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JAN 31 1975

THE WHITE HOUSE
WASHINGTON

January 31, 1975

TO: BILL BAROODY
JERRY WARREN
~~JACK MARSH~~
MAX FRIEDERSDORF
BILL KENDALL
PAUL THEIS
VERN LOEN

FROM: Glenn Schleede

Here is a fact sheet developed by FEA which provides a little more detail on each of the 13 titles of the Energy Independence Act of 1975.

It goes into more detail on each of the titles than was possible in the summary sent to the Congress with the President's transmittal letter.

Attachment

cc: Mike Duval
Jim Cavanaugh
Roger Porter



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FACT SHEET

ENERGY INDEPENDENCE ACT OF 1975

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TITLE I

FACT SHEET

NAVAL PETROLEUM RESERVES

Background

In his State of the Union Message, the President urged quick action on the legislation necessary to allow use of the Naval Petroleum Reserves (NPR's) to increase domestic oil supplies available in commercial markets as well as to establish a strategic petroleum storage program of 1 billion barrels for domestic needs and 300 million barrels for defense requirements.

Problem to be Solved

Current and growing dependence on foreign sources of petroleum makes the Nation highly vulnerable to major disruptions in its energy supply.

What the Bill Would Do

This legislation provides for full development and production of NPR's 1, 2, and 3 for replenishing existing DOD stocks, for storage in a National Strategic Petroleum Reserve, and for sale or exchange, the receipts to be used to further explore, develop, and produce the NPR's, to construct facilities (pipelines, etc.) on or off the reserves, and to construct and manage the National Strategic Petroleum Reserve. Production of up to 160,000 bbls per day is anticipated by mid 1975 and 300,000 bpd by 1977.

The bill also authorizes the President to explore, develop, and produce NPR-4 in Alaska through competitive leasing, competitively negotiated contracts or other business arrangements that provide adequate compensation to the U.S. Production of at least 2 million bpd is expected by 1985 or sooner. The Government share of NPR-4 production will contribute to the National Strategic Petroleum Reserve and to military needs. The remainder will be made available to the public economy.



TITLE II

FACT SHEET

NATIONAL STRATEGIC PETROLEUM RESERVE (CIVILIAN) ACT OF 1975

Background

In order to make the United States invulnerable to foreign oil disruptions and other energy emergencies, President Ford in his State of the Union Message proposed the establishment of a national strategic petroleum reserve of 1 billion barrels for civilian use and 300 million barrels for defense purposes.

Problem to be Solved

It is anticipated that by 1985 the United States will still be importing between 4 and 5 million barrels of oil a day. If we are to be protected from the potentially disastrous ramifications of future disruptions in foreign imports, we must have the capability to offset significant reductions in imports.

What the Bill Would Do

The National Strategic Petroleum Reserve (Civilian) Act of 1975 would

- provide for the construction and maintenance of strategic petroleum storage facilities.
- authorize the President to purchase petroleum or require industrial set asides to meet the 1.3 billion barrel goal.
- authorize the President to utilize the strategic petroleum reserve to offset disruptions in imports and protect the national security.
- require a detailed implementation plan to be submitted to the Congress within one year of enactment which would include
 - a comprehensive environmental assessment.
 - an analysis of alternative types of storage facilities.
 - a timetable for completing the petroleum reserve system.
 - a comparison of available methods for obtaining petroleum for the strategic reserve.
- require submission of annual reports to the Congress.

TITLE III
FACT SHEET
NEW NATURAL GAS DEREGULATION

Background

In the President's January 15, 1975, State of the Union Message to Congress, legislation was proposed to deregulate new natural gas.

Title III of the Administration's Energy Independence Act contains this legislation.

The Problem to be Solved

Natural gas shortages are forcing curtailment of supplies to many industrial firms and denial of service to new residential customers. (14% expected this winter versus 7% last year.) This is resulting in unemployment, reductions in the production of fertilizer needed to increase food supplies, and increased demand for alternative fuels -- primarily imported oil.

Deregulation of new natural gas is needed to increase domestic production and reduce demand for scarce natural gas supplies.

What the Bill Would Do

Permit competitive pricing of new natural gas in the field. Existing regulation of transmission and distribution as well as FPC regulation of old gas is retained.

Define new natural gas as natural gas sold or delivered by a producer to a natural gas company in interstate commerce -- (i) which is dedicated to interstate commerce for the first time on or after January 1, 1975 -- (ii) which is continued in interstate commerce after the expiration of a contract by its own terms for the sale or delivery of such natural gas existing as of such date, or -- (iii) which is produced from wells commenced after such date.

