



# NEWS from U.S. Senator Bob Dole

(R.—Kans.)

New Senate Office Building, Washington, D.C. 20510 (202) 225-6521  
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CONTACT: JANET ANDERSON

## FEO REGUCHANGE UNDER CONSIDERATION, WOULD MEAN EXTRA FUEL FOR KANSANS

WASHINGTON, D.C.--Senator Bob Dole said today he has learned from the Federal Energy Office that a change in the fuel allocation regulations improving the guarantee that farmers will get 100 percent of their current fuel requirements is under consideration.

"The regulation change which I have proposed can mean an additional 5 - 7 million gallons of fuel per month for Kansas, and it would mean that the guarantee of fuel for farmers would be more than just a paper guarantee. This regulation change would be designated to ensure that the fuel is there to back it up. It would put Kansas and other states like it with agricultural fuel demands heavier than most, in a more balanced position," said Dole.

Dole wrote Energy Administrator, William Simon, on February 23 requesting such a regulations change. Existing regulations, which guarantee farmers 100 percent of their current need, allow for that requirement to be filled from a state's over-all allocation, which means that "the fuel which is required by law to be made available to agriculture will be taken away from the State's allocation and result in an extreme hardship to non-agriculture users in many communities across the State."

Dole said he has been in contact with FEO officials regularly on the matter. "Yesterday," he said, "Deputy Administrator Sawhill and other FEO officials met with the Energy Office's Agricultural Advisory Committee and considered my proposal. We are hopeful they'll act on it in timely fashion. I am assured it is under active consideration and that the needs of agriculture are well understood at FEO."

Under the proposed regulation change, Dole said, the 100 percent of current need requirement would be estimated first and only after adequate provision for filling that need has been made would suppliers develop allocation fractions to meet the non-agricultural fuel demands.

The significance of this is best illustrated by an example. Under existing procedures, a distributor whose business is 50 percent agricultural would have to give half of his total certified need to farmers. If his actual demand is 1000 gallons for a month, but his allocation is only 75 percent, he will get 750 gallons and under the law have to give 500 to farmers, leaving only 250 for all other needs. Under the proposed change, he would be assured the 500 gallons he needs for farm use, and the allocation percentage would be applied to the balance of his need. In other words, he would get 500 gallons for farm use and 75 percent of the other 500 he needs for non farm use, or 375 gallons. "The impact of such a change on total fuel availability for Kansas should be obvious," Dole said.

Dole said that the regulation change would establish an upward reporting requirement

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FEO REG CHANGE UNDER CONSIDERATION, WOULD MEAN EXTRA FUEL FOR KANSANS (pg. 2)

Dole said that the proposed change should establish an upward reporting requirement to accomplish this. "Rather than creating a requirement for farmers to fill out and process complex FEO forms, however," said Dole, "FEO should consider instituting a monitoring system by local ASCS officials which would simplify the reporting and record keeping process significantly."

"The 100 percent of current needs' priority given to agriculture is a national priority...(and) should be supported by the fuel supply available to the whole nation and not just the portion of the supply made available to Kansas," Dole had written to Simon. "This regulation change would make that a reality," Dole said today.