy and Power Subcommittee of Interstate and Foreign Commerce Committee reported its omnibus energy plan, HR 7014, on May 13. The bill is pending full committee action.</p> <p>(Title V, Part A, Automobile Fuel Economy and Efficiency Standards, and Title VI, Coal Conversion)</p> <p>Health and Environment Subcommittee of Interstate and Foreign Commerce Committee continued mark up sessions on Clean Air Act Amendments during the week of May 12.</p>	<p>The Public Works Committee and S Res 45 members have scheduled hearings for the beginning of June on coal conversion and ESECA Act. Administration witnesses will testify.</p> <p>On May 21, the Subcommittee on Environmental Pollution of the Public Works Committee concluded its final two weeks of hearings on Clean Air Act Amendments. Mark up sessions are expected to begin in mid-June.</p>	
<p>Title VII - Utilities Act of 1975</p>	<p>Administration witnesses are expected to appear before the Energy and Power Subcommittee of House Interstate and Foreign Commerce Committee at a future date not yet scheduled by the Subcommittee.</p>	<p>Energy and Power Subcommittee of Interstate and Foreign Commerce Committee is expected to hold hearings after completion of its "Energy Conservation and Oil Policy Act of 1975," HR 7014. Administration witnesses are expected to testify at that time.</p>	<p>The Government Operations Committee is planning to draft legislation to preempt Title VII.</p>	

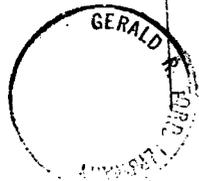


PROCESS OF ENERGY LEGISLATION: May 12 - May 23

ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
Title VIII - Energy Facilities Planning and Development (S 619)	Administration witnesses are expected to appear before the Energy and Power Subcommittee of House Interstate and Foreign Commerce Committee at a future date not yet scheduled by the Subcommittee.	Energy and Power Subcommittee of Interstate and Foreign Commerce Committee is expected to hold hearings after completion of its "Energy Conservation and Oil Policy Act of 1975." Administration witnesses are expected to testify at that time.	Environment and Land Resources Subcommittee of the Interior and Insular Affairs Committee completed hearings on Title III and S 984, "Land Resources Planning Assistance Act", on May 2. The Committee is waiting for action in the House before beginning mark up sessions.	
Title IX - Energy Development Security		Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee reported its omnibus energy plan, HR 7014, on May 13. The bill is pending full committee action. (Title II, Part A, Section 211, International Voluntary Agreements of HR 7014.)	On May 1, the Senate passed S 621 which prohibits the use of certain authorities by the President for the purposes of establishing a floor price for imported petroleum.	
Title X - Building Energy Conservation Standards Title XI - Winterization Assistance		House passed HR 4485, the Emergency Middle-Income Housing Act of 1975, on March 21. Housing and Community Development Subcommittee of the Banking, Currency and Housing Committee is continuing mark up sessions on its winterization assistance legislation, HR 3573. Certain provisions dealing with Title XI are included in HR 5005, the Ways and Means Committee omnibus energy bill.	The bill, HR 4485, passed by the Senate amended on April 24. The President's Title X was incorporated in the Senate provision. (S 1483)	Conference on HR 4485 was completed on May 12. Conference deleted the President's Title X which had been incorporated in the Senate version.



ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
Title XII - National Appliance and Motor Vehicle Energy Labeling		Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee reported its omnibus energy plan, HR 7014, on May 13. The bill is pending before the full committee. (Title V, Part A, Energy Efficiency Standards for Automobiles; Title V, Part B, Other Consumer Products Standards, of HR 7014.)	Compromises will be made between Title XII and Senator Tunney's bill, S 249. No action is expected by the Commerce Committee in the next several months.	
Title XIII - Standby Authorities Act (S 620)		Energy and Power Subcommittee of the Interstate and Foreign Commerce Committee reported its omnibus energy plan, HR 7014, on May 13. The bill is pending before the full committee. (Title II, Standby Authorities, of HR 7014.)	Interior and Insular Affairs reported S 622 on March 5. The report number is 94-26.	On April 10, the Senate passed S 622 by a margin of 60-25.
<u>B. OTHER BILLS-SUPPLY</u> Surface Mining Legislation (HR 3110, S652)		By a margin of 293-115, the House passed the Conference Report on HR 25 on May 7.	By voice vote, the Senate passed the Conference Report on HR 25 on May 5.	On May 20, the President vetoed the Conference Report on HR 25. By a narrow margin of 205-195, the House adopted Mr. Udall's motion to postpone floor consideration until June 10.
Nuclear Licensing and Siting Bill		On May 5, OMS approved the NRC draft bill after receiving comments from appropriate agencies.		



ADMINISTRATION BILL OR COMPONENT	ADMINISTRATION ACTION	CONGRESSIONAL ACTION		SIGNIFICANT CONGRESSIONAL ACTION
		HOUSE	SENATE	
Nuclear Insurance Bill		Comments to GMS from appropriate agencies on the draft bill are expected to be completed in the near future.		
<p>C. TAX PROPOSALS</p> <p>Windfall Profits Tax</p> <p>Petroleum Excise Tax and Import Fee</p> <p>Natural Gas Excise Tax</p> <p>Uniform Investment Tax Credit</p> <p>Higher Investment Tax Credit</p> <p>Preferred Stock Dividend Deductions</p> <p>Residential Conservation Tax Credit</p>		<p>The following are the components of HR 6860:</p> <p>Title I: Quotas, Allocations and Strategic Reserves.</p> <p>Title II: Gasoline Conservation Program.</p> <p>Title III: Other Transportation Energy Programs.</p> <p>Title IV: Energy Conservation and Conversion Trust Fund.</p> <p>Title V: Deregulation of Oil and Natural Gas; Windfall Profits.</p> <p>Title VI: Revisions of Capital Incentives for Extraction in Producing Industries.</p> <p>Title VII: Industrial Conversions.</p> <p>The Committee completed work on this bill on May 12.</p>		<p>On May 20, the House Rules Committee held a full day debate on the Ways and Means' Energy Conservation and Conversion Act of 1975 (HR 6860); the Committee agreed to resume consideration on June 2.</p>



