MEMORANDUM FOR THE PRESIDENT
FROM: KEN COLE

Attached for your consideration is House bill, H.R. 11510, sponsored by Representative Holifield, a proposed Executive Order entitled "Activities of the Energy Resources Council", and a proposed Signing Statement. The House bill, H.R. 11510 establishes:

. The Energy Research and Development Administration (ERDA)
. the Nuclear Regulatory Commission (NRC)
. the Energy Resources Council

It also prescribes the functions to be performed by these three new entities, abolishes the Atomic Energy Commission, and makes other related statutory changes.

Roy Ash and Secretary Morton recommend approval. Additional background information is provided in Roy's enrolled bill report (Tab A).

We have checked with the Counsel's office (Chapman), Bill Timmons and Paul Theis who recommend approval.

RECOMMENDATION

That you sign both the House bill H.R. 11510 (Tab B) and the Executive Order (Tab C) and also approve the Signing Statement (Tab D). (The signing statement will be brought to you for your review as soon as it is typed in final.)
MEMORANDUM FOR THE PRESIDENT


Sponsors - Rep. Holifield (D) California and 3 others

Last Day for Action

Purpose

Establishes the Energy Research and Development Administration (ERDA), the Nuclear Regulatory Commission (NRC), and the Energy Resource Council; prescribes the functions to be performed by these three new entities; abolishes the Atomic Energy Commission; and makes other related statutory changes.

Agency Recommendations (Informal)

Office of Management and Budget

Atomic Energy Commission
Federal Energy Administration
Environmental Protection Agency
Council on Environmental Quality
Department of the Interior
Department of State
Civil Service Commission
National Science Foundation
Department of Commerce
Department of Defense
Department of the Treasury
General Services Administration
Department of Justice

Approval

Approval (Informally)
Approval (Informally)
Approval (Informally)
Approval (Informally)
Approval (Informally)
Approval (Informally)
Approval (Informally)
No objection (Informally)
No objection (Informally)
No objection (Informally)
No objection (Informally)
No objection (Informally)
No objection (Informally)
Discussion

The importance of energy research and development has grown apace with the increasing seriousness of the energy situation facing the nation. Yet Federal energy research and development programs are fragmented and dispersed among a number of Executive Agencies. One of the three major purposes of the enrolled bill is to provide for consolidation and coordination of these research and development programs and authorities by establishing a new agency to administer them -- the Energy Research and Development Administration (ERDA).

The Atomic Energy Commission currently administers this country's major nuclear energy research and development programs and conducts additional research in other energy fields. By transferring the authority for, and the administration of these programs to ERDA the enrolled bill not only creates the nucleus for the consolidation referred to above but also achieves a second major purpose of the bill -- separation of nuclear promotional and developmental activities from the safety and regulation of nuclear energy, a reform long sought by many groups. To carry out the safety and regulatory responsibilities, the enrolled bill replaces the Atomic Energy Commission with a Nuclear Regulatory Commission (NRC).

A third purpose of the bill is achieved through the creation of an interagency energy policy coordination council, known as the Energy Resources Council, in the Executive Office of the President.

The major features of H.R. 11510 fully carry out the recommendations of the Executive Branch. It should be recognized that the National Energy Board identified in your October 8 address to Congress is the equivalent of the Energy Resources Council in the bill.

In addition to establishing the three new entities, abolishing the Atomic Energy Commission, and transferring the indicated responsibilities to each, the enrolled bill would:
Transfer the functions of the Atomic Energy Commission to ERDA or NRC, as appropriate, as well as transfer to ERDA certain energy research and development responsibilities of the Department of the Interior, the National Science Foundation, and the Environmental Protection Agency.

Authorize the appointment by the President, subject to Senate confirmation, of an Administrator, Deputy Administrator, and six Assistant Administrators along with provision for certain lesser positions including that of General Counsel to which appointments would be made by the Administrator.

Specify the responsibilities of the Administrator which would include undertaking programs for the optimal development of the various forms of energy sources, encouraging commercial applications in all energy fields, and engaging in environmental and safety research in connection with all forms of energy.

Specify that the Energy Resources Council membership shall consist of the Secretaries of the Interior and State, the Administrators of the Federal Energy Administration and the Energy Research and Development Administration, and the Director of the Office of Management and Budget, and any other Federal official designated by the President.

Further, under the bill the NRC would be established as a five-member independent regulatory commission containing three offices:

-- Office of Nuclear Reactor Regulation, which would license construction and operation of commercial nuclear reactors;

-- Office of Nuclear Materials Safety and Safeguards, which would license other nuclear facilities and regulate the processing, transportation and handling of all nuclear materials; and,

-- Office of Nuclear Regulatory Research, which would conduct research relating to reactor safety, safeguards, and environmental protection in support of the licensing and regulatory process.
It is estimated that ERDA will have available budget authority of $4,193 million in fiscal year 1975 and 7,124 employees, and that NRC will have available approximately $140 million and 1,900 employees.

OMB staff have prepared a signing statement which is being discussed with White House staff. Executive Orders and related documents necessary to implement certain provisions of the bill are being prepared.

Director

Enclosures
MEMORANDUM FOR THE PRESIDENT

Sponsors - Rep. Holifield (D) California and 3 others

Last Day for Action

Purpose

Establishes the Energy Research and Development Administration (ERDA), the Nuclear Regulatory Commission (NRC), and the Energy Resource Council; prescribes the functions to be performed by these three new entities, abolishes the Atomic Energy Commission, and makes other related statutory changes.

Agency Recommendations (Informal)

Office of Management and Budget

Atomic Energy Commission
Federal Energy Administration
Environmental Protection Agency
Council on Environmental Quality
Department of the Interior
Department of State
Civil Service Commission
National Science Foundation
Department of Commerce
Department of Defense
Department of the Treasury
General Services Administration
Department of Justice

Approval

Approval

Approval

Approval

Approval

Approval

Approval

Approval

Approval

Approval

No objection
MEMORANDUM FOR ROBERT D. LINDER

Subject: Proposed Executive order entitled "Activation of the Energy Resources Council"

Herewith is a proposed Executive order entitled "Activation of the Energy Resources Council."

It is intended to replace the proposed Executive order that would have created a comparable interagency committee or board which has been in the process of being staffed within the White House Office.

Since Section 103 of Enrolled Enactment H.R. 11510, Energy Reorganization Act of 1974, creates an interagency Council on Energy Resources with functions essentially the same as those that would have been assigned to the committee or board that would have been created by the proposed Executive order, there now appears to be no good reason for creating that committee or board.

Instead, the attached Order would activate the Council immediately. In the absence of such action, which is expressly authorized by Section 103, its activation would be delayed for sixty days. The Order would also add members to the Council making its membership the same as that which was proposed for the committee or board except for the addition of the Administrator of the Energy Research and Development Administration which is required by Section 103. The Order would designate the Secretary of the Interior to be Chairman of the Council.

This proposed Executive order has the approval of the Director of the Office of Management and Budget.
I assume that you will send it forward for the consideration of the President at the time you send forward Enrolled Enactment H.R. 11510 so that they may be signed simultaneously.

'(Signed) Stanley Ebner

Stanley Ebner
General Counsel

Attachment
MEMORANDUM FOR ROBERT D. LINDER

Subject: Proposed Executive Order Activating the Energy Resources Council

Subsequent to our submission to you of the proposed Executive order which it is planned the President will sign at the ERDA signing ceremony to activate the Energy Resources Council, the Interior Department has advised us of Secretary Morton's strong feelings that an addition should be made to the Order regarding the Council's functions.

In his October 8 message to the Congress the President indicated he was about to form an energy organization which would be "charged with developing a single national energy policy and program." The Secretary believes that this particular function and responsibility should be spelled out in the Order. Since we have no objection to this addition, we recommend that Section 3 of the draft Order as submitted to you be revised to read as follows:

"The Energy Resources Council shall perform such functions as are assigned to it by Section 108 of Energy Reorganization Act of 1974, shall develop a single national energy policy and program, and shall perform such other functions as may be assigned to it, from time to time, by the President."

