

**The original documents are located in Box C24, folder “Presidential Handwriting, 7/7/1975” of the Presidential Handwriting File 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. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections.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.

C



THE WHITE HOUSE

WASHINGTON

July 7, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

FRANK G. ZARB

FROM:

JEC  
JAMES E. CONNOR

The President reviewed your memorandum of June 30th regarding Natural Gas Talking Points for the Cincinnati Trip. It was requested that you be informed that this report was used and appreciated.



THE WHITE HOUSE  
WASHINGTON

Outbox —

The President saw, used →  
appreciated.

Pls pass this to Frank Zorb

—  
very





THE PRESIDENT HAS SEEN.....

FEDERAL ENERGY ADMINISTRATION

WASHINGTON, D.C. 20461

OFFICE OF THE ADMINISTRATOR

June 30, 1975

MEMORANDUM FOR JIM CONNOR

FROM: FRANK G. ZARB

A handwritten signature in black ink, appearing to be "F. Zarb", written over the printed name.

I would appreciate your inserting this paper in the Presidential material for the Cincinnati trip.

Attachments



NATURAL GAS TALKING POINTS  
FOR THE PRESIDENT'S CINCINNATI TRIP

- The U.S. natural gas situation continues to deteriorate.
  - ° Domestic production is declining.
  - ° Our demand for natural gas is increasing.
  - ° Imports are becoming more scarce.
  
- Natural gas curtailments will increase by 45% this year and may result in serious unemployment problems in some areas.
  - ° In some states, curtailments will be more than 50% of requirements.
  - ° In Ohio, for example, almost 300 billion cubic feet will be curtailed this year -- a dramatic increase over last year's level.
  - ° And, if we have a cold winter, these shortages could be even greater.
  
- The natural gas problem has not just occurred suddenly -- it is primarily the result of years of inaction and indecisiveness on a vital measure -- deregulation of new natural gas prices.
  - ° Keeping gas prices artificially low compared to other energy sources, has encouraged wasteful use.
  - ° While deregulation will have a small and gradual economic impact, it will stimulate exploration and development of new gas, reduce demand, and provide more gas to the consuming states in the Midwest and on the East Coast.
  - ° We must act now on deregulation and I urge your support for deregulation legislation.
  - ° We cannot afford the kind of legislation that is now being considered in the Senate. S.692 would set low ceilings on natural gas prices and bring the problems of price regulation to the intrastate market for the first time.



- But, we can't depend upon the Congress for action on natural gas, so I have directed the Energy Resources Council to evaluate the situation for this winter and prepare a program for action to relieve the shortage. There are no simple answers, but we will have the resolve to deal with the problem in any way possible.

