

JOSHUA EILBERG
MEMBER
4TH DISTRICT, PENNSYLVANIA

JUDICIARY COMMITTEE
CHAIRMAN, SUBCOMMITTEE ON
IMMIGRATION, CITIZENSHIP, AND
INTERNATIONAL LAW

Congress of the United States
House of Representatives
Washington, D.C. 20515

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2429 Rayburn House Office Bldg.
Washington, D. C. 20515
November 26, 1975

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Honorable Harley O. Staggers, Chairman
Committee on Interstate and Foreign Commerce
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

Enclosed please find the very strong views of Governor Milton J. Shapp, of Pennsylvania, concerning the need for emergency natural gas legislation, in view of the shortage crisis confronting Pennsylvania industry this winter.

I am sure that you recognize the importance of this problem to Pennsylvania, as well as to industry and consumers around the nation.

I am a co-sponsor of H.R. 9159, Natural Gas Production and Conservation Act of 1975, now pending before your committee, which I believe would act to provide a necessary and immediate remedy to the natural gas shortage problem.

I would urge you and members of your committee to employ your every resource to expedite legislation in this important matter.

With best wishes,

Sincerely,

Josh Eilberg
JOSHUA EILBERG

JE: an
Enc.

cc: Honorable Milton J. Shapp
Governor of Pennsylvania
Harrisburg, Pennsylvania 17120



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

MILTON J. SHAPP
GOVERNOR

November 17, 1975

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The Honorable Joshua Eilberg
2429 Rayburn House Office Building
Washington, D. C. 20515

Dear Josh:

S. 2310, the Natural Gas Emergency Act of 1975, now is in the Subcommittee on Energy and Power of the House Commerce Committee. It is our understanding that the measure will soon be moved into full committee and that it is expected to be reported out shortly thereafter.

As enacted by the Senate, the measure contains as its Title II, the amendments sponsored by Sens. Pearson and Bentson. These amendments would completely deregulate the price of new natural gas starting April 4, 1976.

As Governor of a major state that would be adversely and immediately affected, I urge that Title II be dropped completely by the House. The total deregulation it proposes would send a cost shock-wave through the economy that could severely set back any economic recovery that may be under way. It would unleash a new round of inflation upon almost every major area of industry and agriculture, and once again, further batter consumers already badly hurt by zooming living costs and recession.

In view of the crisis now affecting major industrial enterprises depending upon natural gas as a raw material, it is imperative that the Congress move ahead without delay to Title I which would permit such users to purchase gas directly from intrastate producers and move it through interstate pipelines to affected plants. It is our position, however, that the full cost of such emergency purchases should be placed upon the industrial user and that no part should be passed along to residential and other small consumers.

With winter now almost upon us, and with consequent increases in natural gas demand by residential and other small consumers, enactment of Title I is essential to prevent plant closedowns and layoffs of workers. We see this as a temporary answer that should prevail until the Congress and the President can reach an agreement on a natural gas policy which meets the nation's needs without imposing undue hardship upon the bulk of the nation's users and consumers.

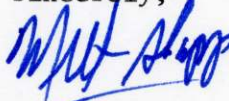
November 17, 1975

We favor the prohibition imposed by Title I on the use of natural gas as a boiler fuel. We are of the view that this prohibition should be extended to other big users as well as to the electric utilities. We are also strongly in favor of making this prohibition permanent since it will result in needed conservation of this essential energy resource.

We also favor the propane allocation program contained in Section 106 of Title I. We feel that this program should be made permanent by the Congress so that industries and utilities may plan for future use of this fuel as a supplement to other energy supplies and so that residential consumers and farmers dependent upon it shall be assured a stable supply.

Again, I stress the need for action now on Title I as a temporary and partial answer to the needs of industry and workers in the period immediately ahead. Jobs and production are at stake in Pennsylvania and throughout the nation.

Sincerely,



MILTON J. SHAPP
Governor