(Signed), Stanley Ebner

Stanley Ebner
General Counsel
MEMORANDUM FOR: Wilfred H. Rommel  
Assistant Director for  
Legislative Reference  
Office of Management and Budget

ATTN: William Skidmore

FROM: Robert E. Montgomery, Jr.  
General Counsel


This responds to your request for the views of the Federal Energy Administration ("FEA") on H.R. 11510, "The Energy Reorganization Act of 1974."

H.R. 11510 would establish an Energy Research and Development Administration ("ERDA") to exercise central responsibility and leadership for energy research and development activities. The Atomic Energy Commission would be abolished and its major research and development activities transferred to ERDA. The Commission's present licensing and regulatory functions would be vested in a new Nuclear Regulatory Commission. Certain other energy R&D functions of the Department of Interior, the National Science Foundation and the Environmental Protection Agency would also be transferred to ERDA.

Although ERDA would be charged with developing new technologies for more efficient energy utilization, the Federal Energy Administration would continue to be responsible for developing energy conservation programs. FEA would also retain primary responsibility for developing energy resources through the effective application of currently available technology. Careful coordination and cooperation between FEA and ERDA will thus be essential.

Section 108 of H.R. 11510 would establish an Energy Research Council to coordinate the energy activities of various Federal agencies and to advise the President with respect to the

FEA strongly supports the concept of a centralized management structure for energy R&D activities and therefore recommends that the President sign H.R. 11510 into law.
Honorable Roy L. Ash  
Director  
Office of Management and Budget  
Washington, D.C. 20503

Dear Mr. Ash:

This is in response to your request for the views of the Department of State on an enrolled bill (H.R. 11510) which would reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a Nuclear Regulatory Commission. The Department perceives no objection to the enactment of this bill into law.

This enrolled bill would abolish the Atomic Energy Commission, transfer specified licensing and regulatory responsibilities to a Nuclear Regulatory Commission (NRC), transfer all other functions under the Atomic Energy Act of 1954, as amended, to an Energy Research and Development Administration (ERDA), and consolidate the energy research and development functions of several agencies under ERDA.

This reorganization will affect the responsibilities of the Department of State in primarily three areas: international military cooperation in atomic energy, international civil cooperation in atomic energy, and international cooperation in energy research and development. The enrolled bill would place all of these programs within ERDA with the possible exception of the licensing of nuclear materials for export pursuant to agreements for cooperation in civil uses of atomic energy. In addition to assuming the authority to enter into international agreements for cooperation in atomic energy contained in Section 123 of the Atomic Energy Act of 1954, as amended, and authority to participate in international cooperation currently held by the Office of Coal Research of the Department of the Interior, the National Science Foundation, and the Environmental Protection Agency as may relate to or are utilized by these agencies for energy research and development, Section 103(9) authorizes the
Administrator of ERDA to encourage and participate in international cooperation in energy and related environmental research and development. We believe that this will provide ample legal authority not only to continue existing programs in these areas, but to increase and improve our efforts in international energy affairs.

The Department notes that the Conference Report states that "the conferees wish to make it clear that ERDA activities looking toward international cooperation in no way limit State Department responsibility and activities." We look forward to coordinating closely with ERDA and continuing our active role in international energy affairs.

Accordingly, the Department of State recommends approval of the enrolled bill.

Cordially,

Linwood Holton
Assistant Secretary for Congressional Relations
EXECUTIVE ORDER

ACTIVATION OF THE ENERGY RESOURCES COUNCIL

In my address to the Congress on October 8, 1974, I expressed my intention to create a new National Energy Board, under the Chairmanship of the Secretary of the Interior, to develop, coordinate, and assure the implementation of Federal energy policy. Subsequent to my delivery of that address, the Congress completed action on the Energy Reorganization Act of 1974 which I have just approved into law. Section 109 of that Act creates in the Executive Office of the President a new Energy Resources Council which would be charged with performing functions that are essentially the same as those I had intended to assign to the National Energy Board. Consequently, I have determined that it would serve no useful purpose to create that Board. Instead, I am now exercising the authority vested in me by Section 109 of the Energy Reorganization Act of 1974, to activate immediately the Energy Resources Council, to designate the Secretary of the Interior as its Chairman, and to designate additional officials as members thereof.

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States of America by the Constitution and laws of the United States, particularly Section 109 of the Energy Reorganization Act of 1974, and Section 301 of title 3 of the United States Code, it is hereby ordered as follows:
Section 1. Section 108 of the Energy Reorganization Act of 1974 shall be effective as of the date of this Order and the Energy Resources Council shall be deemed to have been activated as of that date.

Sec. 2. The Committee shall consist of the Secretary of the Interior, who shall be its Chairman, the Assistant to the President for Economic Affairs, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of Commerce, the Secretary of Transportation, the Chairman of the Atomic Energy Commission, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration (upon entry into office), the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, the Director of the National Science Foundation, the Executive Director of the Domestic Council, and such other members as the President may, from time to time, designate.

Sec. 3. The Energy Resources Council shall perform such functions as are assigned to it by Section 108 of the Energy Reorganization Act of 1974 and as may be assigned to it, from time to time, by the President.
Sec. 4. All departments and agencies shall cooperate with the Council and shall, to the extent permitted by law, provide it with such assistance and information as the Chairman of the Council may request.

Sec. 5. The Committee on Energy, the establishment of which was announced on June 14, 1974, is hereby abolished.

Sec. 6. The Council shall terminate in accordance with the provisions of Section 108 of the Energy Reorganization Act of 1974.

THE WHITE HOUSE

, 1974
MEMORANDUM FOR W. H. ROMMEL, ASSISTANT DIRECTOR FOR LEGISLATIVE REFERENCE OFFICE OF MANAGEMENT AND BUDGET

ATTENTION: Mrs. Garziglia


The Council on Environmental Quality recommends that the President sign the above bill.

Gary L. Widman
General Counsel
ACTION MEMORANDUM

FOR ACTION: Michael Duval
Phil Buchen
Bill Timmons
Paul Theis

cc (for information): Warren K. Hendriks
Jerry Jones
Glenn Schleede

FROM THE STAFF SECRETARY

DUE: Date: Friday, October 11, 1974
Time: 11:00 a.m.


ACTION REQUESTED:

_____ For Necessary Action

XX For Your Recommendations

_____ Prepare Agenda and Brief

_____ For Your Comments

Draft Reply

Draft Remarks

REMARKS:

Please return to Kathy Tindle - West Wing

Presently there is scheduled a Presidential Signing Ceremony for tomorrow at 3:30 p.m. Therefore, a quick response is requested.

Thank you.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President
THE WHITE HOUSE
WASHINGTON

TO: WARREN HENDRIKS

Robert D. Linder
MEMORANDUM FOR: MR. WARREN HENDRIKS
FROM: WILLIAM E. TIMMONS
SUBJECT: Action Memorandum - Log No. 644

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment
Date: October 10, 1974

FOR ACTION: Michael Duval
Phil Buchen
Bill Timmons
Paul Theis

cc (for information): Warren K. Hendriks
Jerry Jones
Glenn Schleede

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Warren K. Hendriks
For the President
Date: October 10, 1974    Time: 5:30 p.m.

FOR ACTION: Michael Duval
             Phil Buchen
             Bill Timmons
             Paul Theis

cc (for information): Warren K. Hendriks
                     Jerry Jones
                     Glenn Schleede

FROM THE STAFF SECRETARY

DUE: Date: Friday, October 11, 1974    Time: 11:00 a.m.

         and Proposed Executive Order entitled "Activation of the Energy
         Resources Council"

ACTION REQUESTED:

   ___ For Necessary Action    XX For Your Recommendations
   ___ Prepare Agenda and Brief
   ___ For Your Comments
   ___ Draft Reply
   ___ Draft Remarks

REMARKS:

Please return to Kathy Tindle - West Wing

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quick response is requested.

Thank you.

1. No objection
2. On the first line of section 2, the word "committee"
   should be "council."
   W.B.

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If you have any questions or if you anticipate a
delay in submitting the required material, please
telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President
MEMORANDUM FOR ROBERT D. LINDER

Subject: Proposed Executive Order Activating the Energy Resources Council

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Stanley Ebner
General Counsel
ACTION MEMORANDUM

Date: October 10, 1974
Time: 5:30 p.m.

