The original documents are located in Box 120, folder "Price Controls" of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

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Digitized from Box 120 of The Ron Nessen Papers at the Gerald R. Ford Presidential Library December 5, 1974

STATEMENT BY PRESIDENT FORD/RON NESSEN

I strongly endorse the price freeze action taken by wellknown food chains in the last few days. These moves demonstrate that volunteer actions are possible by the business community to help ease inflationary pressures. I would like to commend the initial companies involved -- A&P, Kroger, Giant and Colonial Stores. Slowing inflation is one of the prime goals of the WIN Program. These are the kinds of voluntary actions that were contemplated when the WIN Committee was established.

I hope many more companies in many more industries will now act.

February 20, 1975

SUBJECT:

LIFTING OF PRICE CONTROLS ON CRUDE HELD ILLEGAL

A three judge Federal Court ruled yesterday that the Government acted illegally when it removed price controls from new domestic oil. In a 2-1 decision, the Temporary Emergency Court of Appeals ruled that Congress didn't merely authorize FEA to regulate new oil prices, but required it to do so.

Will the Administration appeal the Temporary Court of Appeals decision?

GUIDANCE: The final decision to appeal will be made by the Justice Department.

It is my understanding the Federal Energy Administration has recommended to the Justice Department that a motion for reconsideration be filed with the Temporary Emergency Court of Appeals for an en banc hearing with all 9 members. As you know, the decision yesterday was a three member panel with the final vote of 2-1.

FYI: TECA is the special court set up to handle all economic and stabilization matters and all suits arising under the allocation act. END FYI.

The Solicitor General is currently reviewing the opinion and is analyzing the prospects for an appeal. I would expect the final decision within the next few days.

Do you feel this ruling will affect the President's plans to decontrol on April 1?

- GUIDANCE: I think it would be improper for me to comment while the Justice Department is preparing its possible appeal.
 - FYI: According to Section 4g of the Emergency Petroleum Allocation Act of 1973, the President does have the authority to remove the price controls on domestic crude oil, subject to Congressional disapproval. It appears that as long as we follow this statute and its provisions of going to the Congress first, we can decontrol. END FYI.