

NEW ENGLAND, THE SOLAR ENERGY RESEARCH INSTITUTE AND THE \$5 BILLION
E.R.D.A. BUDGET

September 23, 1975
For Immediate Release

Joint Statement by Senator Edward M. Kennedy
and Congressman Paul Tsongas

We are pleased to welcome this morning Edward J. King, who has just accepted the Presidency of the New England Council for Economic Development. The New England Council has long been an important link between the businesses and industries of our region. It has served as valuable contact between those industries and those of us in the New England House and Senate delegation who have found its resources to be most valuable to us in ensuring that the economic and industrial needs of our area are met and reflected in national policy. Under the leadership of Ed King, we are confident that it will be a vibrant force in restoring the economic vitality of the New England area and that his leadership, initiative and imagination will benefit not only the organizations bound together in the Council but the consumers and workers of New England as well. The Council can serve as a focal point in bringing jobs back into New England, in restoring and strengthening our position as a leader in manufacturing and industry, and in building the strength of our tax base.

We feel that one of the most important resources available in strengthening our economic base in New England is the growing national commitment to an energy research and development program. Moving into the final phase of Congressional consideration is a \$5 billion authorization for the Energy Research and Development Administration - to research, develop and demonstrate alternatives to our present dependence on fossil fuels. Those funds are rapidly becoming available to business and industry throughout the nation for work in support of our national objective to bring this nation clean, renewable and virtually limitless energy supplies. They offer our energy consumers - homeowners and businesses alike - the opportunity to get out from under the domination of the O.P.E.C. cartel and the major oil companies. They offer us the chance to put science and technology to work on behalf of the hardpressed consumer - whose budget has been devastated by oil prices that continue to rise.

In New England we are paying 35% more for our energy than any other region of the world. Our unemployment rate in some New England States is dangerously close to 16%. We are threatened with the loss of businesses and industries which find it increasingly difficult to compete with products manufactured in areas where energy costs are two-thirds of what they are in New England. We are finding it very difficult to attract new industries -- industries concerned about the availability of a reasonably priced and secure source of energy for their plants and factories.

An important part of that \$5 billion energy research and development budget is earmarked for the development of non-nuclear alternatives to present energy sources. Close to \$2 billion will be devoted to solar, wind, geothermal and other advanced energy sources. And that amount can only grow over the coming years. The Congress is firmly committed to moving this nation toward substantial utilization on non-nuclear energy sources and the American people stand behind that effort. The best scientific and technical advice

is that some of these non-nuclear technologies are ready for widespread use. We have simply never devoted sufficient resources to move them out of the laboratory and into the commercial marketplace.

In no area is the incentive for wide utilization of alternative energy sources greater than in New England. In no area are these new energy sources more economically feasible when measured against the cost of existing energy sources. In no area of the country are citizens more aware of the need to move away from conventional energy sources to sources which will not only heat our homes and power our factories, but which will do so in a way which protects the environment and enables us to harbor scarce natural resources. In no area of the country is the scientific and technical base more able to support this effort and to make these new technologies available to our homeowners and businesses.

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A particular/promising alternative energy source for New England is solar energy. New England was the site of the first solar heated home in the 1930's. New England was the site of one of the earliest operating wind electric generating facilities during the 1940's. Today Massachusetts alone has eleven solar-powered buildings, the second largest number in the nation. They range from a manufacturing plant to a public school and include several homes in the Greater Boston area. The New England Telephone and Telegraph Company has a partially solar-powered building that saved 735 gallons of fuel during the oil crisis last year. The Massachusetts Audubon Society is raising money for a \$500,000 renovation of its buildings and for the installation of solar equipment to combine practicality, demonstration and education in a facility that will serve the public and demonstrate the potential of solar energy. The list of solar heated private and commercial buildings in place or under construction goes on and on in Massachusetts, Vermont, Maine, New Hampshire, Connecticut and Rhode Island.

There is an equally impressive array of projects in New England utilizing another form of solar energy - wind. At the University of Massachusetts, under a \$130,000 grant from the National Science Foundation a research team is designing solar and windpowered facilities to provide space heat and domestic hot water for a three-bedroom one-story home to be built on campus. Professor William Heronemus of University of Massachusetts has plans for an extensive network of windmills off the Massachusetts Coast - where data shows that the winds are as promising for utilization of wind energy as they are in any other area of the country. Boston Edison is working with ERDA to initiate a cooperative project involving a windmill test facility on Lons Island in Boston Harbor to generate wind power under utility conditions on a site which offers some of the most favorable wind conditions in the country.

Although many of the ongoing efforts have involved federal funds - there has been a substantial investment of private capital in these efforts as well. This is a clear indication of the commitment of the private sector in New England to new energy sources. But this research and development process is expensive. If these projects are to continue the New England region must intensify its efforts to benefit from the availability of Federal funds for energy research and development.