TAB B

Progress Report on Administrative Actions Within
the President's Energy Program



Progress Report on Administrative Actions
Within the President's Energy Program

<u>Administrative Activity</u>	<u>Lead Agency</u>	<u>Status</u>	<u>Next Steps</u>
<u>Near Term Program</u>			
1. Crude Oil Decontrol	FEA	S 621 was passed by the Senate on May 1 and sent to the House. Action on this bill and HR 4035 has been postponed until after the Congressional recess.	Action will depend upon House action and reaching a compromise on the overall energy program.
2. Energy Conservation	FEA	Draft guidelines for using energy conservation "mark" have been completed. Legislation has been drafted regarding the use and protection of the "mark".	Will submit legislation to OMB for approval before submitting to Congress.
3. Coal Conversion	FEA	Public hearings being held in six regions during May and early June. First hearing held in Kansas City May 20.	Letters of intent are being issued in five regions between mid-May and early June. Final prohibition orders to be issued prior to June 1.
4. Import Fee Implementation	FEA	On May 1 the President announced his intention to delay further increases of the import fees for up to 30 days.	Further action will depend on evolving a compromise on the overall energy program.



Administrative Activity

Lead Agency

Status

Next Steps

Mid Term Program

1. OCS Leasing

DOI

Final programmatic EIS on accelerated leasing program to be published by May 31. Central Gulf sale of 1.8 million acres to be held May 28. Sale of second half of Central Gulf tract to be held in early June.

Issuance of final rulemaking on ban on joint bidding by major oil companies targeted for June 1. Final EIS and final rulemaking on accelerated leasing program scheduled to be in effect by late August.

2. Auto Emission Standards

EPA

Summary issue paper has been prepared. Senate Public Works Subcommittee on Air and Water Pollution currently holding hearings. House Subcommittee on Public Health and Environment have tentatively set standards more stringent than those recommended by EPA.

Issue paper under consideration by ERC.

3. Auto-Efficiency Agreements

DOT

The four major automobile manufacturers have agreed in principle to the monitoring process. House and Senate Commerce Committees have marked up legislation setting mandatory auto-efficiency standards.

Quarterly production reports and semiannual sales reports to be submitted by the manufacturers.



Administrative ActivityLead AgencyStatusNext StepsMid Term Program (Cont'd)

4. Appliance Standards

NBS

Draft legislation has been prepared by Commerce, FEA, and FTC for submission to House Subcommittee on Energy and Power.

Await Congressional action.

5. Emergency Storage

FEA

Draft RFP's have been approved by FEA's Contract Review Board for solicitation by June 30.

First phase analysis to be completed by Task Force by June 30.

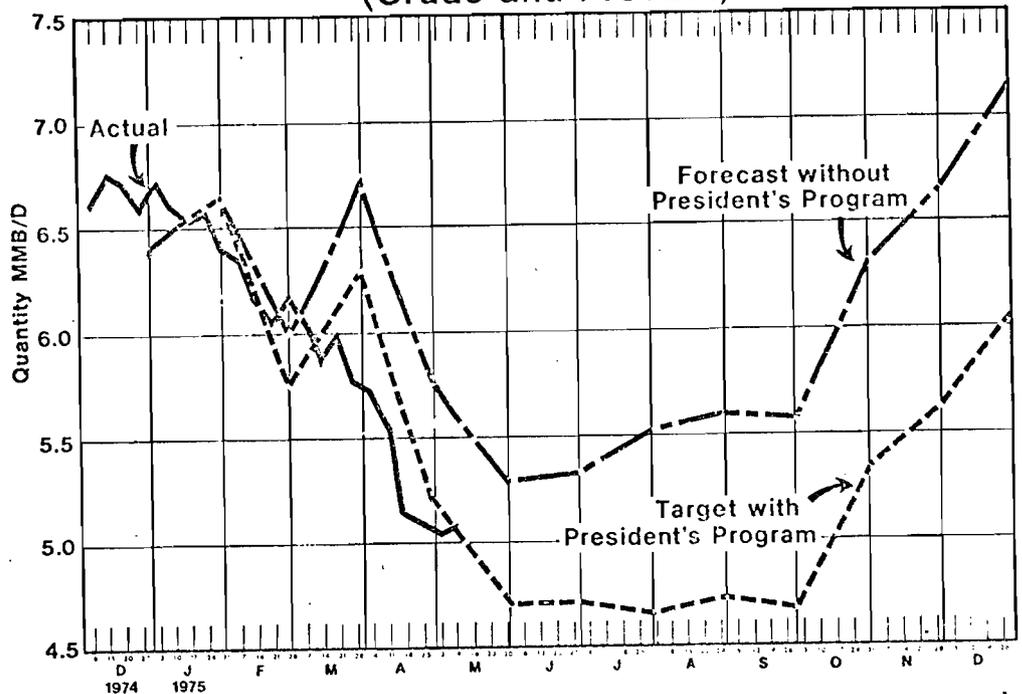


TAB C

Progress In Meeting Goal of One Million Barrels
Savings in 1975



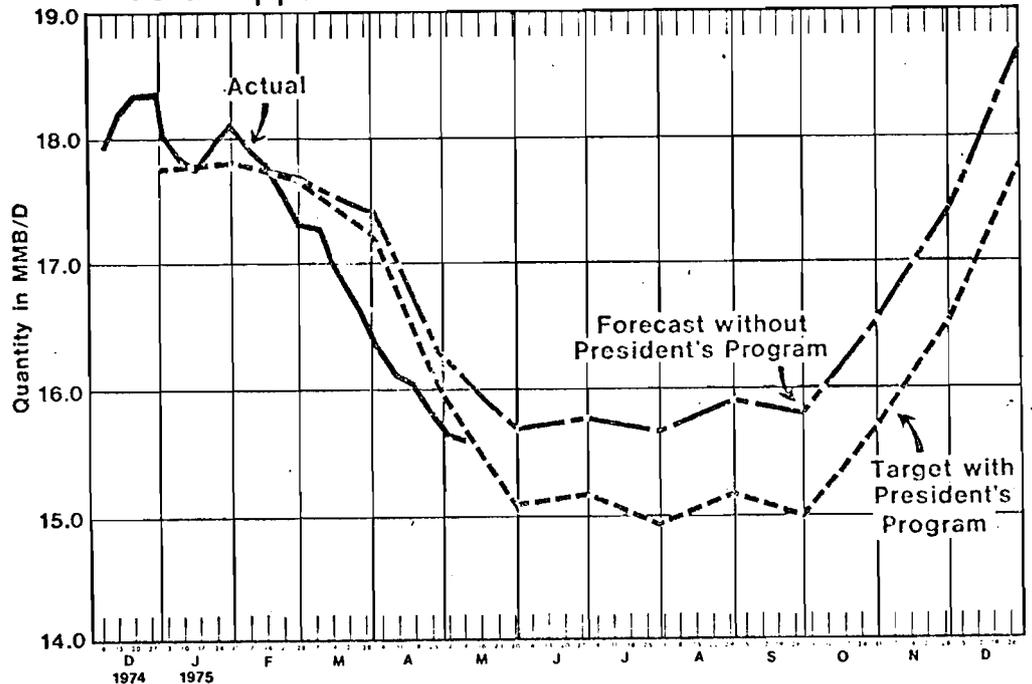
Table 1
**Total U.S. Petroleum Imports
 (Crude and Product)**