FOR ACTION: Michael Duval
Phil Buchen
Bill Timmons
Paul Theis

FROM THE STAFF SECRETARY

DUE: Date: Friday, October 11, 1974
Time: 11:00 a.m.

and Proposed Executive Order entitled "Activation of the Energy
Resources Council"

ACTION REQUESTED:

For Necessary Action
XX For Your Recommendations
Prepare Agenda and Brief
Draft Reply
For Your Comments
Draft Remarks

REMARKS:

Concur with enrolling recommendation for Act + Order.

Please return to Kathy Tindle - West Wing

Presently there is scheduled a Presidential Signing Ceremony for tomorrow at 3:30 p.m. Therefore, a quick response is requested.

Thank you.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President
Statement by the President on Signing the Energy Reorganization Act of 1974

It is my privilege today to sign into law a bill which takes a big step forward in this Nation's program to face up to and solve its crucial energy needs for the future.

H.R. 11510 abolishes the present Atomic Energy Commission and establishes three new Federal entities:

1. The Energy Research and Development Administration (ERDA) which, for the first time, will bring together into one agency the Federal Government's programs of research and development for all forms of energy.

2. The Energy Resources Council composed of the Secretaries of State and Interior, the Administrators of ERDA and the Federal Energy Administration, the Director of the Office of Management and Budget, and other members as I may designate. I am pleased that the Congress acted consistent with my suggestion for an interagency council, which I had announced in my Economic Message October 8. It is, therefore, my pleasure to name the Secretary of the Interior to chair this Council and I am today issuing an Executive Order to assure prompt action.

3. The Nuclear Regulatory Commission (NRC) which will take over the licensing and regulation responsibilities previously performed by the Atomic Energy Commission.

My Administration is already committed to a greatly accelerated five-year program of over ten billion dollars for energy research and development. ERDA gives us the unified, high quality scientific, technical and management
organization to achieve the greatest benefit from this investment of public funds. By combining the research and development capabilities of AEC with the fossil fuels research capability of the Interior Department, and with energy research skills from EPA and the National Science Foundation, we are bringing together in ERDA the best of our government skills in energy research and development.

From these agencies, and in particular the AEC, we will be drawing upon a highly respected team of scientists, engineers, and program managers, capable of making immediate contributions to research on all forms of energy. This combination of skills, using AEC as its base, represents the quickest way in which this Nation could marshal the scientific and engineering talent, the research laboratories and test facilities and the management skills needed to undertake the major expansion and extension of our energy research and development programs which we must see for the future.

The Energy Research and Development Administration is being given a broad range of challenging and important research missions:

1. ERDA will continue the research of the present Atomic Energy Commission in nuclear fusion and fission, working with American industry to design, develop and demonstrate increasingly more effective nuclear power systems to meet our growing electric power needs -- and to see to it that these systems are completely safe in operation, economically feasible, and environmentally clean.

2. ERDA will continue to expand fossil fuels research programs which the Department of the Interior initiated to capitalize on our immense national reserves of coal and oil shale, with emphasis on advancing the technology for the clean use of coal, including gasification and liquefaction.
3. ERDA will also continue to serve our national security needs by carrying on AEC's responsibility for the design, development and fabrication of weapons systems for the Department of Defense.

4. ERDA will also maintain our nuclear materials production capability which serves both military and civilian needs, including international commitments for supplying nuclear reactor fuel.

5. ERDA will give us greatly strengthened Government scientific and engineering capability to expand and upgrade our research into making use of new and potentially important forms of energy such as solar and geothermal sources.

6. ERDA must and will move immediately into a substantial new effort in energy conservation research and development. I am sure that, as we put our best scientific and engineering talent to work, we can find new ways to make our factories, our automobiles, our buildings and our appliances more energy efficient and economical.

7. In addition to these programs, there will have a strong program of environmental control technology and for assessing environmental and health effects of new energy technologies.

8. ERDA will also continue strong basic research programs in such areas as physics, environmental and biological sciences, and we will be extending these scientific capabilities to understand all energy areas -- not nuclear energy alone.

ERDA must and will become a lot more than the sum of its present parts. What is envisioned is nothing less than a complete energy research and development organization. It will be one which will fill in the gaps in our present research efforts and provide a balanced national research
program. It will give proper emphasis to each energy source according to its potential and its readiness for practical use, and it will closely integrate our energy research and development efforts with overall national energy policy.

In addition to creating ERDA, H.R. 11510 also creates a new Nuclear Regulatory Commission (NRC) which will assume the licensing and regulatory responsibilities previously carried out under the Director of Regulation within the Atomic Energy Commission. The highly technical nature of our nuclear facilities and the special potential hazards which are involved in the use of nuclear fuels fully warrant the creation of an independent and technically competent regulatory agency to assure adequate protection of public health and safety.

NRC will be responsible for the licensing and regulation of the nuclear industry under the provisions of the Atomic Energy Act. This means that NRC will be fully empowered to see to it that reactors using nuclear materials will be properly and safely designed, constructed and operated to guarantee against hazards to the public from leakage or accident. NRC will also exercise strengthened authority to assure that the public is fully safeguarded from hazards arising from the storage, handling and transportation of nuclear materials being used in power reactors, hospitals, research laboratories or for any other purpose.

With the creation of ERDA and NRC, the government has acted in a timely way to provide the organization and the skills to meet our future energy research and development needs. This action has been feasible through the very best kind of cooperation between the Congress and the Executive Branch. I want especially to express my appreciation and gratitude to those members of both Houses, who, by their leadership, brought this legislation to reality.
Statement by the President on Signing the Energy Reorganization Act of 1974

It is my privilege today to sign into law a bill which takes a big step forward in this Nation's program to face up to and solve its crucial energy needs for the future.

H.R. 11510 abolishes the present Atomic Energy Commission and establishes three new Federal entities:

The Energy Research and Development Administration (ERDA) which, for the first time, will bring together into one agency the Federal Government's programs of research and development for all forms of energy; and

The bill creates an Energy Resources Council composed of the Secretaries of State and Interior, the Administrators of ERDA and the Federal Energy Administration, the Director of the Office of Management and Budget, and other members as I may designate. I am pleased that the Congress acted consistent with my suggestion for an interagency council, which I had announced in my Economic Message October 8. It is, therefore, my pleasure to name the Secretary of the Interior to chair this Council and I am today issuing an Executive Order to assure prompt action.

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My Administration is already committed to a greatly accelerated five-year program of over ten billion dollars for energy research and development. ERDA gives us the unified, high quality scientific, technical and management
The Senate conference also receded to the House on the Federal Home Loan Bank Board authority, which is limited to supervising member companies and affiliates of federally insured institutions.

The granting of discretionary regulatory authority to each of the regulatory agencies shall not extend to those debt obligations exempted under section 3(a)(3) of the Securities Act of 1933, registration and prospectus requirements. This provision is intended to carry out an exemption for securities such as commercial paper issued by holding companies or nonbank subsidiaries characterized only to institutional investors in large denominations.

The Senate bill provided for National banks and State banks, which are members of the Federal Reserve System, to underwrite and deal in nongeneral obligation State, local, and national governmental securities. Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that the conference report (H. Rept. 93-1446) on H.R. 11510 to extend the Energy Research and Development Administration, be given until midnight tonight to file the conference report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT (H. Rept. No. 93-1446)

The committee of conference on the disagreeing votes of the two Houses on the amendments made to the bill (H.R. 11510) to reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and the Nuclear Energy Commission in order to promote more efficient management of such functions, having met, and after due deliberation, agreed to recommend and do recommend to the respective Houses as follows:

That the House recede from its disagreement to the Senate amendments to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment in the following:

SHORT TITLE

Section 1. This Act may be cited as the "Energy Reorganization Act of 1974".