Of the total federal R&D budget in fiscal year 1974, the latest year for which figures are available, Massachusetts received seven percent of a total budget of close to \$17 billion. Our share was exceeded only by California, with 24%, and Maryland with 9%. We must continue to increase that percentage, and we must concentrate

our efforts on the newly available energy R&D funds. 1974 was the first year that the Massachusetts share of total federal R&D funds exceeded \$1 billion and we believe that with the new funds available we should extend our reach. Even if we only maintain our 7% share, this means that \$350 million of the ERDA budget should come to Massachusetts alone.

To spearhead the effort to bring energy R&D dollars to New England we must intensify efforts to bring the Solar Energy Research Institute to New England. The competition for the Institute will be intense. We expect that there will be between 35 and 100 proposals submitted to ERDA. Some states have allocated between \$1 and \$3 million from their state budgets to finance efforts to be the successful bidder on the site for the Institute. Massive campaigns are underway - and New England area must launch its own program immediately if we are not to be left behind.

The \$50 million Solar Energy Research Institute will be the focal point of the national effort to research, develop and demonstrate solar energy. It will require the availability of outstanding university facilities; diverse, high technology private industries; an intellectual climate suitable to the nurturing of new ideas. It will be a major stimulus to the area in which it is located for the development of a high technology research and development program. It will encourage the rapid transfer of research and development -- through small business, major industrial, manufacturing, and the construction industry -- to the consumers of the region. It will bring at least 1000 new jobs to the area even in its earliest phases.

New England has unique assets to offer in such an effort. The large number of federal and private solar energy research and development projects already being carried out in our area provide an excellent base for the early start up ERDA seeks in the work of the institute. We have a highly skilled scientific and technical work force. Our high energy costs offer an incentive for early acceptance of alternative energy sources and a potential market unmatched by any other area of the country. The diversity of our business and industrial community and the close ties which exist to our academic research institutes are available to move solar energy quickly and smoothly from research and demonstration into commercial production.

These assets mesh perfectly with the initial recommendations of the National Academy of Sciences, which is preparing criteria to assist the Administrator of ERDA in the site-selection decision and in defining the structure and scope of the work of the Institute. The Academy's interim report stresses that intellectual atmosphere, access to technical suppliers, and the availability of the services required by a laboratory of substantial size are more important to the success and location of the Institute than climate or weather. The interim report goes on to emphasize the high priority which should be assigned to a location which will foster easy interchange among the Institute, universities, industry, ERDA laboratories and other government agencies. The final academy report is expected in a few weeks, and guidelines will then be available to those interested in submitting proposals for the location of the Institute.

A New England location clearly meets the criteria which have been developed thus far, and it is this prospect, the timing of the site selection schedule, and the efforts already underway in other areas of the country to attract the Institute, which is the stimulus for today's meeting. We have no time to lose in making the case to ERDA for a New England location for the Institute. There is much

work to be done in impressing on E.R.D.A. officials the depth and scope of interest in New England and the assets New England has to offer. Other areas of the country are way ahead of us on this. Our information is that other States already have informal proposals before E.R.D.A. Massive and heavily funded public relations efforts are already underway in some States. Special commissions have been established in some states to spearhead efforts to get the Institute. We are rapidly being left behind and we need to initiate an immediate region-wide effort to see that we don't lose any more ground.

In our view, the New England Council can play a vital leadership role in this process. It can organize our businesses and industries on a region-wide basis in a New England Energy Task Force to lead an all-out effort to bring to E.R.D.A. a proposal whose scientific and technical merit and breadth of support will enable it to stand up against stiff competition. It can help spread the word through New England of the enormous potential of not only the Institute but of the availability of federal funds to support research, development and demonstration projects on alternative energy sources. It can provide a focal point for the gathering of information which will be vital to the success of any specific proposal or proposals which may be presented to E.R.D.A.

Therefore, it is our hope that as a result of this meeting today the Council will support the launching of an immediate program to inventory the scientific, technical, industrial, labor and economic resources of New England - information which will ultimately provide the back-up to any proposal submitted to E.R.D.A. This is data which will provide invaluable support to proposals which may be submitted. It is a job which needs to be done at once, and which will support site-specific proposals which are being formulated. It should be put together immediately for submission to E.R.D.A. as an initial document indicating the enormous potential of New England and our commitment to an all-out effort to locate the Institute in our region. It is a task which the Council is uniquely qualified to spearhead, and in which the participation of the New England Governors and region-wide small business, labor and consumer groups should be solicited.

Of equal importance can be the Council's role in emphasizing to business and industry leaders the importance of the Institute to New England - not only in attracting federal energy R&D funds, but in establishing our area as the leader in moving the nation away from its dependence on fossil fuels. For too long, we have been the brunt of unjustified criticism that we are not doing our share to add to the nation's energy supplies. What greater contribution can the New England area make than to bring to the commercial marketplaces of the nation an energy source which holds the promise of freeing the nation from its dependence on dwindling and increasingly expensive traditional energy sources? Long after the oil and gas wells of other areas of the country are exhausted, New England can stand as the initiator and major provider of technologies to bring clean, renewable and dependable energy sources to the nation. Our ability to provide alternative energy sources will be a major force in attracting new business and industry to our area - business and industry which will be eager to take advantage of our forefront position as an area which can make available fuel sources to enable competition with other areas and to improve our industrial and economic base. What better way to initiate this effort than with the siting of the Solar Energy Research Institute in New England in the bicentennial year.

