

FOR IMMEDIATE RELEASE

January 19, 1977

Office of the White House Press Secretary

THE WHITE HOUSETEXT OF A LETTER FROM THE
PRESIDENT TO THE SPEAKER OF THE
HOUSE OF REPRESENTATIVES
AND THE PRESIDENT OF THE SENATE

Dear Mr. Speaker: (Dear Mr. President:)

More than three years have now passed since the Arab oil embargo of 1973 dramatically illustrated our ever-increasing dependence on foreign oil. Despite several positive legislative steps during this period, our vulnerability has increased. In my recent energy message and State of the Union address, I outlined a number of energy areas that require the most immediate attention of the Congress and the new Administration, including a number of proposals I put forth two years ago in the proposed Energy Independence Act. Among the important energy issues which must be promptly addressed is the need to supplement and encourage investment in new energy technologies not yet in widespread commercial operation.

It is estimated that the capital requirements for energy independence will total about \$600 billion over the next ten years. Risks are such in many of the projects necessary to develop domestic energy resources and reduce consumption that private capital markets will not provide necessary financing. The uncertainties associated with new technologies inhibit the flow of capital.

America cannot permit the excessive delays associated with the commercialization of unconventional energy technologies. New production is essential. Our national security and economic well-being depend on our ability to act decisively on energy.

Accordingly, I am herewith transmitting the Energy Independence Authority Act of 1977. This legislation would create a new partnership between the private sector and the Federal Government to assure action on vital energy projects in the next decade. The Federal financial assistance provided in this Act would be directed primarily toward the commercialization of those new technologies which offer the greatest promise to develop new supplies and conserve our present energy resources. The financing would be limited to those projects which would not be initiated without new Federal assistance. The EIA would be authorized to invest up to \$100 billion during a seven-year period. It would terminate after ten years.

This legislation also addresses the need to simplify and expedite the increasingly complex process by which Federal regulatory decisions affect energy development. It provides for a more effective Federal licensing process by authorizing

more

a coordinated, single Federal application process and requiring Federal agencies to act promptly. The legislation would not alter the basic statutory responsibilities of Federal regulatory agencies.

The achievement of energy independence in the next decade requires a partnership of American business, labor, and government. Each partner must bear a fair share of the burden in the national interest.

The Energy Independence Authority Act of 1977 will give the United States the tools necessary to achieve energy independence, and I urge its prompt enactment.

Sincerely,

GERALD R. FORD

#