DECLARATION OF FY ROSE

Sec. 2. (a) The Congress hereby declares that the general and continuing common defense and security require the Nation to develop, and increase the efficiency and reliability of use of all energy sources to meet the requirements of present and future energy needs, to increase the productivity of the national economy and strengthen its position in regard to international trade, to make the Nation self-sufficient with respect to the goals of restoring, protecting, and enhancing environmental quality, and to assure public health, safety, and welfare.

(b) The Congress finds that, to best achieve these objectives, improve Government operations, and assure the coordination of Federal energy research and development activities relating to research, development on the various sources of energy, to increase the efficiency and reliability in the use of energy, and to carry out the performance of other functions, including but not limited to the Atomic Energy Commission, the Department of Defense, and the National Aeronautics and Space Administration, this Act is necessary to achieve these objectives, the Congress intends that all possible sources of energy be developed consistent with warranted priorities.

(c) The Congress finds that it is in the public interest that the licensing and related regulatory functions of the Atomic Energy Commission be separated from the commission's non-nuclear, non-fuel activities.

(d) The Congress declares that it is in the public interest and the policy of Congress that small business concerns be given a reasonable opportunity to participate, insofar as is possible, fairly and equitably in grants, contracts, purchases, and other Federal activities relating to research, development, demonstration, commercialization of energy resources, energy security, and utilization and conservation of energy. In carrying out this policy, to the extent practicable, the Administrator shall commission a study of the small business Administration.

TITLE I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

ESTABLISHMENT

Sec. 101. There is hereby established an independent executive agency to be known as the Energy Research and Development Administration (hereinafter in this Act referred to as the "Administration").

OFFICERS

Sec. 102. (a) There shall be at the head of the Administration a DEPUTY ADMINISTRATOR, who shall be responsible for the efficient and coordinated management of the Administration.

(b) The President shall appoint the Administrator and Deputy Administrator from among individuals who, by reason of their general background and experience are especially qualified to perform a full range of energy research and development programs.

(c) The President shall appoint the Deputy Administrator, who shall be responsible for the efficient and coordinated management of the Administration.

(d) There shall be in the Administration a Secretary of Energy, the Administrator, whom shall be responsible for fossil energy, another for nuclear energy, another for environmental and safety, another for conservation, another for solar, geothermal, advanced energy systems, and another for national security. The Assistant Administrators shall be appointed by the President, and with the advice and consent of the Senate.

(e) The Secretary of Energy, the Administrator, and the Deputy Administrator shall be appointed by the President, and with the advice and consent of the Senate.
Administrators from among individuals who, by reason of general background and experience, are specifically qualified to manage the energy technology area assigned to such Administrator.

(e) There shall be in the Administration a General Counsel who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator.

(f) There shall be in the Administration the Clerk who shall serve at the pleasure of and be removable by the Administrator.

(g) The Division of Military Application transferred to and established in the Administration by Section 104(d) of this Act shall be abolished. The functions of the Division of Military Application, which shall be performed by the Administrator, shall be performed by the Administrator and the Secretary of the Interior, the Department of the Interior, and the committees of such departments, as the Secretary of the Interior and the Administrator shall determine.

(h) The provisions of this Act relating to the Secretary of the Interior, the Department of the Interior, and the committees of such departments, as the Secretary of the Interior and the Administrator shall determine, shall be performed by the Administrator.

(i) The provisions of this Act relating to the Secretary of the Interior, the Department of the Interior, and the committees of such departments, as the Secretary of the Interior and the Administrator shall determine, shall be performed by the Administrator.

(j) The provisions of this Act relating to the Secretary of the Interior, the Department of the Interior, and the committees of such departments, as the Secretary of the Interior and the Administrator shall determine, shall be performed by the Administrator.

(k) The provisions of this Act relating to the Secretary of the Interior, the Department of the Interior, and the committees of such departments, as the Secretary of the Interior and the Administrator shall determine, shall be performed by the Administrator.

(l) The provisions of this Act relating to the Secretary of the Interior, the Department of the Interior, and the committees of such departments, as the Secretary of the Interior and the Administrator shall determine, shall be performed by the Administrator.

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and coordinated administration of the Administration and properly assess progress toward the achievement of its missions.

(c) Except as otherwise expressly provided by law, the Administrator may delegate to such officers and employees of the Administration as he may designate, and may authorize such successive re-delegation of functions, as he may deem to be necessary or appropriate.

(d) Except as provided in section 102 and in section 104(d), the Administrator may organize the areas as such State, regional, district, local, or other field offices as he may deem to be necessary or appropriate to perform functions now or hereafter transferred.

(e) The Administrator shall cause a seal of office to be made for the Administration of such device as he shall approve, and judicial notice shall be taken of such seal.

(f) The Administrator is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary to maintain and operate such common administrative services as he shall find to be desirable in the interest of economy and efficiency. Such funds shall be transferred to the fund the stocks of supplies, equipment, assets other than real property, liabilities, and unpaid obligations which may be necessary or desirable to be transferred, without fiscal year limitation, for expenses necessary to maintain and operate such common administrative services. Such funds shall be transferred to the fund the stocks of supplies, equipment, assets other than real property, liabilities, and unpaid obligations which may be necessary or desirable to be transferred.

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October 8, 1974
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composed of the Secretary of the Interior, the Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration, the Director of the Office of Management and Budget, and such other officials of the Federal Government as the President may designate. The President shall designate all designee members of the Council to serve as Chairman.

(b) It shall be the duty and function of the Council to: (1) Insure communication and coordination among the agencies of the federal Government which have responsibilities for the development and implementation of energy policy, or for the management of energy resources; (2) Make recommendations to the President for the purpose of: (A) improving the implementation of Federal energy policies or the management of energy resources with particular emphasis upon policies and activities involving the Departments or independent agencies; and (3) Advise the President in the preparation of the reorganization recommendations required by section 110 of this Act.

(c) The Chairmen of the Council may not refuse to testify before the Congress or any duly authorized committee thereof regarding the duties of the Council or other matters concerning interagency coordination of energy policy and activities.

(d) This section shall be effective no later than sixty days after enactment of this Act or such other date as the President shall prescribe and published in the Federal Register, and shall terminate upon the later of the enactment of a resolution of the House of Representatives or the Senate declaring this section to be unconstitutional. The Chairmen of the Council may issue a statement of its composition, functions, and activities. The purpose of this statement is to fulfill the purpose of confirmatory as an element relating to licensing and other regulatory functions, the provisions of the Atomic Energy Act of 1954, amended, and of this Act.

SEC. 202. Notwithstanding the exclusions provided for in section 110 a. or any other provisions of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140 (a)), the Nuclear Regulatory Commission shall, except as provided in subsection (b) or (c) of section 7, 8, 10, or 11 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140(b)), other law, have licensing and related regulatory authority under the Atomic Energy Act of 1954, as amended, and any other manner for the purpose of demonstrating the suitability for commercial application of such a reactor. The demonstration nuclear reactor—except those in existence on the effective date of this Act—when operated as part of the power generation facilities of an electric utility system or in any other manner for the purpose of demonstrating the suitability for commercial application of such a reactor.

(b) Factors used similarly for the receipt and storage of high-level radioactive wastes resulting from activities licensed under such Act.

(c) Retrieved Surface Storage Facilities and other facilities authorized for the express purpose of subsequent long-term storage shall be licensed by the Administration, which are not used for, or are part of, research and development activities.

OFFICE OF NUCLEAR REGULATOR RECOMMENDATIONS

Sec. 203. There is hereby established in the Commission an Office of Nuclear Reactor Regulation under the direction of a Director of Nuclear Reactor Regulation, who shall serve as the Administrator, who may report directly to the Commission, as provided in section 200, and who shall serve the pleasure of and be removable by the Commissioner.

(b) Subject to the provisions of this Act, the Director of Nuclear Reactor Regulation shall perform such duties as the Commission shall delegate to the Director.

(1) Principal licensing and regulation involving all facilities, including any electric utility system, for the purpose of subsequent long-term storage shall be licensed under the Atomic Energy Act of 1954, as amended, associated with the construction and operation of nuclear reactors licensed under the Atomic Energy Act of 1954, as amended, with respect to such activities.

