1 sorre all s(2) and datery collocation requirements which are

94TH CONGRESS 2D SESSION H. R. 14609

4 albhi disadvantagorand to the altimate loss to the consumer;

5 - coolie and (3) other with drawal of allocation controls would

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1976 Mr. SHARP (for himself, Mr. WIRTH, Mr. STAGGERS, Mr. Moss, Mr. DINGELL, Mr. ROGERS, Mr. OTTINGER, and Mr. BRODHEAD) introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

10 bedrozen r(4) an increase of distillate prices to world market 01

11.8791 levels in the absence of controls would result in adverse

To compel the removal of mandatory allocation controls from middle distillates and to convert the authority to require the allocation of this category of petroleum products to a standby status.

Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled,
 SECTION 1. (a) The Congress hereby finds that—

4 (1) provisions of the regulations promulgated by
5 the Federal Energy Administration under section 4 (a)
6 of the Emergency Petroleum Allocation Act of 1973 as
7 they relate to mandatory allocation of middle distillates
8 are causing unnecessary market distortions and in9 equities;

I

(2) mandatory allocation requirements which are 1 currently in effect impact unequally on independent re-2 finers and independent marketers to their competitive 3 disadvantage and to the ultimate loss to the consumer; 4 (3) the withdrawal of allocation controls would 5 produce many positive benefits and does not carry with 6 it the same potential for severe consequences which may 7 attend removal of price controls should shortages de-8 which was referred to the Committee on Interstate and Foreign velop; 9 (4) an increase of distillate prices to world market 10 levels in the absence of controls would result in adverse 11 effects on employment and the gross national product 12 significantly impairing further economic recovery and, 13 adt orin therefore, the removal of any vestige of a restraint on petroleum products to a standthe upward movement of distillate prices at this time 15 constitutes a risk which should not be taken; 16 sa assembled. (5) notwithstanding the circumstances set forth in paragraphs (1) through (4) the Federal Energy Ad-18 ministration seems disinclined to either modify the 19 allocation requirements in a manner which more ap-20 propriately carries out the congressionally defined ob-21 jectives of the Emergency Petroleum Allocation Act or 22to submit to the Congress a proposal to remove manda-23 bus tory allocation controls separate and apart from pro-24

posals which seek to simultaneously dismantle the price 2 number 2 heating oil and nu.zmsinshom vrotalugar umber 3 (b) It is, therefore, the purpose of this Act to compel the removal of mandatory allocation controls from middle distillates and to convert the authority to require the allocation of this category of petroleum products to a standby 6 status. The compelled removal of allocation requirements ap-7 plicable to middle distillates provided for in this Act is intended to be without prejudice to the reimposition of 9 controls as contemplated under, and in the manner described 10 in, section 12 (f) of the Emergency Petroleum Act of 1973. 11 12 SEC. 2. Not later than the first day of the second full month which begins after the date of enactment of this 13 14 Act, the President shall promulgate and make effective an amendment to the regulation under section 4 (a) of the 0 15 Emergency Petroleum Allocation Act exempting middle dis-16 tillates from those provisions of such regulation as they per-17 tain to the allocation of amounts of any such petroleum 18 products. Such amendment shall take effect under its terms 19 without regard to the provisions of section 12 of the 20Emergency Petroleum Allocation Act of 1973, except that 21 requirements pertaining to the allocation of amounts of mid-22 dle distillates may be reimposed pursuant to the authorities 23 and procedures provided in section 12 (f) of that Act. For 24

Lig

02

3

2

the purposes of this Act, the term "middle distillates" means
 number 2 heating oil and number 2-D diesel fuel, number 1
 heating oil, number 1-D diesel fuel and kerosene, such as
 terms are further described in the regulation under section
 4 (a) of the Emergency Petroleum Allocation Act of 1973.

 $_6$ difion of this category of petroleum products to a standby $_0$ $_7$ statis. The compelled removal of allocation requirements ap-r

dedistillates provided forcin this oAct is in-g phie to midd 94TH CONGRESS 2D SESSION produce to the reimposition of TENGER, and Mr. BRODHEAD Moss, Mr. DINGELL, Mr. ROGERS. Mr. SHARP, Mr. WIRTH, Mr. compel the removal of mandatory allocation standby status. of this category of petroleum products vert the authority to require the allocation controls from middle distillates and to to the r, and in the manner described more the second full restriction of the second full restrictio JUNE 29, 1970 J prismilgate and insite effective and STAGGERS 46 binlat Entrudor section de (a) d) of these Mr con to a Q rlier tion Act exempting middle dis-or Mar

17. i tillates from those provisions of such regulation as they per-1 18. tain, to the allocation of amounts of tany iqueh petroleum 1 19. iproducts. Such amendment shall take effect under its terms 20. without fregard to the provisions of section 12 of the 21. Chergency Betroleum Allocation Act of 1973, except that 22. requirements pertaining to the allocation of amounts of mid-23. dle distillates may be reimposed pursuant to the authorities 24. and procedures provided in section 12 (f) of that Act. For 9