

NATIONAL EMERGENCY PETROLEUM ACT

SUMMARY

TITLE I

*file*

10/31/73

Section

101 FINDINGS

- (a) Shortages exist and are imminent.
- (b) Shortages will create severe economic dislocation and hardship;
- (c) Action by the Executive Branch can minimize or avert hardship;
- (d) Political disruptions can cause interruptions in imports;
- (e) Such supply interruptions will create shortages far worse than those for which we have planned; and
- (f) Primary responsibility for emergency fuel shortage contingency plans lies with state and local government.

102 PURPOSE

- (a) to grant and direct the exercise of Presidential Authority needed to minimize adverse impact of shortages;
- (b) to protect public health and safety;
- (c) to provide a national program to conserve scarce energy;
- (d) to direct the development and demonstration of government contingency plans

TITLE II

EMERGENCY FUEL SHORTAGE CONTINGENCY PROGRAMS

201 PRESIDENTIAL AUTHORIZATION

- Authorizes President to declare national or regional emergency; and
- Defines emergency as disparity of 5% between energy requirements and supplies.



## EMERGENCY FUEL SHORTAGE CONTINGENCY PLANS

- (a) Within 30 days the President shall promulgate requirements for 90 day emergency contingency programs to be designed by state and local governments and implemented by them for the President in the event of emergency shortages;
- (b) Conservation Programs will include:
- (1) a priority system and rationing plan; and
  - (2) measures capable of reducing petroleum consumption by 10 percent within 10 days and 25 percent within 4 weeks.
- (c) Should a state fail to design and implement a program, one will be implemented by the President which will include provisions for:

	<u>Bbl per day equivalent saving</u>	<u>Saving as a percent of Arab imports</u>
(1) reduction of maximum speed limits to 50 MPH;	250,000	27.8%
(2) require periodic auto engine tuneups;	140,000	15.5%
(3) end advertising encouraging increased energy consumption;		
(4) maintenance and inspection of heating units;		
(5) reduce heating and cooling energy consumption in Federal buildings;	<u>Bbl per day equivalent saving</u>	<u>Saving as a Percent of Arab imports</u>
(6) use of car pools; and	750,000	83.3%
(7) homeowner energy conservation education.	730,000	81.1%

## MANDATORY FEDERAL ACTION FOR FUEL CONSERVATION

The President shall in time of actual or pending emergency --

- |  |         |       |
|--|---------|-------|
| (a) require existing electrical power plants that are capable of doing so to convert to the burning of coal. Where necessary emergency variances to the air quality laws are authorized; | 258,000 | 28.6% |
| (b) authorize Federal regulatory agencies to permit variances from existing schedules to conserve fuel use by public transport;  | 120,000 | 13.3% |
| (c) develop and implement Federal incentives for the use of public transportation.   |         |       |



Section

204

MANDATORY FEDERAL ACTION TO INCREASE DOMESTIC PETROLEUM SUPPLIES

In time of emergency the President shall cause the increase of domestic supplies by --

Increased  
Supply

Percent of  
Arab Imports

(a) requiring production of designated oil fields in excess of legally established MER (Maximum efficient rate of production);

292,000  
bbls/day

32.4%

(b) authorizing the Office of Oil and Gas to -

(1) so allocate crude oil supplies as to insure full refinery utilization;

(2) require adjustment of refinery balances to insure an output of refined product consistent with established priorities.

205

DEVELOPMENT OF NEW CONTINGENCY SUPPLIES

- Authorizes the President to -

(a) (1) require production of oil and gas from the Naval Petroleum Reserves;

160,000

17.7%

(2) require expeditious exploration and development of the Naval Petroleum Reserves.

(b) require future electric power plants to be so designed as to use coal as a primary energy source;

(c) implement programs to expedite expansion of existing domestic production and refining capacity.

TITLE III

ADMINISTRATION AND AUTHORIZATION

301

CONGRESSIONAL APPROVAL

- Within 30 days the President shall submit to Congress a plan for the emergency fuel shortage programs provided for in Title II;

- Within 15 days of receipt, the Congress will approve this plan or offer an alternative.

302 ECONOMIC INCENTIVES

- The Cost of Living Council will develop incentives to encourage compliance with the Act.

303 STATE LAWS

- Provides for the preemption of State laws wherein they may be in conflict with this act.

304 GRANTS TO STATES

- Authorizes Federal grants to states and cities to assist in the implementing of the act.

305 APPROPRIATION AUTHORIZATION

\$150,000,000 is authorized.