(2) Review the safety and safeguards of all such facilities, materials, and activities, and such review functions shall include, but not be limited to—
shall perform such functions as the Commission shall delegate including:

(1) Developing recommendations for research deemed necessary for performance by the Commission of its licensing and related regulatory functions.

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(e) The Administrator of the Administration shall report to the head of every other Federal agency:

(1) cooperate with respect to the establishment of priorities for the furnishing of such research services as the Commission deems necessary and requests for the performance of its functions; and

(2) consult and cooperate with the Commission on research and development matters of mutual interest and provide such information and other access to its facilities as will assist the Commission in acquiring the expertise necessary to perform its licensing and related regulatory functions.

Within 180 days of the enactment of this Act and of section 201 of this Act shall be construed to limit in any way the functions of the Administration relating to the safe operation of all nuclear facilities resulting from all activities performed by the Administration pursuant to this Act.

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

Sec. 204. (a) There is hereby established in the Commission an Office of Nuclear Material Safety and Safeguards under the direction of a Director of Nuclear Material Safety and Safeguards, who shall be appointed by the Commission, who may report directly to the Commission as provided in section 209, and who shall serve at the pleasure of and be removable by the Commission.

(b) Subject to the provisions of this Act, the Director of Nuclear Material Safety and Safeguards shall perform such functions as the Commission deems necessary and requests for the performance of its functions; and

(1) Principal licensing and regulation involving all facilities and materials, licensed under the Atomic Energy Act of 1954, as amended, associated with the processing, transport, and handling of nuclear materials, including the provision and maintenance of safeguards against threats, thefts, and sabotage of such licensed facilities, and materials.

(2) Review safety and safeguards of all such facilities and materials licensed under the Atomic Energy Act of 1954, as amended, and such review shall include, but not be limited to:

(A) monitoring, testing, and recommending upgrading of internal accounting systems for special nuclear and other nuclear materials licensed under the Atomic Energy Act of 1954, as amended;

(B) developing, in consultation and coordination with the Administrator, quality plans and programs for nuclear facilities not otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended, associated with the processing, transport, and handling of nuclear materials licensed under the Atomic Energy Act of 1954, as amended;

(C) assessing the need for, and the feasibility of, establishing a security agency within the office for the performance of the safeguards functions, and a report with recommendations on the matter of establishing such an office within one year of the effective date of this Act and promptly transmitted to the Congress by the Commission.

(b) The Director of Nuclear Material Safety and Safeguards is authorized to recommend to the Commission to more effectively perform its functions.

(c) Nothing in this section shall be construed to limit in any way the functions of the Administration relating to the safeguarding of special nuclear materials, high-level radioactive wastes and nuclear facilities resulting from all activities within the jurisdiction of the Administration pursuant to this Act.

NUCLEAR ENERGY CENTER SITE SURVEY

Sec. 207. (a) The Commission is authorized and directed to make or cause to be made under its direction, a national survey which shall include consideration of each of the following:

(1) An assessment of the economic impact of nuclear energy center sites; estimates of future electric power requirements that can be served by each nuclear energy center site; an assessment of the economic impact of each nuclear energy center site on the economy of the State, and local areas, including recommendations for legislation, which the Commission may have or be reasonably able to acquire.

(b) Any person who knowingly and consciously fails to provide the notice required by this section shall be subject to a civil penalty in an amount equal to the amount provided by section 209 of the Atomic Energy Act of 1954, as amended.

(c) The Commission shall determine the extent to which this section is evidenced by its notice, and which the Commission deems necessary and requests for the performance of its functions.

(d) The Commission is authorized to conduct such reasonable inspections and other enforcement activities as needed to ensure compliance with the provisions of this section.

NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

Sec. 205. (a) There is hereby established in the Commission an Office of Nuclear Regulatory Research under the direction of a Director of Nuclear Regulatory Research, who shall be appointed by the Commission, who may report directly to the Commission as provided in section 209, and who shall serve at the pleasure of and be removable by the Commission.

(b) Subject to the provisions of this Act, the Director of Nuclear Regulatory Research shall perform such functions as the Commission shall delegate including:

(1) Developing recommendations for research deemed necessary for performance by the Commission of its licensing and related regulatory functions.

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(3) Recommending to the Commission for the conduct of its functions.

(4) The Administrator of the Administration shall report to the head of every other Federal agency:

(1) cooperate with respect to the establishment of priorities for the furnishing of such research services as the Commission deems necessary and requests for the performance of its functions; and

(2) consult and cooperate with the Commission on research and development matters of mutual interest and provide such information and other access to its facilities as will assist the Commission in acquiring the expertise necessary to perform its licensing and related regulatory functions.

Within 180 days of the enactment of this Act and of section 201 of this Act shall be construed to limit in any way the functions of the Administration relating to the safeguards against threats, thefts, and sabotage of such licensed facilities, and materials.

NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

Sec. 206. (a) Any individual director, or responsible officer of a firm constructing, owning, operating, or supplying the components of any facility or activity which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended, or pursuant to this Act, who obtains or controls information reasonably indicating that such facility or activity, if built or operated, would be a...
the Commission shall also provide as wide dissemination to the public of the information specified in clauses (1) and (2) of this section as reasonably possible within fifteen days of its occurrence and shall provide as wide dissemination to the public as reasonably possible of the information specified in clause (3) of this section as such information becomes available to it.

OTHER OFFICERS

Sect. 206. (a) The Commission shall appoint an Executive Director for Operations, who shall serve at the pleasure and be removable by the President.

(b) The Executive Director shall perform such functions as the Commission may designate. The Executive Director shall not limit the authority of the director of any component organization provided in the Act to communicate with respect directly to the Commission when such director of a component organization deems it necessary to carry out his responsibilities.

(c) There shall be in the Commission not more than five additional officers appointed by the Commission. The positions of such officers shall be considered career positions and shall continue to be subject to subsection 16d of the Atomic Energy Act of 1954

TITLE III—MISCELLANEOUS AND TRANSITIONAL PROVISIONS

TRANSITIONAL PROVISIONS

Sect. 301. (a) Except as otherwise provided in this Act, whenever all of the functions or programs of an agency, or other body, or any component thereof, affected by this Act, have been transferred from that agency, or other body, or any component thereof by this Act, the agency, or other body, or any component thereof shall lapse. If an agency, or other body, or any component thereof, lapses pursuant to the preceding sentence, each position and office therein which was expressly authorized by a law, a court, or a component thereof was authorized to receive compensation at the rate prescribed for an office or position at level II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313–5316) shall lapse.

(b) All orders, determinations, rules, regulations, contracts, certificates, licenses, and privileges

(1) which have been issued, made, granted, or allowed to become effective by the President, any agency, or any component thereof, or by a court of competent jurisdiction, in the performance of functions, which are transferred under this Act, and

(2) which in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator of the Commission, or any other officer or official as the case may be; provided, that any order which is not effective when used, arising from, available to, or made available in connection with functions transferred by this Act, as he may deem necessary to complete the purpose of this Act.

INCIDENTAL DISPOSITIONS

Sect. 303. The Director of the Office of Management and Budget is authorized to make such general, temporary, or permanent dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, or available in connection with the functions and programs transferred by this Act, as he may deem necessary to accomplish the purpose of this Act.

DEFINITIONS

Sect. 304. As used in this Act—

(1) any reference to "function," to "functioning," to "executive," to "performance," to "duties," to "official capacity," to "authority," to "court," to "official as effective date," and to the like, shall be construed to include the exercise of power, authority, rights, and privileges.

AUTHORIZATION OF APPROPRIATIONS

Sect. 305. (a) Except as otherwise provided by law, appropriations made under this Act shall be subject to annual authorization.

(b) Authorization of appropriations to the Commission shall reflect the need for an effective and cohesive public health, safety, and environmental protection program for the nuclear power industry in relation to the growth of such industry.

COMPTROLLER, GENERAL AUDIT

Sect. 306. (a) Section 166, "Comptroller General of the United States", of the Atomic Energy Act of 1954, as amended, shall be deemed to be applicable, respectively, to the nuclear and nonnuclear agencies under title I and to the agencies under title II.

(b) The Comptroller General of the United States shall audit, review, and evaluate the implementation of the provisions of title II of this Act and report to the Congress thereon.

