



NEWS from U.S. Senator Bob Dole

(R.—Kans.)

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FOR IMMEDIATE RELEASE
SATURDAY, APRIL 13, 1974

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UP TO \$10 MILLION IN REFUNDS TO KANSANS: NEW ALLOCATION REGULATIONS DRAFTED

Great Bend, Kansas--"Kansans may receive several million dollars in refunds on some propane prices charged last winter," Senator Bob Dole said today. "The Federal Energy Office has advised me that when investigations are completed, the refund figure could possibly be as high as \$10 million in Kansas."

Dole had requested the Federal Energy Office and the Internal Revenue Service to investigate propane pricing several months ago and the refund figures were given to Dole in the second interim report he has received on the matter.

"The blame for price gouging should fall squarely on the minority who were involved in improper pricing," Dole said. "Thousands of Kansans, including senior citizens and those on fixed incomes, were especially hurt by heating bills which more than doubled in many cases, and every penny which was not authorized under the pricing regulations should be refunded to them. Many other propane dealers suffered a loss of revenue in an effort to supply their customers who were depending on propane during the winter months."

Dole was advised that "remedial orders" to require price rollbacks and refunds totaling over \$10 million have already been issued in other states. Dole also said that orders to require refunds and rollbacks in Kansas are being prepared as rapidly as evidence is uncovered, although when court action is involved, a period of several months may be necessary. The actions are being taken under anti-trust laws and pricing regulations.

AGRICULTURAL FUEL ALLOCATIONS

In a related energy matter, Senator Dole was reassured by Federal Energy Administrator William Simon that farmers would receive 100% of their fuel needs. Simon also told Dole that a redraft of fuel allocation regulations is now complete. Dole had requested the regulations change which would allow fuel for agriculture to be allocated from the national base rather than the state's entitlement.

"This change is necessary," Dole said, "so that non-agricultural users in a state like Kansas are not penalized. Under the new regulations, refiners would be required to set aside 100% of the fuel necessary to meet agricultural needs and the remainder would be apportioned fairly to all states for retail distribution. Under current regulations, fuel to meet priority requirements, such as agriculture, is taken from a state's overall allocation, leaving a less than equitable percentage for non-priority users. This clearly results in severe hardships in a state like Kansas where agricultural demands are very heavy during spring and summer months."

The FEO told Dole that the period for public comment on the regulation change has been shortened and that every effort is being made to put the regulations into effect before the May allocation is made.