- o Imports of crude oil and petroleum products for the 4 weeks ending May 9 were 5.12 million barrels per day, only 40,000 barrels per day above the target of 5.08 million barrels per day.
- o Imports continue to account for about one-third (32.8%) of total U.S. demand for petroleum products.
- o Crude oil imports at 3.29 million barrels per day constitute about two-thirds of total imports.
- o When the revision to the forecast for total demand is completed (see note to Table 2) the import forecast is expected to be lowered by between one and two hundred thousand barrels per day (that is, about a 3 percent adjustment downward).



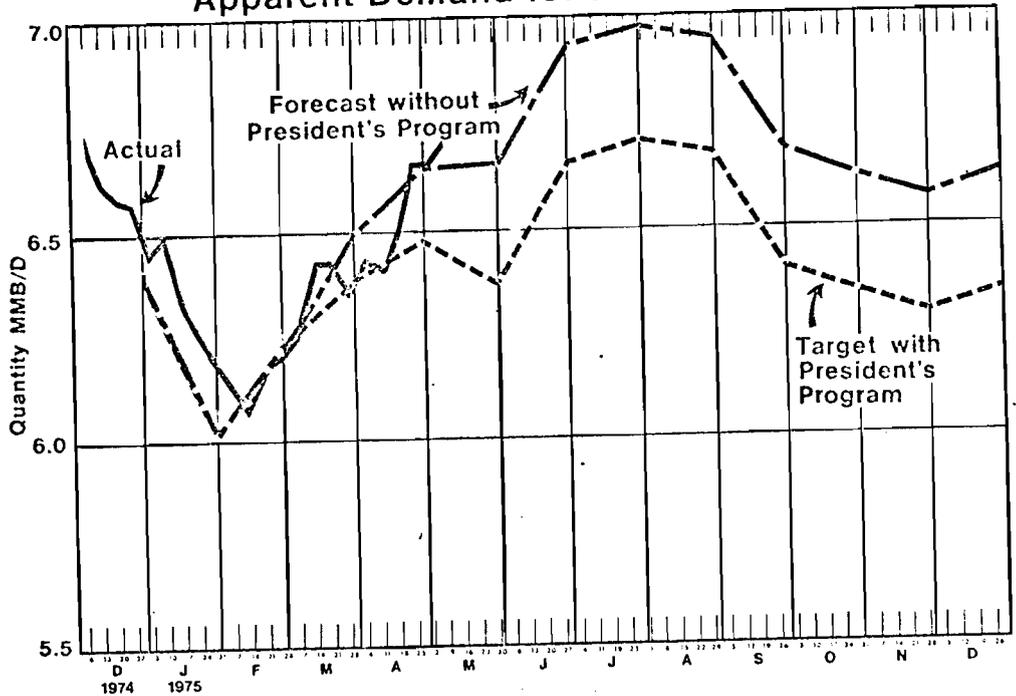
Table 2
Total Apparent Demand for Petroleum Products



- o Total apparent demand for petroleum products during the 4 weeks ending May 9 was 15.62 million barrels per day, 150,000 barrels per day below the current estimate of the President's target of 15.77 million barrels per day, but 500,000 barrels per day below the current forecast of 16.12 million barrels per day.
- o While FEA's forecasts of demand for the major products have proven to be reasonably good, the forecasts for "other" products have been consistently low. When planned revisions to the forecasts are incorporated in the total, it is expected that both the forecast and the target for total demand will be reduced by between one and two hundred thousand barrels per day (that is, about a 1 percent adjustment downward).



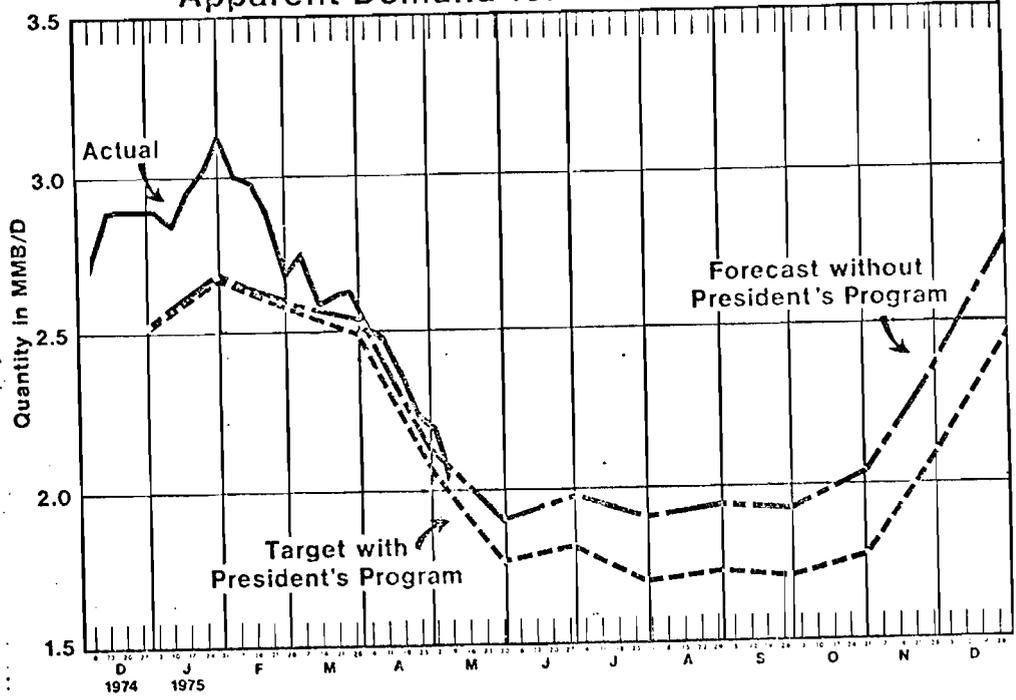
Table 3
 Apparent Demand for Motor Gasoline



- o Apparent demand for motor gasoline for the four weeks ending May 9 was 6.71 million barrels per day, 0.25 million barrels per day above the President's target level of 6.46 million barrels per day.
- o The recent increase in demand for motor gasoline has reduced the record high stocks of February, to about the level of last year.