TRANSFER OF PERSONNEL AND OTHER MATTERS

Sect. 302. (a) Except as provided in the next sentence, the personnel employed in connection with, and the personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, or used, arising from, available to or to be made available in connection with the functions and programs transferred by this Act, are, subject to section 4 of the Nuclear Regulatory Commissions Act of 1974 (51 U.S.C. 200), correspondingly transferred for appropriate allocation. Personnel positions expressly created by law, personnel or other positions on the effective date of this Act, and personnel authorized to receive compensation at the rate prescribed for offices and positions designated in subsection (e) of the Nuclear Regulatory Commissions Act of 1974 (51 U.S.C. 5313–5316) on the effective date of this Act shall be subject to the provisions of subsection (c) of this section.

(b) Except as provided in subsection (c), transfer of nonpermanent personnel pursuant to this Act shall not cause any such employee to be separated or reduced in grade or compensation for one year after such transfer.

(c) Any person who, on the effective date of this Act, held a position in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated at a rate equal to the rate provided for his previous position.
Sec. 5310. Subchapter II (relating to Executive Schedule pay rates) of chapter 63 of title 5, United States Code, is amended as follows:

(1) Section 5313 is amended by striking out "(8) Chairman, Atomic Energy Commission," and inserting in lieu thereof "(8) Chairman, Nuclear Regulatory Commission," and by adding at the end thereof the following:

"(92) Administrator of Energy Research and Development Administration.".

(2) Section 5314 is amended by striking out "(42) Members, Atomic Energy Commission," and inserting in lieu thereof "(42) Members, Nuclear Regulatory Commission," and by adding at the end thereof the following:

"(60) Deputy Administrator, Energy Research and Development Administration.".

(3) Section 5315 is amended by striking out paragraph (50), and by adding at the end thereof the following:

"(100) Assistant Administrators, Energy Research and Development Administration.

(101) Director of Nuclear Reactor Regulation, Nuclear Regulatory Commission.

(102) Director of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission.

(103) Director of Nuclear Regulatory Research, Nuclear Regulatory Commission.

(104) Executive Director for Operations, Nuclear Regulatory Commission.

(4) Section 5316 is amended by striking out paragraphs (29), (62), (69), and (102), by striking out "(81) General Counsel of the Atomic Energy Commission," and inserting in lieu thereof "(81) General Counsel of the Nuclear Regulatory Commission," and by adding at the end thereof the following:

"(134) General Counsel, Energy Research and Development Administration.

(135) Additional officers, Energy Research and Development Administration.

(136) Additional officers, Nuclear Regulatory Commission (8).

Change of title

Sec. 511. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected there by.

Effective date and interim appointments

Sec. 312. (a) This Act shall take effect one hundred and twenty days after the date of its enactment, or on any earlier date as the President may prescribe and publish in the Federal Register, except that any of the officers provided for in title I of this Act may be appointed by the President, in accordance with the provisions of this Act of 1974, made applicable to the President, to act in such office until such time as funds for the purpose are otherwise available.

(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall have been appointed prior to the effective date of this Act, the President may designate any other officer, or component thereof, to act in such capacity.

transfer of funds

Sec. 309. The Administrator, when authorized in an appropriation Act, may, in any fiscal year, transfer funds from one appropriation to another within the Administration; except that no appropriation shall be either increased or decreased pursuant to this section by more than 5 percent of the appropriation for such fiscal year.

CONFORMING AMENDMENTS TO CERTAIN OTHER LAWS

A report to the President for submission to the Congress on the activities of the Administration for the preceding fiscal year, shall include a statement of the short-range and long-range goals, priorities, and plans of the Administration as they relate to the policies, benefits, costs, and risks of commercial nuclear power, and shall also include a clear description of the Administration's activities and findings in the following areas:

(1) Insuring the safe design of nuclear powerplants and other licensed facilities;

(2) Investigating abnormal occurrences and defects in nuclear powerplants and other licensed facilities;

(3) Accelerating special nuclear materials and future of the nuclear fuel cycle;

(4) Investigating suggested, attempted, or actual thefts of special nuclear materials in the licensed sector and developing contingency plans for dealing with such incidents;

(5) Insuring the safe, permanent disposal of high-level radioactive wastes through the licensing of nuclear activities and facilities;

(6) Providing assurance against the hazards of low-level radioactive emissions from licensed nuclear activities and facilities.

INFORMATION TO COMMITTEES

Sec. 308. The Administrator shall keep the appropriate congressional committees fully and currently informed with respect to all of the Administration's activities.

TRANSFER OF FUNDS

Sec. 309. The Administrator, when authorized in an appropriation Act, may, in any fiscal year, transfer funds from one appropriation to another within the Administration; except that no appropriation shall be

</noSuch text is not readable or is not in English. It seems to be a page from a document with various financial and legal terms, possibly related to regulations or policies. Without clearer text, it's challenging to extract meaningful content. If you provide a more readable version or context, I'd be happy to help further.
**ENERGY PRIORITIES**

The Senate amendment, in the declaration of purpose (subsection 2(b)), included a reference to "general basic research activities of the Atomic Energy Commission (AEC)" as among the functions to be transferred to the Energy Research and Development Administration (ERDA), and continued a provision that ERDA have "no "unwarranted priority" to any energy technology. Certain guidelines for the determination of priorities were added.

The conference substitute includes the Senate reference to "general basic research activities"; restates the language on "unwarranted priority," and modifies the language on determination of priorities to make clear that the Administrator of ERDA will have to take into account a range of factors in developing suitable programs.

**SMALL BUSINESS PARTICIPATION**

The Senate amendment (subsection 2(d)) included in the declaration of purpose a reference to small business participation in Federal grants and contracts relating to energy research, development and demonstration; and provided (subsection 102(b)) for consultation between the Administrators of ERDA, Business and Industry (BIA), and Small Business Administration (SBA) in carrying out this policy.

The conference substitute (section 2(d)) combines the two references to small business, with modified language. The Senate declaration is that small business should be given a reasonable opportunity to participate and should be treated fairly and equitably. The Federal grants and contracts and awards. Such participation would hinge upon the availability of qualified small business, with procedures to be developed, rather than on some mathematical formula for the awarding of contracts and grants to small business.

**QUALIFICATIONS OF OFFICERS OF ERDA**

In several instances, the Senate amendment prescribed qualifications for the positions of Administrator, Deputy Administrator, and Assistant Administrators.

(1) The Senate amendment (section 102(a)) specified that the Administrator be appointed by the Senate "from civil service" and that the appointee shall not have been a commissioned officer of the Armed Forces within the last five years prior to his appointment.

(2) The Senate amendment (section 102(c)) provided that the Administrator and Deputy Administrator be appointed by the President from individuals who, by reason of their training and experience are specially qualified to manage a full range of energy research and development programs.

The conference substitute includes the Senate language, but replaces "training" with "general background." The conference substitute is that training shall be "who, by reason of training and experience are specially qualified to manage a full range of energy research and development programs."

(3) The Senate amendment (section 102(d)) required the Administrator to be appointed by the President from individuals who, by reason of training and experience are specially qualified to manage a full range of energy research and development programs.

**DESIGNATION OF OFFICERS' SPECIFIC TITLES AND DUTIES**

In several instances, the Senate amendment associated specific duties with top level officers, designated titles and functions differently from the House bill, and increased the number of top-level positions in ERDA. The Senate amendment (subsection 102(b)) was given special responsibility for international cooperation in energy and related environmental research and development.

The conference substitute provides that this special responsibility be assigned by the Administrator to an officer of his choosing, with "confirmed" as a Deputy Administrator; and this provision is made a part of subsection 102(h), which relates to the assignment of functions to officers by the Administrator.

The conference, by including a reference to "international cooperation in energy research and development," made clear that ERDA activities looking toward international cooperation in no way limit State Department responsibility and activities.

(2) The House bill (subsection 102(c)) provided for an Assistant Administrator for national security. The Senate amendment (subsection 102(d)) provided for an Assistant Administrator for defense programs.