TITLE IV

FACT SHEET

1975 Legislative Proposals to Amend the Energy Supply and Environmental Coordination Act of 1974

Background

In June, 1974, Congress enacted the Energy Supply and Environmental Coordination Act of 1974 (ESECA), which gave the FEA the authority to:

- Require powerplants and other major fuel-burning installations to convert from petroleum products or natural gas to coal, or require them to remain on coal if they were already using it - provided the plant meets the criteria of the Act, including air quality criteria.
- Require certain powerplants in the early planning process to be built with the capability to burn coal.

Since last summer the importance of increasing use of coal to reduce reliance on petroleum products has become even clearer. FEA and the Administration have, therefore, reviewed ESECA to determine if amendments to ESECA are needed to insure greater use of coal.

The Federal Energy Administration is proposing today 3 amendments to expand and extend the ESECA coal program.

The Environmental Protection Agency is also proposing amendments to the Clean Air Act which will allow greater coal use by the plants covered by the ESECA program, consistent with protection of public health.

Amendments

The FEA amendments:

1. Extend FEA's authority to issue orders under ESECA to June 30, 1977.

- FEA's authority to issue order prohibiting use of petroleum products and natural gas and requiring powerplants in the planning process to be built

with capacity to burn coal expires on June 30, 1975. FEA expects to have issued orders by that date to a group of about 30 of the most promising powerplant conversion candidates. It will still be in the process of conducting on-site investigations of about 30 additional powerplants and developing an adequate data base on convertability of non-utility major fuel-burning installations.

- . The proposed amendment would extend FEA's authority 2 years to June 30, 1977 to permit it to issue orders to a large number of additional plants -- with resulting substantial oil savings.

2. Extend FEA's authority to enforce its order under ESECA to 1985.

- . At present, FEA can only enforce its orders to 1979.
- . The proposed amendment would allow FEA to enforce its orders during the critical period to 1985 -- insuring that the oil savings resulting from conversions under ESECA are not lost through voluntary reconversions during the period between 1979 and 1985. The plants would have to meet applicable air pollution requirements after expiration of any "compliance date extension," as at present.

3. Extend FEA's authority to issue orders prohibiting use of petroleum products/natural gas to additional categories of plants.

- . At present, FEA can only issue prohibition orders to plants that had the capability to burn coal in June, 1974. It cannot issue orders to plants being planned, designed and constructed. It is anomalous that FEA can order powerplants in the early planning process to be built with the capacity to burn coal, but cannot require them to use it.
- . The proposed amendment would permit FEA to issue prohibition orders 1) to powerplants and other major fuel-burning installations under construction with, or designed with, coal-burning capability, 2) plants in the early planning process that FEA can order to be built with coal-burning capability. Oil savings from ordering early planning process plants to burn coal, alone, could result in oil savings of 470,000 barrels per day by 1983. Plants covered by this amendment will have to meet any applicable new source performance standards.

TITLES V AND VI

FACT SHEET

1975 LEGISLATIVE PROPOSALS TO
AMEND THE CLEAN AIR ACT OF 1970

BACKGROUND

- The environmental energy and economic problems facing our society are interdependent and require complementary solutions and goals. The proposed amendments to the Clean Air Act will reinforce our Nation's commitment to achieve and maintain air quality capable of protecting the health and welfare of our citizens while taking cognizance of the serious economic and energy-related problems which must be solved. The amendments are as follows:

INTERMITTENT CONTROLS

PROBLEM

- To insure permanent control of SO_x emissions from power plants, but allow reasonable time for scrubber installations and acquisition of long-term low sulfur coal contracts.

PROPOSAL

- The amendment would authorize compliance schedule extensions which would allow certain isolated plants until January 1, 1985, to install and operate scrubber systems or acquire long-term low sulfur coal contracts. Under the compliance schedule, these plants, which are reliable and enforceable, would employ intermittent control systems, e.g., fuel switching or, under certain circumstances, load shifting, to meet primary health protecting SO_x standards until permanent systems are operational. Under no circumstances would extensions be granted in areas where the health-related sulfur oxides standard would be violated.

AMENDMENT

- Extensions of compliance for certain power plants.

COAL CONVERSION RELATED AMENDMENTS

PROBLEM

-- Need to facilitate conversions to coal while continuing to protect public health.

PROPOSAL

-- These amendments would (1) permit plants subject to FEA orders that qualify for intermittent control systems pursuant to prior amendment to use intermittent control systems up to 1985, (2) eliminate regional limitation provision, and (3) make eligible for compliance date extensions sources that would switch from coal to oil but were prohibited from doing so because of an FEA order disallowing fuel switching.