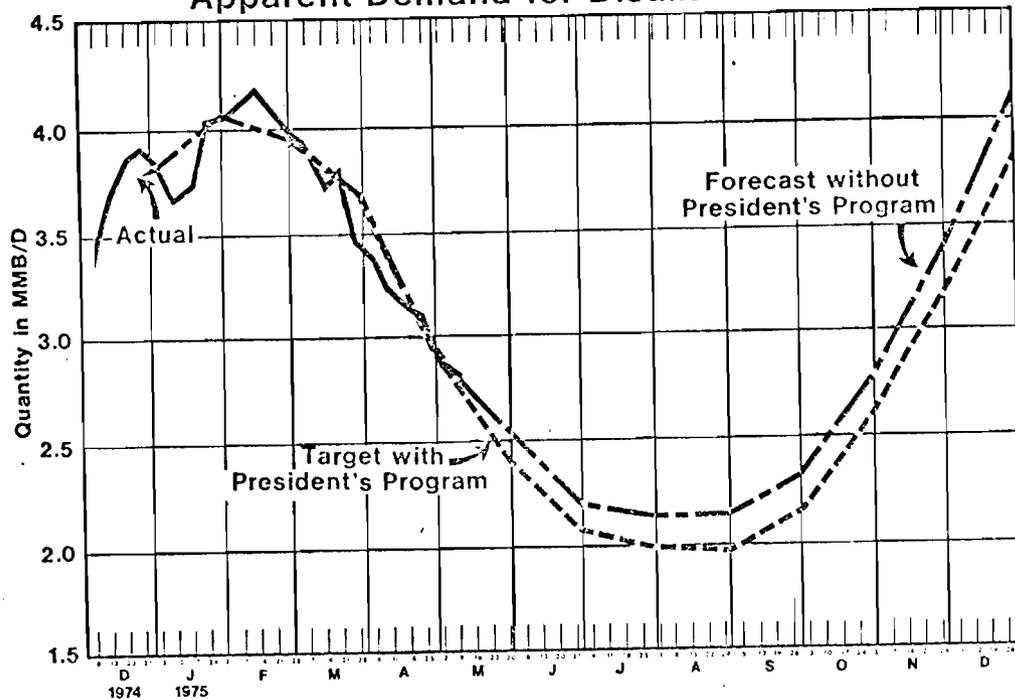
Table 4
Apparent Demand for Residual Fuel Oil



o Apparent demand for the four weeks ending May 9 was 2.04 million barrels per day, only 50,000 barrels per day above the President's target.



Table 5
Apparent Demand for Distillate Fuel Oil



o Apparent demand for the four weeks ending May 9 was 2.80 million barrels per day, equal to the 2.80 million barrels per day target.

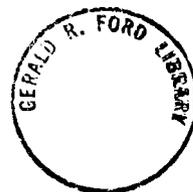
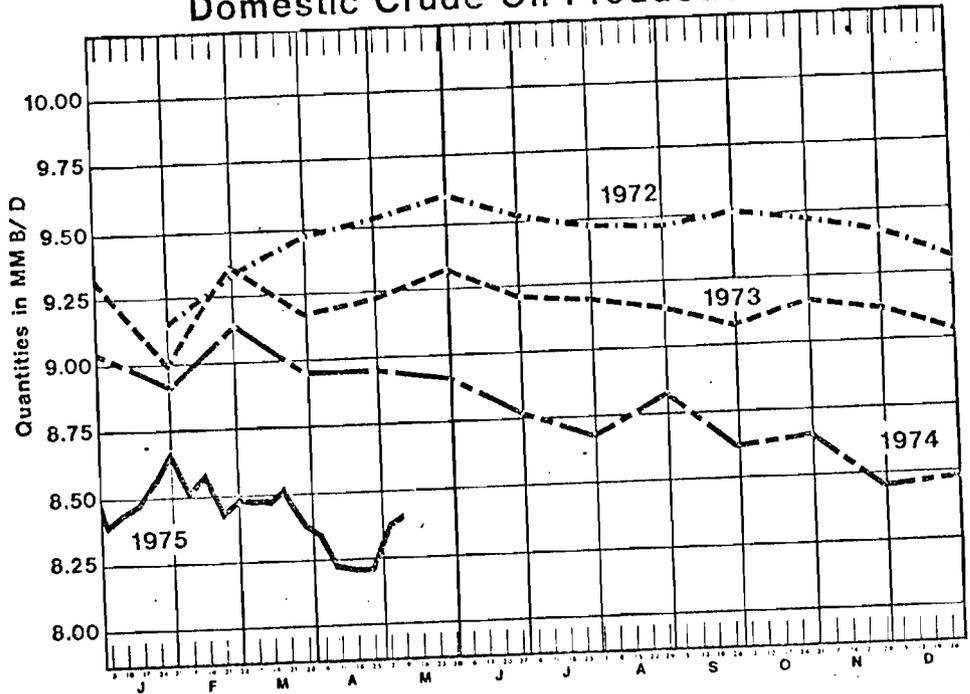


