

THE WHITE HOUSE
WASHINGTON

July 21, 1976

The Speaker of the
House of Representatives

Sir:

I ask the Congress to consider proposed supplemental appropriations for the fiscal year 1977 in the amount of \$515,900,000 for the Energy Research and Development Administration.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur in his comments and observations.

Respectfully,

Enclosure

A handwritten signature in cursive script, reading "Gerald R. Ford". The signature is written in dark ink and is positioned to the right of the word "Enclosure".



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 21, 1976

The President

The White House

Sir:

I have the honor to submit for your consideration proposed supplemental appropriations in the amount of \$515,900,000 for fiscal year 1977 for the Energy Research and Development Administration, as follows:

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Operating Expenses

For an additional amount for "Operating expenses", \$5,150,000, to remain available until expended.

Plant and Capital Equipment

For an additional amount for "Plant and capital equipment", \$2,000,000, to remain available until expended.

Synthetic Fuels Commercial Demonstration Fund

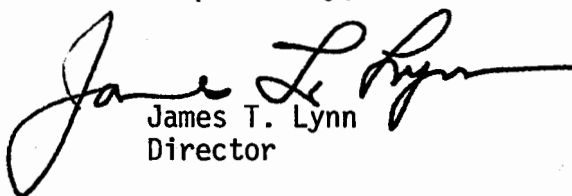
For expenses necessary for the Synthetic fuels commercial demonstration program, including necessary administrative expenses, \$8,750,000 to remain available until expended: Provided, That this appropriation shall be available only upon enactment into law of H.R. 12112 or similar legislation.

The Administrator of the Energy Research and Development Administration is authorized to issue to the Secretary of the Treasury for the purposes of the provisions of H.R. 12112 or similar legislation, debt obligations which shall not exceed \$500,000,000 and which shall remain available until expended: Provided, That this authorization shall be effective only upon enactment into law of H.R. 12112 or similar legislation

These proposed supplemental appropriations would provide funding in support of legislation which would authorize the Energy Research and Development Administration to provide \$2 billion in loan guarantees for the demonstration of commercial production of synthetic fuel from coal, oil shale, and other domestic resources. This request would provide loan guarantees for synthetic fuel development by the private sector, allow hiring and support of additional personnel to manage the program, accelerate related environmental research programs, and permit the contractual services and studies necessary for program planning and initiation.

I have carefully reviewed these budget requests and I am satisfied that they are necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully,



James T. Lynn
Director