AMENDMENTS

- 1. Date of termination of Implementation plan requirements and Compliance date extensions.
- 2. Regional limitations on compliance date extensions.
- 3. Installations eligible for compliance date extensions.

AUTO EMISSION STANDARDS

PROBLEM

-- Given the Nation's increasing concern regarding dependence on foreign oil, auto makers should be allowed to strike an appropriate balance so as to significantly improve fuel economy while maintaining stringent environmental controls.

PROPOSAL

-- Make .9 grams per mile (gpm) hydrocarbons (HC) and 9.0 gpm carbon monoxide (CO) the emission standards for light-duty vehicles manufactured for model years 1977 through 1981. These are the same as the 1975 interim standards in effect in California. Beginning with the 1982 model year, the original statutory standards would take effect. Regarding nitrogen oxides (NOx) 3.1 gpm would be the 1977 through 1981 requirement and be set administratively thereafter. Nevertheless, authority would be retained allowing California to

establish more stringent emission standards. The 1975 California standards represent roughly a 90 percent reduction in CO and HC in comparison with pre-1968 vehicles and will provide significant fuel savings over five years.

AMENDMENT

-- Automotive emission standards.

PRIMARY PARTICULATE STANDARD

PROBLEM

-- Provide flexibility in dealing with areas where particulate standards will not be met because "fugitive emissions" and urban background of dust are a major problem. Fugitive emissions refer to natural or man-made sources of particulates that are not readily controllable, e.g., farming operations and unpaved roads.

PROPOSAL

-- Allow the EPA Administrator to grant certain regions of the country additional time to meet the primary air standards for particulate matter. EPA estimates that some 60 air quality control regions--urban and rural--around the country may need additional time to meet the primary particulate standards. Eligible regions would be those that can demonstrate that controls for meeting the standards at an earlier date are not reasonably available. In the interim, however, all reasonably available technology would be required.

AMENDMENT

-- Extension for attainment of national primary ambient air quality standards for suspended particulate matter.

TRANSPORTATION CONTROL PLANS

PROBLEM

-- Some of the 38 urban areas with transportation control plans will be unable to meet health-based air quality standards by 1975-1977 without implementation of certain measures that would have serious adverse social or economic effects, such as gas rationing. Limited extensions are needed in some cases to avoid such effects.

PROPOSAL

- Communities that are unable to meet air quality standards for auto-related pollutants by the 1975-1977 statutory deadline, despite implementation of all reasonably available measures in their transportation control plans, could receive deadline extensions on the condition that all additional reasonable measures needed to meet the standards are implemented during the extension.

AMENDMENT

- Extensions of transportation control plans.

NEW SOURCE AND HAZARDOUS EMISSION EQUIPMENT STANDARDS

PROBLEM

- To simplify monitoring and enforcement of a few source categories normally subject to hazardous or new source performance standards.

PROPOSAL

- Explicitly authorize EPA to set design or equipment standards for sources if and for as long as it is not feasible to set customary emission or performance standards. For example, gasoline storage tanks at thousands of filling stations would have substantially lower emissions of hydrocarbons during refill by delivery trucks if a simple submerged filling pipe were used. A simple designation of this equipment would avoid the costly and time-consuming monitoring, measuring, and violation processing often associated with emission standards.

AMENDMENT

- New source and hazardous emission equipment standards.

WAIVERS FOR TECHNOLOGY INNOVATIONS

PROBLEM

- To encourage development of technology that (1) may achieve lower emissions than conventional technology, or (2) may achieve emission standards at substantially less cost than conventional technology.

PROPOSAL

-- Authorize, where the EPA Administrator approves in advance, a waiver of compliance with new source performance standards to encourage innovative and experimental control technology, provided that primary air quality standards must be met. This would apply only to specific new facilities that appear likely to be able to meet the new source performance standards.

AMENDMENT

-- Waivers for technology innovations.

ASSESSMENT OF CIVIL PENALTIES

PROBLEM

-- To provide increased enforcement flexibility to the Administrator. Currently criminal penalties are the only types of penalties available to the Administrator.

PROPOSAL

-- To provide civil penalties of up to \$25,000 per day of violations by stationary sources.

AMENDMENT

-- Assessment of civil penalties.

ENFORCEMENT ORDER EXTENSIONS

PROBLEM

-- To confirm EPA's authority to write enforcement orders requiring specific control steps which may extend beyond the statutory air quality standard attainment date.

PROPOSAL

-- To clarify the Administrator's authority to issue enforceable compliance orders which extend beyond the statutory air quality standard attainment date.

AMENDMENT

-- Enforcement orders extending past attainment dates.