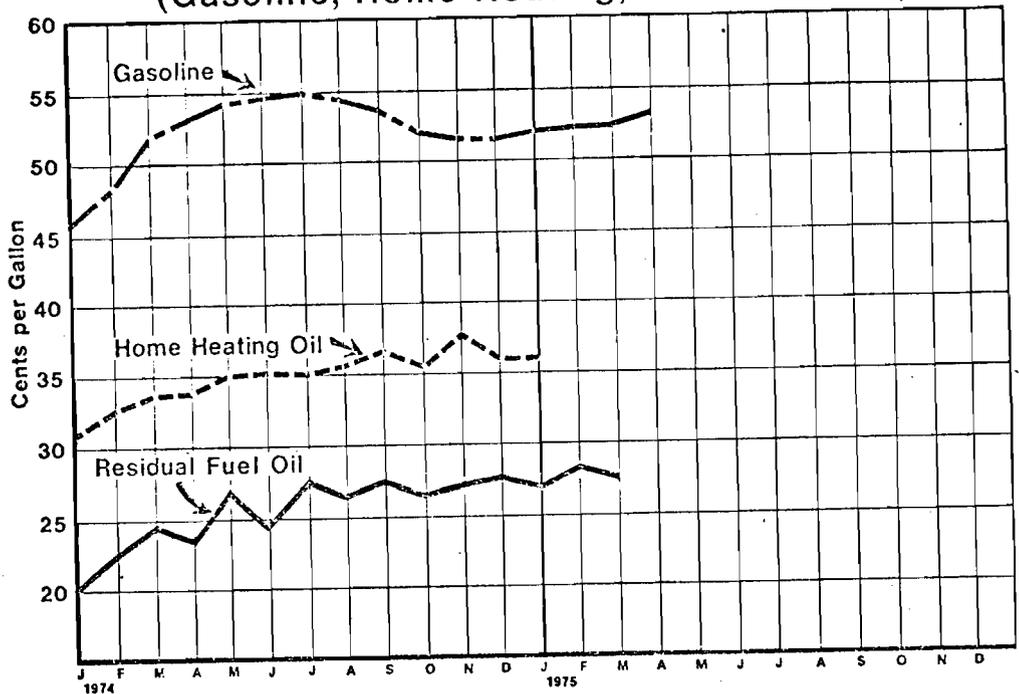
Table 6
Domestic Crude Oil Production



o Production for the four weeks ending May 9 shows an increase of 2 percent as compared with the four week period ending April 11. However, production to date this year is 5.8 percent below 1974.



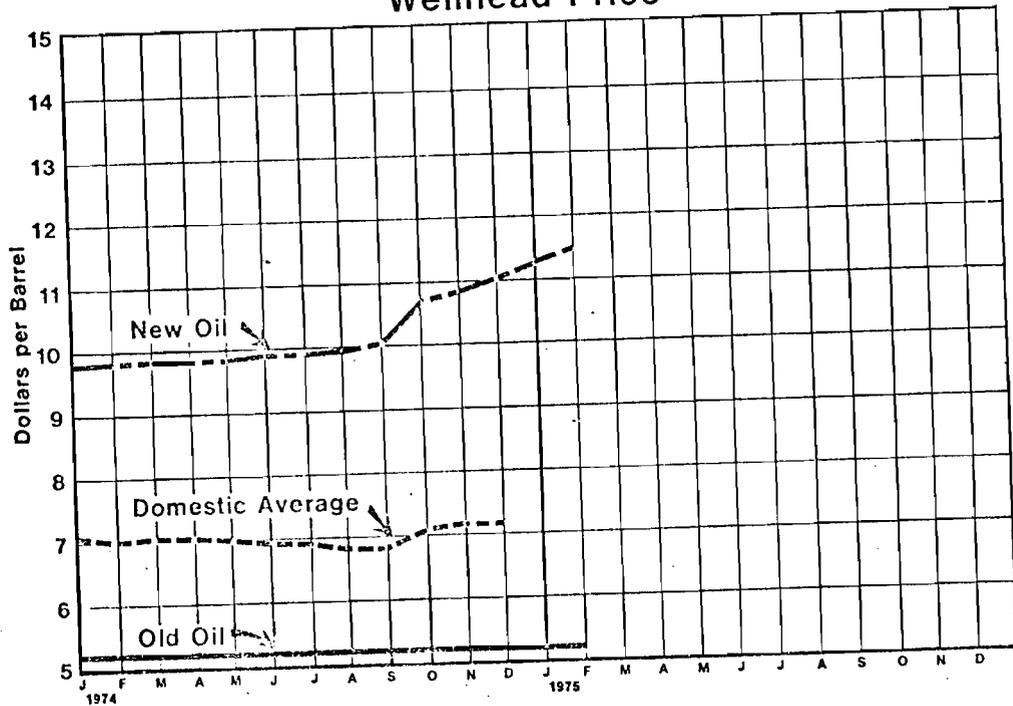
Table 7
Retail Prices
(Gasoline, Home Heating, Residual Fuel)



- o Reflecting price increases by nearly all of the Nation's major retailers of gasoline, the average retail price of regular gasoline during April increased 0.9 cent per gallon to 53.3 cents per gallon.
- o During March the average residual fuel cost was 27.8 cents per gallon, a decrease of 0.7 cent per gallon from the February figure of 28.5 cents per gallon.