The conference substitute retains the House designation. The conference believe that "national security," as a more encompassing term, suitably describes the responsibilities of any one who will be in charge of nuclear weapons programs and all matters related to the common defense and security, as that term is used in Atomic Energy Act of 1964, as amended.

(3) The House bill (subsection 102(c)) provided for five Assistant Administrators with designated areas of responsibility, including the Administrator for the International, Energy Research, and Advanced Energy Systems.

The conference substitute incorporates the Senate amendment, with additional language, including one for "environment and safety" and another for "conservation."

(4) The House bill (subsection 102(c)) provided for five Assistant Administrators with designated areas of responsibility, including the Administrator for the International, Energy Research, and Advanced Energy Systems.

The conference substitute incorporates the Senate provisions, thus providing a separate Assistant Administrator for conservation. The conference recognizes the importance of energy conservation, and require that ERDA have responsibility for the development of energy-efficient equipment, devices, methods, and processes.

(5) The House bill (subsection 102(e)) provided for five Assistant Administrators with designated areas of responsibility, including the Administrator for the International, Energy Research, and Advanced Energy Systems.

The conference substitute incorporates the Senate provisions, thus providing a separate Assistant Administrator for conservation. The conference recognizes the importance of energy conservation, and require that ERDA have responsibility for the development of energy-efficient equipment, devices, methods, and processes.

(6) The House bill (subsection 102(e)) provided for five Assistant Administrators with designated areas of responsibility, including the Administrator for the International, Energy Research, and Advanced Energy Systems.

The conference substitute incorporates the Senate provisions, thus providing a separate Assistant Administrator for conservation. The conference recognizes the importance of energy conservation, and require that ERDA have responsibility for the development of energy-efficient equipment, devices, methods, and processes.

In several instances, the Senate amendment differed from the House bill in specifying the responsibilities of the Administrator. The Senate amendment:

(1) Combined in subsection 103(a) (2) and (3), and added a reference to future non-nuclear research and development programs which may be authorized by Congress.

(2) Added a reference to the Federal Energy Administration's (FEA) development activity (subsection 102(b)) which relates to increased utilization of energy sources, using currently available technology.

(3) Added responsibility relating to international cooperation in energy research and development.

(4) Added responsibility relating to developing public information on conservation technologies, solar energy, and other advanced energy sources.

(5) Added responsibility for the collection, analysis, and dissemination of manpower data and demand data relating to energy research and development.

(6) Added responsibility to help prevent a shortage of manpower in energy research and development.

(7) Added responsibility to encourage and conduct research and development in clean and renewable energy sources.

(8) Added a requirement that ERDA consult with SBA to promote small business participation.

The conference substitute incorporates the Senate language, with modifications, deleting some language as unnecessary and combining related subsections.

The Administrator's responsibility relating to the research and development programs, as stated above, that no interference is intended with the State Department's responsibilities.

In requiring the Administrator to take into account FEA development activities based upon existing technologies, the conference points out that FEA has a limited tenure under its enabling legislation, and such development work as it conducts or supports is directed to the use of existing technologies, rather than to research and development, as is generally the case with the executive branch responsibility for energy research and development will be centered in ERDA.

In adopting modified Senate language referring to educational programs in universities, colleges, and vocational schools, in the interest of assuring adequate manpower for energy research and development purposes, the conference concluded that this provision (subsection 103(10)) does not constitute, by itself, an authorization for such programs. These are, or will be, separately modified.

In retaining a reference to research and development in clean and renewable energy sources, the conferences are not necessarily intended to emphasize such research in a priority sense, but rather cite them as two
among a number of factors to be considered by the Administrator in exercising his research and development responsibilities. The Administrator would give due regard to the existing national and special policy to the extent that the purpose of this Act, as amended, is to develop and promote the use of clean, abundant, and safe energy sources, in ways that are consistent with the public interest and are consistent with the purposes of this Act.

The conference substitute (subsection 104(i)) amends the Senate language but makes clear that other agencies must give due consideration in the development of energy programs to the potential for development and use within the United States, the States, and the territories of the United States, consistent with the purposes of the Act.

ENERGY POLICY AND ADVISORY COUNCILS

The Senate amendment (section 108) provided for two new organizational units in the Executive Office of the President, a Council on Environmental Policy, and a Council on Energy Resources. The provision of the Senate substitute (section 108) retains the Senate provisions.

The conference substitute (subsection 104(b)) authorizes the President to establish two new executive agencies in research and development.

The conference substitute (subsection 104(i)) authorizes the Senate to establish two new executive agencies in research and development.

The conference substitute (subsection 104(g)) transfers all the licensing and related regulatory functions from the Senate to the ERDA, abolished the AEC, and created a new commission (section 201), named the Nuclear Safety and Licensing Commission, to which were transferred licensing and regulatory functions. The House bill (section 201) transfers certain ABC functions to ERDA and retained licensing and regulatory functions in the new ABC, renamed the Nuclear Energy Commission.

The conference substitute (section 104 and section 201) follows the Senate amendment with respect to abolition of the AEC and creation of a new regulatory commission, except that the name is changed to Nuclear Energy Commission. The conferees believe that in this way the President will have more latitude in deciding whether to re-organize the incumbent Commissions or to re-organize them.

TRANSFERS TO ERDA

The Senate amendment differed from the House bill in that certain transfers of functions to ERDA from other agencies.

The conference substitute (subsection 104(e)) transferred the authority of the Senate to transfer the AEC, and certain ABC functions to ERDA from the Department of Interior.

In lieu of the transfer, the conference substitute (subsection 104(e)) transfers the authority of the Senate to transfer the AEC, and certain ABC functions to ERDA from the Department of Interior.

(1) The Senate amendment (subsection 104(e)(1)) transfers to ERDA from the Environmental Protection Agency (EPA) functions relating to the development and demonstration of advanced systems (AAPS) and development and demonstration of pre-combustion, combustion, and post-combustion capture and control technologies to reduce emissions of pollutants from stationary sources using fossil fuels.

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NATIONAL SECURITY AND COOPERATION

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Atomic Safety and Licensing Appeal Panel; and all personnel properly responsible for research related to conformational assessment of the safety of licensed reactors, with the exception of such personnel as the Director for Reactor Licensing, to determine whether a licensee is not necessary to assist in reactor development research.

The conference substitute (subsection 202(3)) and related amendments. The conference substitute (subsection 203(3)) by deleting that portion of the House language (subsection 202(3)) relating to facilities "in existence, under construction, or authorized or appropriated for by the Congress, on the date this Act becomes effective." The deletion is made because there are no such facilities.

The conference substitute also retains the Senate language with respect to licensing of "retrievable surface storage facilities" and experimental reprocessing facilities for high-level radioactive waste. Such facilities are not now in existence but will be developed in the near future for long-term, possibly permanent, storage of experimental radioactive wastes, including wastes from the licensed sector.

COMMISSION RESEARCH ACTIVITIES

In assigning licensing and related regulatory functions to the Commission, the House bill differentiated between research that goes beyond the bounds of necessary functions and other research that the Commission in furnishing such services on a reimbursable basis.

The Senate amendment (section 202) provided for an Office of Nuclear Safety Research, the Director of which shall be a professional experienced in electrical engineering and related fields.

The conference substitute (section 203) incorporates the Senate language with modifications to the extent that licensing does not apply to facilities proceeding to the demonstration phase. Only demonstration reactors would be licensed under section 202. Such demonstration reactors have been specifically authorized by legislation. They represent the intermediate step in the development of research reactors and are intended to demonstrate practical value for industrial or commercial applications.

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In providing for an Office of Nuclear Safety Research, the conference substitute makes it clear that this Office will be responsible for such research as is necessary for the effective performance of the Commission's licensing functions. Additional research, research related to sections 97 and 202 of the Act, and research related to sections 824 and 1025 of the Atomic Energy Act of 1954, if not clearly designated otherwise, will the subject of a conformational assessment, other than the Director for Reactor Licensing, to determine whether a licensee is not necessary to assist in reactor development research.