COMPLIANCE IMPLEMENTATION PLAN REVISIONS

PROBLEM

-- Need to provide increased flexibility by allowing sources to meet whatever emission limitation is in effect upon termination of a coal conversion order; this would recognize that coal conversion sources should meet the same emission limitations which other coal burning sources in the air quality control region are required to meet.

PROPOSAL

-- To permit compliance with any SIP revisions which may be in effect at the termination of coal conversion compliance extension.

AMENDMENT

-- Compliance plan requirements.

SIGNIFICANT DETERIORATION

PROBLEM

-- The relevance of the "significant deterioration" issue to the Nation's environmental, energy and economic well being requires explicit action from the 94th Congress. The Courts have found that prevention of significant deterioration of air quality in the United States where the air is cleaner than required by Federal health and welfare standards is presently required under the Clean Air Act. Since the Congress did not address in the substantive portions of the Act the concept of "significant deterioration," it has been open to numerous interpretations. Further, the Courts have not specifically defined the boundaries of the discretion of the Environmental Protection Agency in this area.

In light of the Supreme Court's decision, EPA promulgated final regulations to implement its best judgment of how to prevent significant deterioration of existing clean air areas. These regulations are now the subject of court challenge.

PROPOSAL

-- The amendment would delete the significant deterioration requirement from the Clean Air Act. There are other ways to deal with this critical problem and it is recommended that the Congress undertake a prompt and comprehensive review of this issue.

TITLE VII
FACT SHEET
UTILITIES ACT OF 1975

Background

In the President's January 15, 1975, State of the Union Message to Congress, legislation was proposed to make selective changes in state utility commission regulation.

Title VII of the Administration's Energy Independence Act contains this legislation - the Utilities Act of 1975.

The Problem to be Solved

Utilities can no longer attract sufficient capital to meet both current and expected demand because present utility pricing practices and local regulatory procedures do not always reflect the full cost of the generation and transmission of electrical energy.

Utilities have deferred or cancelled a significant portion of planned plant expansion and have been limited in their ability to finance conversion of facilities to coal.

Shortages and unreliability in the supplies of electricity now exist or are imminent.

Certain regulatory practices and procedures governing electric utilities need to be altered to make them more responsive to changed energy and economic environment.

What the Bill Would Do

Eliminate undue regulatory lag by prohibiting suspension of proposed rate schedules for longer than five months.

Eliminate prohibitions against fuel adjustment clauses to ensure that utility rates accurately reflect increasing fuel costs.

Eliminate undue financial hardships associated with construction of capital intensive projects by prohibiting exclusions of construction work in progress from rate base.

Eliminate prohibitions against off-peak pricing so utilities may charge lower prices to consumers during off-peak hours.

Eliminate prohibitions against exclusions of legally required costs associated with pollution controls from rate base.

Eliminate prohibitions against use by a utility of normalization method of account.

TITLE VIII

FACT SHEET

ENERGY FACILITIES PLANNING AND DEVELOPMENT ACT OF 1975

Background

- . In his State of the Union Message, the President stated that within the next ten years 200 major nuclear powerplants, 150 major coal-fired powerplants, 30 major new oil refineries, and 20 major new synthetic fuel plants will be needed. In order to assure that the facilities are sited and constructed in timely fashion, the President has proposed the "Energy Facilities Planning and Development Act of 1975." The Act would assure adequate planning for the siting of major energy facilities and the expeditious processing at the Federal and State level of applications to site, construct, and operate energy facilities.

The Problem to be Solved

- . A national energy plan is needed to assist the States and industry in their long-range energy facility planning.
- . Major delays in the selection and approval of energy facility sites and uncertainties involved in obtaining preconstruction approvals have reduced the availability of needed energy supplies.
- . Lack of any central mechanism to eliminate duplication and reconcile conflicts between agencies has resulted in a piecemeal approach to siting and preconstruction approvals at the Federal level.
- . Many States have failed to develop adequate plans, programs and procedures to assure that needed energy facilities are sited and approved in a timely and orderly fashion.

What the Bill Would Do

National Energy Site and Facility Report

Authorizes and requires FEA to prepare within one year after enactment of this Act a National Energy Site and Facility Report, detailing the number, type, and general location of needed energy facilities. The report will provide information on:

- the possible impact of energy conservation measures on reducing energy demand;
- the status of all applications for energy facilities pending at Federal and State levels;
- the financial and public service impacts of various types of energy facilities on local communities; and
- economic, social and environmental advantages of constructing and locating energy facilities in various regions or marketing areas.