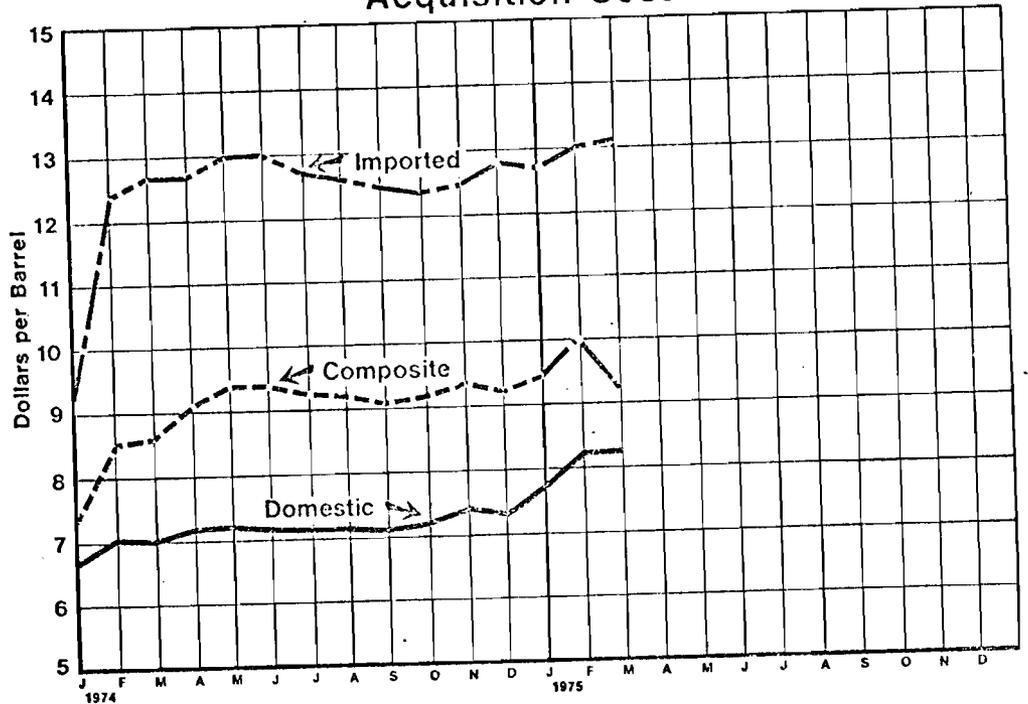
Table 8
**Crude Oil
 Wellhead Price**



(No new data since last report.)



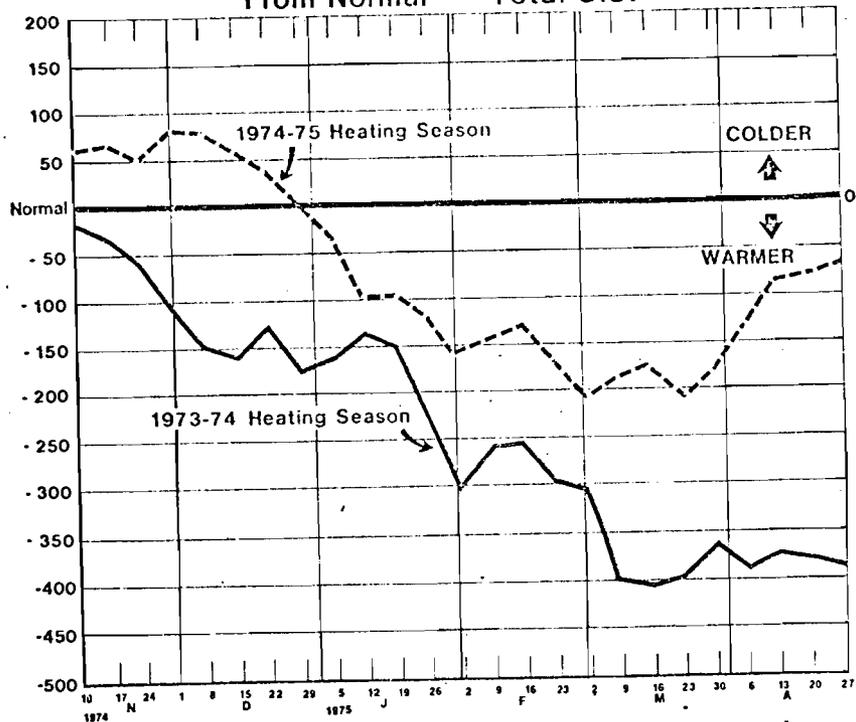
Table 9
Crude Oil Refiner
Acquisition Cost



- o The cost of imported crude petroleum to refiners during March was \$13.17 per barrel, an increase of 12 cents per barrel over the revised February figure of \$13.05 per barrel and 40 cents per barrel over the January figure of \$12.77 per barrel. The full impact of the dollar import fee on refiner acquisition cost was not reflected in February and March, due to accounting practices used for cost passthrough.
- o The average domestic refiner acquisition cost during March was \$8.29 per barrel, unchanged from the revised February figure.
- o The composite cost of crude petroleum to refiners during March was down to \$9.30 per barrel, a decrease of 79 cents per barrel from the revised figure of \$10.09 per barrel. This large decline in the average cost was due to a large decrease in the percentage of higher priced imported crude purchased during March.



Table 10
 Departure of Cumulative
 Distillate Heating Oil Degree-Days
 From Normal — Total U.S.



- o For the 3-week period ended April 27, 1975, the weather in the continental United States was colder than normal (25.4 percent more distillate heating oil degree-days).
- o So far in the 1974-75 heating season, the weather has been warmer than normal but colder than last year. Distillate heating oil degree-days for the U.S. have totalled 1.3 percent fewer than normal. A year ago, the distillate heating oil degree-days for the heating season were 8.0 percent fewer than normal.
- o Through April 27, all PAD Districts except PAD II have accumulated less degree-days (warmer) this heating season than normal. The percentage changes are as follows:

PAD I (East Coast)	-2.7
PAD II (Mid-Continent)	+2.1
PAD III (Gulf Coast)	-5.8
PAD IV (Rocky Mountain)	-0.1
PAD V (West Coast)	-2.9



DEFINITIONS

- Apparent Demand -- Demand for products, in terms of real consumption, is not available; production plus imports plus withdrawals from primary stocks is used as a proxy for demand (consumption). Secondary stocks, not measured by FEA, are substantial for some products.
- Actuals -- Four-week moving averages computed from the Weekly Petroleum Reporting System.
- Forecast -- A petroleum product demand forecast is made, based on a projection of the economy, which would occur without the President's program, and on a projection of normal weather. The forecast is periodically revised to take account of actual weather and revised macroeconomic forecasts.
- Target -- The Target incorporates reductions in consumption implicit in the President's energy policy, as given in the State of the Union Message. In addition it is assumed that:
- domestic production increases by 160 MB/D by the end of 1975 due to the development of Elk Hills.
 - petroleum demand is reduced by 98 MB/D by the end of 1975 due to switching from oil to coal.
 - petroleum demand due to natural gas curtailments ceases after May 1, 1975, due to the deregulation of new natural gas at the wellhead.
 - price changes due to the President's policies are held constant in real terms at their May 1975 levels.
- Degree-Days -- The number of degree-days in one day is the number of degrees by which the mean temperature for the day is below 65° F. Statewide averages for degree-days are based on population weights. These statewide averages are then aggregated into P.A.D. Districts and the national average using a weighting scheme based on each State's consumption of fuel oil per degree-day, thereby relating the impact of the weather to distillate heating oil demand. Note that "above normal" degree-days correspond to "below normal" temperatures.



