

FOR IMMEDIATE RELEASE

MARCH 7, 1975

Office of the White House Press Secretary

EXCHANGE OF LETTERS
BETWEEN THE PRESIDENT
AND
RUSH MOODY, JR.

March 7, 1975

Dear Rush:

I have your letter of February 28, and it is with a special sense of regret that I accept your resignation as a Commissioner of the Federal Power Commission, effective March 15, 1975, as you requested.

You can be sure I understand the reasons which led you to your decision and that I share your strong conviction in the urgent need to review and change our present natural gas policies. I will continue to support, in the strongest terms possible, Congressional action deregulating new natural gas. I recognize, as you do, that affirmative legislation on this matter is critical to our goal of energy independence.

While we will be sorry to lose your valued counsel, nevertheless, I welcome this opportunity to express my personal appreciation for the outstanding manner in which you have fulfilled your responsibilities on the Commission. Your service has been distinguished not only by your exceptional ability, but also by your genuine concern for our national well-being. Over the past three years, your efforts to assure a better, more secure life for all Americans have earned their gratitude and my own admiration.

Now, as you prepare to leave government, I want to thank you for your willingness to serve this Administration and our Nation. I am grateful for your cooperation and support and extend to you and to your family my warmest good wishes for every success and happiness in the future.

Sincerely,

GERALD R. FORD

February 28, 1975

Dear Mr. President:

I offer, most respectfully, notice of my intention to resign my Commission effective at the close of business on March 15, 1975.

I am most appreciative of the opportunity for public service that has been mine since November 19, 1971. I have decided, however, to leave the Commission because I can no longer participate in a regulatory system which is inflicting grave damage to our national economic structure.

(MORE)

I can no longer accept the lack of leadership of the so-called "energy leaders" in Congress who, by their refusal to recognize the failure of natural gas regulation, continue to deceive the American people into the belief that wellhead price regulation serves the public interest. Nor can I accept the view that the Commission must, in the absence of legislative change, do no more than preside over the demise of the interstate natural gas market.

As I am sure you perceive, the gas consumers of this country have been betrayed by the false premise that natural gas can be supplied indefinitely at rates which will not permit replenishment of the sources of supply. The disruptive effects of the twenty-year Federal effort to make this false premise effective are now being felt in increasing dependence on imported oil, and massive curtailments of natural gas service; tragically, the worst effects of the regulation-induced natural gas shortage are yet to come.

So long as I am a Commissioner, I bear a responsibility for the effects of Commission action. Since I now believe the Commission, because of legislative shackles, is incapable of decisive action to avert further deterioration of service to consumers, and since the Democratic majority of the Senate and House Commerce Committees will not permit deregulation proposals to move out of Committee, I am no longer willing to share responsibility for what will ensue. I am particularly concerned that those Democrats who control the Senate Commerce Committee intent to give us -- in place of regulatory reform -- legislation such as the Stevenson bill (S. 701) or the Hollings bill (S. 692) which can only operate to destroy the small gas supply effort which now exists.

Please be assured, Mr. President, of my genuine appreciation of your work and your leadership in the field of regulatory reform. Your Administration has consistently been in the forefront of the effort to warn the American people that natural gas regulation is contrary to the public interest, and destructive of a vital energy supply. In these efforts, you have my complete and unqualified support.

I wish to express also my faith in your ability to lead this Nation through these most trying and perilous time. If only a semblance of bipartisan statesmanship were present in the Congress, to assist and support and sustain your efforts, the time of disruption and peril could be greatly shortened. The public will demand this, sooner or later; may God grant that it come sooner.

You have my gratitude, and that of my family, for your service to this country.

Respectfully,

Rush Moody, Jr.

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