



94TH MEMBERS CAUCUS

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Mitar
ENERGY UPDATE #3

June 17, 1977

REP. PAUL TSONGAS SHARES HIS "FAMILY ENERGY ASSISTANCE PLAN"

On Thursday, June 16, Rep. Paul Tsongas gave a presentation on the Family Energy Assistance Plan which he is establishing in his district offices. Specialist from ERDA and FEA were also present.

Rep. Tsongas describes the program as follows. "The idea is to assist individual families in efforts which they might wish to undertake to prepare for the coming energy crisis. Such activities might include automobile and home purchase decisions, insulation decisions, solar heating and cooling installation and a range of other measures. Through the use of our mobile van and Congressional offices, we will be providing our constituents with referrals, resources, materials, and, in some cases, direct advice."

An outline of the rationale, objectives and major components of the program and a bibliography were distributed. For further information call Mitch Tyson at 5-3411.

REMINDER

94th and 95th Members will be meeting with Dr. James Schlesinger on Tuesday, June 21 at 8:30 am in B-369 Rayburn.

RESOURCES

A Clipbook of Energy-Saving Ideas in Homebuilding. U.S. League of Savings Associations.

A limited number are available from the Caucus office.

Energy Program (series of pamphlets), prepared by the Joint Committee on Taxation. Available from Ways and Means as committee prints.

Ways and Means Committee issues press releases summarizing committee action.

WEEK OF JUNE 20: HEARINGS

Public Bldgs & Grnds Sub of Public Works
June 22 Solar heating & cooling

WEEK OF JUNE 20: MARK-UP SESSIONS

Energy and Power Sub of Commerce
June 21 Coal Conversion

Full Commerce
mid-week begin consideration

Ways and Means
June 20-21 Oil tax rebates; Industrial use rebates; Geothermal incentives; Intangible drilling expenses
June 22 Begin review of draft bill

Banking, Finance and Urban Affairs
June 21 Report out a clean bill

Govt Activities & Trans Sub of Gov Ops
June 20 Federal van-pooling

Public Bldgs & Grnds Sub of Public Works
June 23 Solar heating & cooling

WAYS AND MEANS

The Committee made tentative decisions on transportation, crude oil. Industrial use provisions are now being considered.

In transportation, it was voted that proceeds of the gas guzzler tax would be used to retire a portion of the national debt; that the 4 cents a gallon tax on gasoline and other motor fuels would be extended through September 30, 1985 (rather than decline to 1½ cents on October 1, 1979 as scheduled); that the tax on general aviation fuel not be increased; that the full tax of 4 cents per gallon (rather than an effective 2 cents) would apply for noncommercial motorboat fuel; that the 10% excise tax on buses would be repealed; and that the excise tax on parts for buses and the tax on gas and tires for intracity mass transit vehicles would be repealed.

On the crude oil tax, the proposal accepted would eliminate the two-tiered price structure by increasing, in three annual steps, the tax on crude oil which would raise the price of all domestic oil to the world market figure of about \$13.50 per 42-gallon barrel. So-called plow-back provisions that a portion of the tax be given to producers to help with exploration were defeated.

The Committee postponed decisions on the oil tax rebate until Monday, June 20.

BANKING, FINANCE AND URBAN AFFAIRS

The Housing and Community Development Subcommittee agreed that local utilities should provide information and advice on insulation. The utilities would not install insulation unless there is a shortage of suppliers. Funds were approved for grants for residents with income of less than \$6,200 and loan subsidies for homeowners with incomes between \$6,200 and \$12,600. In credit-short areas, the government could establish a secondary market in loans for energy-conserving improvements.

The full Committee began consideration on Friday.

INTERSTATE AND FOREIGN COMMERCE

The Energy and Power Subcommittee continued their mark-up with consideration of the sections of the energy bill dealing with electric utilities and rate reform. The subcommittee substituted a much more comprehensive approach for the President's proposals which include Federal Power Act reforms designed to broaden the powers of the Federal Power Commission to promote more efficient use of fuel and power resources and attempt to stabilize the price of electricity to consumers. The subcommittee draft and the energy bill both included national minimum standards for rate setting. Among the standards would be an end to declining block rates for large users of electricity and a move toward time-of-use pricing to give consumers an opportunity to keep their bills down by using electricity more in off-peak hours.

On Friday, the subcommittee began consideration of the coal conversion program. This will be the last item considered by the subcommittee with full Committee mark-up expected to start in the middle of the week of June 20.