TAB D

Major International Events

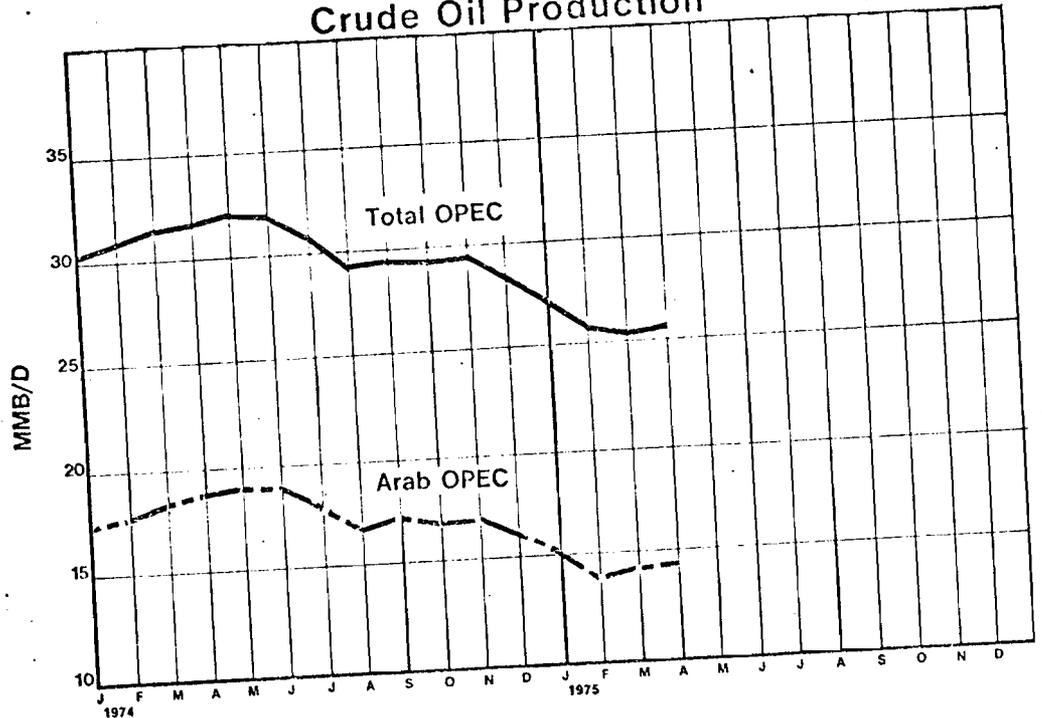


Major International Events

- o Speaking to reporters after a recent Arab Ministers Conference, Saudi Arabia's Sheikh Yamani said that the next June OPEC meeting will consider linking the price of oil to some yardstick other than the U.S. dollar; if adopted, he asserts the move would be nothing more than a fixing of the oil price and should not be taken as a price rise.
- o In an apparent change in policy, Mexico declared its willingness to join OPEC. President Echeverria told reporters that if Mexico is formally invited to join, it will do so. Until now, Mexico has only tentatively indicated its willingness to join OPEC in an observer status.
- o The Shah of Iran stated that he expects an increase in oil prices at the September OPEC meeting. Despite the fact that world inflation has been averaging less than 10 percent recently, the Shah claims that a 35 percent reduction in purchasing power is the reason for the proposed end to a nine-month OPEC price freeze.
- o Gulf Oil Company has encountered difficulties, particularly in Latin America, following the revelation that Gulf had made political payments amounting to \$4 million in South Korea and \$360,000 in Bolivia. Peru nationalized Gulf's retail outlets in that country in protest, and Bolivia has initiated action in its courts against Gulf, placing Gulf's representative there under house arrest.
- o Canada has announced an 80 cent decrease in the export tax charged on crude exported to the U.S., but at the same time announced that the price of natural gas exported to the U.S. will increase by 60 percent before the end of the year.



OPEC Countries Crude Oil Production



- o OPEC production, which has been declining since 1974, is expected to rise this summer. The decrease in OPEC production in recent months, which is usually attributed to the fall in world oil demand, may also have been exacerbated by a drawdown in inventories, especially in Western Europe. To meet next winter's demand, some of these stocks will have to be restored. As a result, world crude production (principally OPEC production) is expected to rise between 2 and 4 million barrels per day from current production levels.





FEDERAL ENERGY ADMINISTRATION

WASHINGTON, D. C. 20461

OFFICE OF THE ADMINISTRATOR

May 13, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK G. ZARB *z*

Attached for your information are copies of my letters to the Speaker and the Majority Leader regarding my assessment of progress to date on a comprehensive energy program.

Attachment





FEDERAL ENERGY ADMINISTRATION

WASHINGTON, D.C. 20461

May 12, 1975

OFFICE OF THE ADMINISTRATOR

Honorable Carl Albert
Speaker of the House
U.S. House of Representatives
Washington, D. C. 20515

Dear Mr. Speaker:

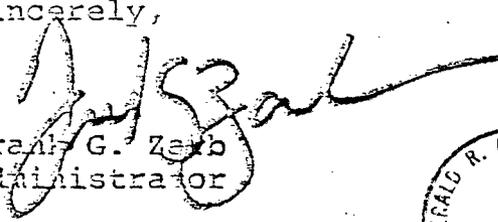
When the President announced a further delay in additional import fees and a modified crude oil price decontrol proposal, he took these actions in the spirit of compromise and with the hope that agreement soon would be reached on an effective and equitable national energy program. However, comprehensive energy legislation does not appear to be forthcoming from the Congress.

In order to reduce domestic energy consumption, increase supply and provide standby authorities, the President last January proposed the Energy Independence Act of 1975. Currently, of the Act's thirteen titles, none is close to enactment -- indeed, only a few have been reported out of Committee. I have enclosed a summary of the status of these bills.

The need for prompt action is even more important today than it was in January. We must act soon to provide clear directions to the American people and to stem our increasing dependence on foreign oil.

I have appreciated working with you as we have sought to make progress on these matters, but I urgently request more rapid action.

Sincerely,


Frank G. Zeig
Administrator

Enclosure

cc: Congressman James Wright



ENERGY INDEPENDENCE ACT
STATUS

Title I: Naval Petroleum Reserves

Senate: Armed Services and Interior Committees held joint hearings in March. Action by Armed Services Committee is not expected until summer.
House: Interior reported HR-49 and Armed Services reported HR-5919. Floor action pending.