We want to outline this morning a program which we feel the New England House and Senate delegation can offer in support of region-wide efforts to attract the Solar Energy Research Institute and a

greater share of Federal energy R&D dollars. In our view the delegation should formally commit itself to the following program in support of this effort.

First, a commitment to open every door at E.R.D.A. in order to get a fair hearing for proposals which come from New England. We are confident that our scientific, technical and industrial leaders can put together proposals that will be far superior to those produced in any other area of the country. Our commitment must be to seeing that New England proposals are presented personally to the decision-makers at E.R.D.A. and that those working to develop those proposals have full access to the E.R.D.A. officials they will need to contact in order to put together a plan for the Institute which is responsive to E.R.D.A.'s needs. Without this kind of contact, both during the proposal writing phase and during the site selection process we are facing the prospect that a massive public relations effort will overwhelm E.R.D.A. officials. We must commit ourselves to seeing that does not happen.

Second, members of the New England delegation sit on key Committees with oversight of both the National Academy of Sciences and the Energy Research and Development Administration. The delegation must pledge itself to a thorough examination of the final Academy recommendations - to ensure that they accurately reflect the criteria which scientific, technical and industrial experts in New England see as key aspects of the Institute's role. We need to be prepared to conduct oversight into the implementation of the Academy's recommendations by E.R.D.A. We need to ensure that those recommendations are translated into guidelines and Requests for Proposals that fully reflect the Academy's intent. We need to ensure that E.R.D.A. and the Administration offer all areas an equal chance to compete for the Institute, and that E.R.D.A. officials keep an open mind on potential locations for the Institute. Already, we have heard the President, without the benefit of any scientific or technical assessment, state that he considers New Mexico, Arizona and Florida to be the leading contenders. We issued an immediate request for clarification of that statement. It is regrettable that this kind of situation arose, and it is the kind of situation against which the delegation must guard in the future and to which we must be prepared to respond.

Third, once proposals from various areas are before E.R.D.A. the delegation must commit itself to a unified effort in support of a New England location. We must ensure that the selection process is fair, and that no one area has a leg up over other areas. We must ensure that proposals are evaluated strictly on their merits. We have every reason to be confident that a united New England effort can put in E.R.D.A.'s hands the best technical and scientific proposal. We must put our efforts into seeing to it that the selection process itself considers nothing but those merits.

Fourth, too many people now dismiss New England as a potential site for extensive development and utilization of solar energy. Conventional wisdom has been that without full sunshine solar energy is not feasible. We must disabuse them of this misconception. We need to see to it that the assets of New England are widely known. Members of the New England delegation have contacts throughout the House and Senate. We need to impress on our colleagues the assets of New England. We need to get people away from a preconceived idea that the Institute will automatically go to the South or Southwest. We need to prepare them to consider New England as a prime location. We need to do this not only in the Congress, but as we travel to other parts of the Nation.

Fifth, we should consider the support which the New England delegation can offer to a region wide effort through our staffs. In our offices we have resources which could be integrated into the effort to achieve a New England location. We have economic expertise, we have background information on the origin of the proposal for the

Institute, we have persons familiar with all aspects of the national energy R&D effort. We should be prepared to put those resources at the disposal of the New England Council as well as at the disposal of groups formulating specific proposals for siting the Institute.

We are confident that through a region-wide effort we will be successful in bringing the Solar Energy Research Institute to New England. There are a number of groups in various parts of the region now working toward that end. Our commitment must be to providing, on a region-wide basis, information that will be useful to all those working on the Institute and on bringing federal energy R&D funds to New England.

What is lacking now is a highly visible and forceful New England effort. It will require the commitment of funds; it will require the commitment of scientific and technical expertise; it will require the commitment of our universities and technical institutes; it will require the commitment of our business and industrial community; it will require the commitment of labor and consumer groups; it will require the commitment of the Congressional delegation. Bringing these groups together must be of the highest priority so that we can get off the mark in bringing the Solar Energy Research Institute and energy R&D funds to New England.

Ed King and the New England Council can be a major force in that effort. The Council was one of the first groups to begin an active effort in this area and to see the importance of the Institute to our region. Also active has been the Associated Industries of Massachusetts which has provided us the only available documentation we know of in making the case for a New England site. We know that the Governor of Massachusetts is also putting together a group to present a specific proposal to E.R.D.A. There may be activities in other areas of New England as well.

We need to pool our resources, and we believe that the New England House and Senate delegations must stimulate that effort initially, support it during its formulation, and carry out the necessary followup to ensure that once the proposal is in the hands of the E.R.D.A. decision makers it gets a full and fair hearing - a hearing we are confident will result in a decision to locate the Solar Energy Research Institute in New England.