State Energy Facility Management Programs

Requires that each State, within 1 year from issuance of the National Energy Site and Facility Report, submit to FEA for approval a State Energy Facility Management Program. The period for submission of a management program may be extended at the Administrator's discretion on a case by case basis. Such program must provide for:

- an expedited process for reviewing and approving energy facility applications;
- adequate consideration of national and regional energy needs in the States' energy facility planning process;
- procedures to insure that State decisions on applications to site, construct, or operate energy facilities are final; and
- coordination of the siting process within the State's overall land use program.

- . Requires each State to submit with its management program information which will assist the Administrator in preparing an environmental impact statement on the proposed program.
- . Authorizes FEA to promulgate an energy facility management program for any State failing to submit an acceptable program.
- . Development and Administrative Grants
Establishes a \$1 hundred million 5-year matching grant program to assist the States in developing and implementing their Energy Facility Management Programs.
- . FEA will provide technical assistance to the States in developing and initiating their management programs.
- . Federal Approval Process
Authorizes FEA to expedite and coordinate the processing of all Federal applications for energy facilities.
- . Establishes an 18-month deadline for issuance of a final Federal decision on applications to construct energy facilities.
- . Provides for the preparation of a consolidated environmental impact statement for each proposed facility.
- . Prohibits construction of energy facilities (other than nuclear facilities) until all Federal agencies with approval authority over an application for construction have granted approval.

TITLE IX

FACT SHEET

ENERGY DEVELOPMENT SECURITY ACT OF 1975

Background

- . In his State of the Union Message the President announced that he would seek legislation to authorize and require tariffs, import quotas or price floors to protect our efforts to develop domestic petroleum resources and thus achieve energy independence.
- . Title IX of the Administration's Energy Independence Act contains this legislation - the Energy Development Security Act of 1975.

The Problem to be Solved

- . In order to ensure that foreign oil producing countries cannot undercut United States efforts to develop and exploit domestic petroleum resources by instituting massive price cuts, additional authority to provide investment certainty is needed.

What the Bill Would Do

- . The main features of the proposed legislation are:
 - Investigations by the Administrator of FEA to determine whether there has been a significant drop in the price of imported petroleum such that the economic viability of a substantial part of United States petroleum production and development is threatened or that such a price drop threatens to cause a substantial increase in petroleum consumption.
 - Presidential authority to impose tariffs, quotas or variable import fees if such a drop occurs.



TITLE X

FACT SHEET

BUILDING ENERGY CONSERVATION STANDARDS
ACT OF 1975

Background

- In his State of the Union Message, the President proposed legislation to make thermal efficiency standards mandatory for all new buildings in the United States. Such standards would save thousands of barrels of oil daily by reducing the amount of energy needed to heat and cool buildings. The "Building Energy Conservation Standards Act of 1975" provides for the development and implementation of minimum energy conservation standards to be applied to new buildings through the operation of State and local building codes.

The Problem to be Solved

- Large amounts of fuels and energy are consumed unnecessarily each year in heating, cooling-ventilating, and providing domestic hot water for newly constructed residential and commercial buildings because such buildings lack essential energy conservation features.

What the Bill Would Do

Direct the Secretary of Housing and Urban Development to develop and promulgate energy conservation standards for new residential and commercial buildings, and to implement those standards through State and local building codes.

Major features of the bill include the following:

- Types of Standards - Provides for:
 - Initial "prescriptive" energy conservation standards to be promulgated by the Secretary of HUD, after consultation with the Administrator of the Federal Energy Administration, which will set forth specific energy conservation features to be included in new residential buildings.



- Later "performance" standards for new commercial and residential buildings, under which energy conservation objectives would be specified but architects and builders would be given flexibility to use different specific means or methods of achieving those objectives.

- Timetable for Standards - Sets forth timetables as follows:

- Within six months after enactment, HUD to publish for public comment proposed prescriptive standards for residential buildings; HUD to consider comments received and within six months to promulgate final prescriptive standards which will become effective one year after promulgation.
- Within eighteen months after enactment, HUD to publish for public comment performance standards for commercial buildings; by six months thereafter, HUD to issue final standards which will become effective within one year after promulgation.
- Within three years, HUD to propose for public comment performance standards for commercial buildings; by six months thereafter, HUD to promulgate final standards to become effective within one year after promulgation.
- Dates for promulgation of proposed or final standards may be extended if necessary, but by no more than six months.

- State and Local Codes - Provides for implementation of standards through:

- State codes, local codes or similar provisions certified by the State as implementing the Federal standards, or, on a temporary (not to exceed one year) basis only, local codes approved by the Secretary of HUD, where a State on the effective date of the prescriptive standards is developing but is not yet ready to implement its State code or procedure for certifying local codes.