Title II: Strategic Reserves (Civilian)

Senate: Interior Committee marking up bill.
House: Section approved in Commerce Subcommittee bill.

Title III: Natural Gas Deregulation

Senate: On May 6 Commerce Committee ordered S.692 reported with amendments.
House: Interstate and Foreign Commerce Committee has postponed action until it has completed consideration of its omnibus energy bill.

Title IV: ESECA Amendments

Senate: Hearings scheduled by Interior Committee in June.
House: Included in Commerce Subcommittee bill.

Title V and VI: Clean Air Act Amendments

Senate: Hearings held by Public Works Subcommittee, with mark-up possible in June.
House: Hearings held. Commerce Subcommittee on Health and Environment holding mark-up sessions.

Title VII: Utilities

Senate: Hearings held by Government Operations Committee which is presently drafting legislation.
House: Interstate and Foreign Commerce Committee expected to hold hearings after completion of omnibus energy bill.

Title VIII: Energy Facility Siting

Senate: Interior Committee held hearings on related bills.
House: Interstate and Foreign Commerce Committee expected to hold hearings after completion of major energy legislation.



Title IX: Energy Development Security

Senate: Passed S.621 in early May prohibiting the use of certain authorities by the President for the purposes of establishing a floor price for imported petroleum.

House: Interstate and Foreign Commerce Subcommittee is including portions of this title in current energy legislation mark-ups.

Title X: Thermal Efficiency Standards

HR-4485 as amended is now in Conference. The Senate version incorporates the Administration's Title X.

Title XI: Winterization

Senate: Hearings held by Banking, Housing & Urban Affairs Committee.

House: Housing Subcommittee reported out HR-3573. HR-5005 in Ways and Means contains certain provisions of Title XI.

Title XII: Appliance and Motor Vehicle Labelling

Senate: Commerce Committee held hearings. No action scheduled in next several months.

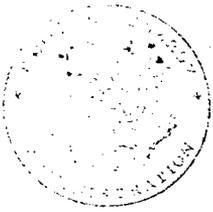
House: Included in Commerce Subcommittee bill.

Title XIII: Standby Authorities

Senate: Passed S.622, which included Interior Committee's version of Standby Authorities plus mandatory conservation standards.

House: Included in Commerce Subcommittee bill.





FEDERAL ENERGY ADMINISTRATION

WASHINGTON, D.C. 20501

May 12, 1975

OFFICE OF THE ADMINISTRATOR

Honorable Mike J. Mansfield
Majority Leader
United States Senate
Washington, D. C. 20510

Dear Senator Mansfield:

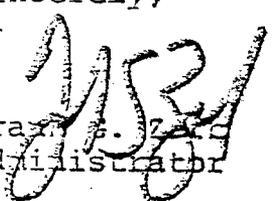
When the President announced a further delay in additional import fees and a modified crude oil price decontrol proposal, he took these actions in the spirit of compromise and with the hope that agreement soon would be reached on an effective and equitable national energy program. However, comprehensive energy legislation does not appear to be forthcoming from the Congress.

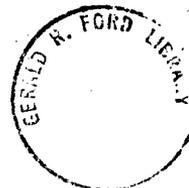
In order to reduce domestic energy consumption, increase supply and provide standby authorities, the President last January proposed the Energy Independence Act of 1975. Currently, of the Act's thirteen titles, none is close to enactment -- indeed, only a few have been reported out of Committee. I have enclosed a summary of the status of these bills.

The need for prompt action is even more important today than it was in January. We must act soon to provide clear directions to the American people and to stem our increasing dependence on foreign oil.

I have appreciated working with you as we have sought to make progress on these matters, but I urgently request more rapid action.

Sincerely,


Frank E. Zare
Administrator



Enclosure

cc: Senator Pastore

ENERGY INDEPENDENCE ACT
STATUS

Title I: Naval Petroleum Reserves

Senate: Armed Services and Interior Committees held joint hearings in March. Action by Armed Services Committee is not expected until summer.
House: Interior reported HR-49 and Armed Services reported HR-5919. Floor action pending.

Title II: Strategic Reserves (Civilian)

Senate: Interior Committee marking up bill.
House: Section approved in Commerce Subcommittee bill.

Title III: Natural Gas Deregulation

Senate: On May 6 Commerce Committee ordered S.692 reported with amendments.
House: Interstate and Foreign Commerce Committee has postponed action until it has completed consideration of its omnibus energy bill.

Title IV: ESECA Amendments

Senate: Hearings scheduled by Interior Committee in June.
House: Included in Commerce Subcommittee bill.

Title V and VI: Clean Air Act Amendments

Senate: Hearings held by Public Works Subcommittee, with mark-up possible in June.
House: Hearings held. Commerce Subcommittee on Health and Environment holding mark-up sessions.

Title VII: Utilities

Senate: Hearings held by Government Operations Committee which is presently drafting legislation.
House: Interstate and Foreign Commerce Committee expected to hold hearings after completion of omnibus energy bill.

Title VIII: Energy Facility Siting

Senate: Interior Committee held hearings on related bills.
House: Interstate and Foreign Commerce Committee expected to hold hearings after completion of major energy legislation.

Title IX: Energy Development Security

Senate: Passed S.621 in early May prohibiting the use of certain authorities by the President for the purposes of establishing a floor price for imported petroleum.

House: Interstate and Foreign Commerce Subcommittee is including portions of this title in current energy legislation mark-ups.

Title X: Thermal Efficiency Standards

HR-4485 as amended is now in Conference. The Senate version incorporates the Administration's Title X.

Title XI: Winterization

Senate: Hearings held by Banking, Housing & Urban Affairs Committee.

House: Housing Subcommittee reported out HR-3573. HR-5005 in Ways and Means contains certain provisions of Title XI.

Title XII: Appliance and Motor Vehicle Labelling

Senate: Commerce Committee held hearings. No action scheduled in next several months.

House: Included in Commerce Subcommittee bill.

Title XIII: Standby Authorities

Senate: Passed S.622, which included Interior Committee's version of Standby Authorities plus mandatory conservation standards.

House: Included in Commerce Subcommittee bill.

