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SEPTEMBER 11, 1974

Office of the White House Press Secretary

THE WHITE HOUSEStatement 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 major Federal programs of research and development for all forms of energy and will organize these programs for cooperation with industry, academic institutions and other organizations in the nation's rapidly expanding energy research and development effort.

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, 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. Bringing together these skills, using AEC as its base, represents the quickest way in which the Federal Government can work with industry and others in mobilizing the talents, facilities and skills needed to undertake the major expansion and extension of the nation's energy research and development programs.

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

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

5. It 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. It will move immediately into a substantial new effort in energy conservation research and development, including the utilization of the best scientific and engineering talent to find new ways to make our factories, our automobiles, our buildings and our appliances more energy efficient and economical.

7. It will additionally continue and expand a program of environmental control technology and assessment of environmental and health effects of energy technologies.

8. It will continue strong basic research programs in such areas as physics, environmental and biological sciences and extend these scientific capabilities to support all energy areas --- not just nuclear energy.

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. 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

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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 Federal Government has acted in a timely way to participate in the national effort 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.

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