- Conditions for Federal Assistance and Federally Related Loans - Provides that in areas which do not have codes or similar procedures for enforcing prescribed energy conservation standards:

- No Federal financial assistance shall be extended for construction of buildings.
- No loans for construction or financing of buildings are to be made by Federally insured, supervised, or regulated banks or savings and loan associations.

- Grants and Technical Assistance - Provides for:

- One time grants to States to assist them in developing codes and certification procedures, with a total of \$5 million authorized for such grants for fiscal 1976.
- Technical assistance to States and localities.

- Research

- HUD is directed, in cooperation with FEA, ERDA, and NBS, to carry out necessary research and demonstrations to assist in development of standards and their implementation by States and local governments. A three-year research and demonstration program is contemplated.

- Other Features - Requires that:

- Standards take account of climatic variations.
- Standards be periodically reviewed and updated.
- Standards be issued only after consultation by the Secretary of HUD with industry, labor, consumers and other interested or affected groups.
- Federal agencies take steps to assure that Federal buildings conform to the energy conservation standards prescribed under the bill.

TITLE XI

FACT SHEET

WINTERIZATION ASSISTANCE ACT OF 1975

Background

- . In his State of the Union Message, the President proposed the establishment of an energy conservation program to help low income families to insulate and winterize their homes in order to reduce the long-term consumption of energy. The proposed "Winterization Assistance Act of 1975" would provide for a three-year program of Federal grant assistance to State programs designed to winterize the homes of low income persons. Winterization of these dwellings would allow a comfortable inside temperature to be maintained with a significant reduction in heating fuel. The combined savings in fuel, estimated to be thousands of barrels a day, would not only lessen America's dependence on imported fuels, but would also lower heating bills of low income persons and families.

The Problem to be Solved

- . Dwellings owned or occupied by low income persons frequently are inadequately insulated, and low income persons can least afford to make the necessary modifications which would reduce their residential energy use.

What the Bill Would Do

- . The bill would authorize the Administrator of the Federal Energy Administration (FEA) to provide grants to the States to assist in carrying out programs providing for winterization of dwellings of low income persons, particularly the low income elderly.

Major features of the bill include the following:

- . Development and submission of State programs
 - The States would submit annual applications to the Administrator of the FEA for grants to be used to insulate dwellings of low income persons.

- The Administrator of FEA would review the State applications for the purpose of providing Federal grant assistance according to criteria developed by the Administrator of FEA after consultation with the Secretaries of Housing and Urban Development, Health, Education and Welfare, and Labor. These criteria would include such items as the number of dwellings to be winterized, the amount of fuel which would be conserved by the State's program, the climate of the area where the winterization work is to be done, and mechanisms for obtaining services of volunteers.

Federal assistance provided

- Upon approval of a State's application, the Administrator of FEA would be authorized to grant funds to that State to aid the winterization program. The Federal funds granted to the State could be used only for the purchase of winterization materials, such as insulation, storm windows, and caulking and weatherstripping except that no more than 10% of each State's grant could be used for administrative costs of the program in the State.

Program coordination

- In administering this program, the Federal Energy Administrator intends to consult with other Federal agencies, including the Community Services Administration and ACTION, in order to achieve most effective implementation.
- The States would be urged to encourage prime sponsors under the Comprehensive Employment and Training Act of 1973 (CETA), a Federally assisted program to provide training and public service jobs, to utilize CETA participants in the proposed winterization projects.

Review of programs

- The Administrator of FEA would be authorized to monitor State winterization programs receiving Federal assistance to determine if such program was in compliance with the approved application.

Authorization of appropriations

- The bill would authorize appropriations of \$9 million for fiscal year 1975 and \$55 million for each of the fiscal years 1976 through 1978.

TITLE XII

FACT SHEET

NATIONAL APPLIANCE AND MOTOR VEHICLE ENERGY LABELING ACT OF 1975

Background

- . In the fact sheet supplementing the President's January 15, 1975, State of the Union Message to Congress, legislation was proposed to conserve energy by requiring labels on major appliances and motor vehicles to show their energy use and efficiency.
- . Title XII of the Administration's Energy Independence Act contains this legislation - the National Appliance and Motor Vehicle Energy Labeling Act of 1975.

The Problem to be Solved

- . Automobiles and major appliances are important consumers of energy.
 - Major appliances such as air conditioners, water heaters, refrigerators and ranges account for about one-third of residential energy use.
 - Motor vehicles account for about 45% of the petroleum and close to 20% of all energy used in the U.S.
- . Similar products vary widely in the amount of energy used, and few consumer products now on the market clearly indicate how much energy is needed for their operation.
- . Energy information must be readily available if consumers are to compare energy use and efficiency when selecting appliances or motor vehicles.