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In keeping with the concept of conformational assessment, it is not intended that the Commission build its own laboratories and facilities for research and development or try to duplicate the research and development responsibilities of ERDA. The conference substitute (subsection 203(3)) by deleting that portion of the House language (subsection 202(3)) relating to facilities "in existence, under construction, or authorized or appropriated for by the Congress, on the date this Act becomes effective." The deletion is made because there are no such facilities.

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Included is an authorization to the Commission to conduct reasonable inspection and other enforcement activities to assure compliance. Generally, this section is directed toward ensuring that information concerning defects in major components of facilities subject to licensing which could create a substantial safety hazard is shared with the Commission to adopt regulations promptly, with a view to defining the types of defect required to be reported or notified. The provision will enable Commission agents and employees to enter business premises and take possession of records and other materials under regulations promulgated by the Commission.

ASSISTANCE TO PARTIES IN COMMISSION PROCEEDINGS

The Senate amendment provided for three types of assistance to parties in Commission proceedings:

Section 206 required the Commission to give support to parties in Commission proceedings by providing technical assistance and making available studies and reports prepared, or to be prepared, by or for the Commission, Nuclear Regulatory Research. These were made subject to existing laws regarding public disclosure. The Commission was to determine whether the studies were made the party to present his position in the proceeding and were in the public interest. The Commission was to furnish such technical assistance, except where the party was not financially capable of providing it.

Section 209 amended the Freedom of Information Act to make applicable to the Commission records comprising interagency and intra-agency memoranda or letters which are not primarily commercial or financial information relating to safety. Proprietary information would be protected if the Commission, after notice and hearing, determined that irreparable injury would be done to the competitive position of the person from whom the information was obtained.

Title V (section 301) provided that the Commission should reimburse parties in Commission proceedings for reasonable attorneys' fees. The Commission was to set a schedule of reasonable attorneys' fees in accordance with similar standards established by the Administrative Office of the United States Courts. The amounts paid were to be based upon the extent to which the party concerned could have participated in the proceedings, and on the party's ability to pay his own expenses.

The conference agrees to delete these sections. The deletion of title V is in no way intended to express an opinion that parties are or are not now entitled to some reimbursement for any or all costs incurred in licensing proceedings. Rather, it was felt that because there are currently several cases on this subject pending before the Commission, Congressional action until these issues have been, definitively, determined. The resolution of these issues is required to determine whether a provision similar to title V is necessary since it appears that there is nothing in the Atomic Energy Act, as amended, which permits the Commission to reimburse parties where it deems it necessary.

ABNORMAL OCCURRENCES REPORTS

The Senate amendment (section 207) regulates the manner and frequency reports to the Congress on abnormal occurrences at any utility or facility licensed under the Atomic Energy Act. These provisions were designed to be disseminated to the public within five days after information of such an occurrence was received.

The conference substitute (section 208) retains the Senate language with modifications to make it clear that the Commission would determine which abnormal occurrences are significant enough to be reported. Also, the Commission is given 15 days instead of five days to disseminate information to the public.

The conference substitute defines an abnormal occurrence as an unscheduled incident or event which the Commission determines to be a substantial hazard to life, health, or the environment at a facility or which requires loss-of-coolant events to eliminate risks to public health or safety. Also, the reference to "activity" is eliminated since the abnormal occurrences are not related to any activities. The conferences agreed that special nuclear materials or high-level radioactive wastes in transit to or from a licensed facility would be included in the term abnormal occurrence, being "associated" with a licensed facility.

The Commission's determinations under this section will be subject to judicial review under the administrative procedure provisions of title V, United States Code.

ADDITIONAL OFFICERS FOR COMMISSION

The Senate amendment (subsection 208(a)) provided for a Director of Nuclear Reactor Safety. This language is deleted since provision is made in subsection 203 to authorize an Office of Nuclear Reactor Regulation.

The Senate amendment (subsection 208(b)) but not the House bill provides for nine additional officers (executive level V) for the Commission.

The conference substitute (subsection 208(b)) authorizes five additional officers at level V or above to be appointed by the Commission, recognizing that the Commission has important and complex duties to perform in regulating nuclear energy industries. These officers will be considered career officers in the same sense as discussed in connection with other additional officers at executive level V for ERDA.

AUTHORIZATION OF APPROPRIATIONS

The House bill (section 304) provided that appropriations under the Act shall be subject to annual authorization. The Senate amendment (section 206) had an identical provision, but added several requirements:

1. At least 7 percent of amounts appropriated for nondefense programs of ERDA and transferred to ERDA for programs assigned to each of the non-defense Assistant Administrators provided in subsection 212(d) of the Act. This requirement was added to give these agencies legislation on research and development policy.

2. Authorization for appropriations to the Administration is extended for effective licensing and other regulation of the nuclear power industry in relation to its growth.

3. The Administrator was to provide the Congress with a range of program options and corresponding funding levels within each of the six program areas, in the budget of the Administration.

The conference substitute (section 305) deletes the reference to 7 percent allocation, since the House and Senate both have passed bills requiring annual authorization. Also deleted is the reference to program options and corresponding funding levels. The conference believes that requests for such program options should be handled by the committees of legislative and funding jurisdiction.

APPENDIX

Both the House bill (section 306) and the Senate amendment (section 307) provided for annual reports by ERDA on its activities to the President and the Congress. The conference agreed that these reports should be submitted by the President to the Congress. The Senate amendment specified that the Commission submit annual reports. The Senate
amendment also differed from the House bill in specifying in some detail information to be included in both the ERDA and Commission reports.

The conference substitute (section 307) retains the Senate language, with modifications to permit flexibility in the reporting requirements.

The conference, in agreeing to omit a requirement in the Senate amendment that the ERDA amend its regulations to describe activities to promote energy efficiency, was to make it clear that this is one of the important activities to be covered in the report.

CONTROLLER GENERAL AUDIT OF COMMISSION

Final House bill (section 305) and the amendment (section 306) directed the Comptroller General to report to Congress within 6 to 18 months after the effective date of the Act on an evaluation of the effectiveness of the Corporation's activities, with particular reference to the functions performed by the Corporation as required by the Commission, the Senate Committee on Government Operations, the House Committee on Government Operations, and the Joint Committee on Atomic Energy.

The Senate language, with conforming changes, is retained in the conference substitute (section 306). The report is to be made to the Congress rather than to the chairmen of the designated committees. Congress's committees of the Senate have legislative and jurisdictional oversight responsibilities which include one aspect or another of energy affairs. This conference substitute is appropriate to have the report referred to the Congress as a whole. Of course, the Comptroller General, with his general audit responsibilities, can report to the Congress at any time.

NON-NUCLEAR RESEARCH AND DEVELOPMENT

The Senate amendment included a title (title VI) on non-nuclear research and development, incorporating in large part, with some modifications, the provisions of S. 1283, which passed the Senate on December 7, 1973.

Since, as noted above, the House has passed a companion bill (H.R. 13565), and both bills are to be considered in conference by the House and Senate Committees on Interstate and Foreign Commerce, the conference substitute need not be considered in detail in the conference substitute.

DAYLIGHT SAVING TIME AMENDMENT


This title is deleted in the conference substitute. Legislation on this subject has been reported by other committees and passed by the House and Senate.

CONFERENCE REPORT ON H.R. 15427, AMENDING THE RAIL PASSENGER SERVICE ACT OF 1970

Mr. STAGGERS submitted the following conference report and statement on the bill (H.R. 15427) to amend the Rail Passenger Service Act of 1970 to provide additional financial assistance to the National Railroad Passenger Corporation, and for other purposes:

CONFERENCE REPORT (H. Rept. No. 93-1441)

The conference committee on the differences between the two Houses on the amendment to the Senate bill (H.R. 15427) to amend the Rail Passenger Service Act of 1970 to provide additional financial assistance to the National Railroad Passenger Corporation, and for other purposes, have agreed to recommend and do recommend, to their respective Houses as follows:

DISCUSSION

Sec. 1. Section 305(e) of such Act (45 U.S.C. 554(e)) is amended by adding at the end thereof the following new sentence:

"As one of the public service obligations of the Corporation, the Corporation shall, to the maximum extent practicable, perform all maintenance, repair, and rehabilitation of railroad passenger equipment."