What the Bill Would Do

- . Authorize the President to require appliance and motor vehicle labels to give the consumer information that will permit comparison of relative energy consumption. Products covered will include motor vehicles, room and central

air conditioners, refrigerators, freezers,
clothes washers and dryers, dishwashers,
kitchen ranges and ovens, and water heaters.

TITLE XIII

FACT SHEET

STANDBY ENERGY AUTHORITIES ACT OF 1975

Background

- . In the fact sheet supplementing the President's January 15, 1975, State of the Union Message to Congress, legislation was proposed to authorize a number of standby authorities to deal with significant domestic energy shortages.
- . Title XIII of the Administration's Energy Independence Act contains this legislation - the Standby Energy Authorities Act of 1975.

The Problem to be Solved

- . Disruptions in supplies of imported petroleum, whether as a result of embargoes or other reasons can have severe economic consequences for the United States. The President must possess sufficient authority to deal with such energy emergencies quickly and effectively.
- . The United States has entered into an Agreement or an International Energy Program which provides for cooperation among major oil consuming nations both in dealing with energy emergencies and in other cooperative efforts. The authorities contained in the Standby Energy Authorities Act of 1975 would enable the United States to fulfill its obligations under this international agreement.

What the Bill Would Do

- . Upon a finding that national energy shortage conditions exist or are imminent which threaten United States national security or that international obligations require such action, the President is authorized to
 - Control private inventories of petroleum
 - Order increased domestic petroleum production
 - Allocate and ration petroleum products

- Promulgate energy conservation plans restricting the use of energy materials
- Allocate materials needed for energy production and development
- Provide for the international allocation of petroleum
- Promote voluntary agreements to fulfill international allocation obligations under an international agreement
- Restrict exports of energy related materials

FEB 4 1975

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February 4, 1975

MEMORANDUM FOR THE PRESIDENT

FROM: MAX L. FRIEDERSDORF

SUBJECT: Energy Bill

Your comprehensive energy bill was introduced in the House today with a strong show of sponsorship of both the House Republican leadership and ranking Members.

Leadership Members sponsoring the bill include John Rhodes, Bob Michel, John Anderson, Barber Conable, Sam Devine, Jack Edwards, Lou Frey, Guy Vander Jagt, and Jimmy Quillen.

Ranking Members joining the sponsorship were Al Cederberg, Bob Wilson, Trent Lott, Al Quie, Bill Broomfield, Frank Horton, Bill Dickinson, Floyd Spance, Ed Hutchinson, Phil Ruppe, Bill Harsha, Chuck Mosher, Herm Schneebeli, Joe Skubitz and Gil Gude.

John Rhodes made an excellent speech on the floor in connection with the introduction of the bill and indicated that although not all Republicans are necessarily in agreement with every part of the bill, your program does represent the best approach as a positive step towards solving the energy crisis.

You may want to thank John and the other sponsors tonight at the Republican dinner.

✓
cc: Jack Marsh



FEB 6 1975

THE WHITE HOUSE
WASHINGTON

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February 5, 1975

MEMORANDUM FOR:

✓ JACK MARSH
MAX FRIEDERSDORF
MIKE DUVAL
GLENN SCHLEEDE

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THRU:

VERN LOEN ✓*L*

FROM:

CHARLES LEPPERT *CLP.*

SUBJECT:

Speaker's referral of Omnibus Energy
bill

The Speaker of the House has divided the President's omnibus energy bill, -- the "Energy Independence Act of 1975," by titles and referred the various titles to the Committees listed on the attached document.

cc: Bill Kendall
Pat O'Donnell



PURSUANT TO THE AUTHORITY VESTED IN ME BY CLAUSE 5, RULE X AND CLAUSE 2, RULE XXIV, I HAVE EXAMINED THE COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING THE PROPOSED ENERGY INDEPENDENCE ACT OF 1975, AND HAVE DIVIDED THE COMMUNICATION FOR INITIAL REFERENCE AS FOLLOWS:

- TITLE I: (RELATING TO NAVAL PETROLEUM RESERVES) TO THE COMMITTEE ON ARMED SERVICES;
- TITLE II: (RELATING TO A NATIONAL STRATEGIC PETROLEUM RESERVE (CIVILIAN) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)
- TITLE III: (AMENDMENTS TO THE NATURAL GAS ACT) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE IV: (EXTENSION OF AND AMENDMENTS TO THE ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT OF 1974) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE V: (CLEAN AIR ACT AMENDMENTS OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE VI: (FURTHER AMENDMENT TO THE CLEAN AIR ACT) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.
- TITLE VII: (UTILITIES ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.
- TITLE VIII: (ENERGY FACILITIES PLANNING AND DEVELOPMENT ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)
- TITLE IX: (ENERGY DEVELOPMENT SECURITY ACT OF 1975) TO THE COMMITTEE ON WAYS AND MEANS
- TITLE X: (BUILDING ENERGY CONSERVATION STANDARDS ACT OF 1975) TO THE COMMITTEE ON BANKING, CURRENCY AND HOUSING (Initially)
- TITLE XI: (WINTERIZATION ASSISTANCE ACT OF 1975) TO THE COMMITTEE ON BANKING, CURRENCY AND HOUSING
- TITLE XII: (NATIONAL APPLIANCE AND MOTOR VEHICLE ENERGY LABELING ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
- TITLE XIII: (STANDBY ENERGY AUTHORITIES ACT OF 1975) TO THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE (Initially)

FEB 13 1975

THE WHITE HOUSE
WASHINGTON

Date 2/13/75

TO: JACK MARSH

FROM: CHARLES LEPPERT

Please Handle _____

For Your Information XX

Per Our Conversation _____

Other:



Resource People for Furnishing Information on
Various Titles of the Energy Independence Act

Title	Primary Agency Contact *	OMB Staff Contact
Naval Petroleum Reserves	Jack Bowers, Navy, OX2-2202 Scott Bush, FEA, 961-6227	Roy Niemela, 395-3634
I. National Strategic Petroleum Reserve	Scott Bush, FEA, 961-6227	KEN GLOZER 395-3040 Roy Niemela, 395-3634
II. New Natural Gas Deregulation	Pat Starrat, FEA, 961-8471	Rodney Weiher, 395-6996
V. Amendments Energy Supply and Environmental Coord.	Judy Liersch (Bob Riggs) FEA 961-6006 Al Alm, EPA, 755-2900	Jim Tozzi, 395-6827
/VI. Amendments to the Clean Air Act	Al Alm, EPA, 755-2900 Ken Woodcock, FEA, 961-8634	Jim Tozzi, 395-6827
II. Utilities Act of 1975	Don Craven, FEA, 961-8511	Frank Seidl, 395-4525
III. Energy Facilities Planning	Hubert Van Dyke, FEA, 961-8561	Henry Lum, 395-6996
X. Energy Development Security	Bruce Pasternack, FEA, 961-6295	Edward Miller, 395-4644
I. Building Energy Conservation	Claude Barfield, HUD, 755-5863 Maxine Savitz, FEA, 961-8655	Bill Hamm, 395-4610
II. Winterization Assistant Act	Dennis Bakke, FEA, 961-3656	Rodney Weiher, 395-6996
III. Appliance & Auto Labeling	Bob Hemphill, FEA, 961-8322	Henry Lum, 395-6996
III. Standby Energy	Scott Bush, FEA, 961-6227	Ken Glozer, 395-3040

*FEA has also identified an Office of General Counsel contact for those titles of the bill. See attached list.

Energy Independence Act

Title	FEA - Office of General Counsel Staff Contacts
I. Naval Petroleum Reserves	Jim Rubin, 961-8101
II. National Strategic Petroleum Reserve	Jim Rubin, 961-8101
III. New Natural Gas Deregulation	Joe Bell, 961-8201
IV. Amendments Energy Supply and Environmental Coord.	Marion Jetton, 961-8101
V/VI. Amendments to the Clean Air Act	Marion Jetton, 961-8101
VII. Utilities Act of 1975	Joe Bell, 961-8201
VIII. Energy Facilities Planning	Jim Rubin, 961-8101
IX. Energy Development Security	Eric Fygi, 961-8101
X. Building Energy Conservation	Dick Stratford, 961-8101
XI. Winterization Assistant Act	Dick Stratford, 961-8101
XII. Appliance & Auto Labeling	Marion Jetton, 961-8101
XIII. Standby Energy	Eric Fygi, 961-8101



FEB 17 1974

THE WHITE HOUSE
WASHINGTON

February 17, 1975

MEMORANDUM FOR: JACK MARSH

FROM: MAX L. FRIEDERSDORF *m.l.f.*

SUBJECT: Energy Bills

The Administration energy bill, S. 594, was introduced in the Senate on February 5. The resolution organizing the committees was introduced and passed on January 23rd.

In the House our energy bill, H.R. 2650, was introduced on February 4. The resolution organizing the Ways and Means Committee was passed January 23rd and the resolution organizing the remainder of the House committees passed the House on January 28.

I won't be in 11:00

Do you want me to

ask Kendall to call

Helms^(my son) + advise Spaulding

to be careful of pasture.