

News from Senator

BOB DOLE



(R - Kansas)

2213 Dirksen Building, Washington, D.C. 20510

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CONTACT: BILL KATS, RANDY MILLER
202-224-8947, -8950

SENATORS CALL ON PRESIDENT TO ENSURE ADEQUATE DIESEL, HEATING OIL SUPPLIES

WASHINGTON -- Sen. Bob Dole (R-Kan.), Sen. Edward Kennedy (D-Mass.) and 12 other senators today wrote to President Carter urging him to take positive action to ensure adequate supplies of diesel fuel and home heating oil. At the forefront of their requests is a commitment from the President to establish a goal of 240 million barrels of middle distillate stocks to be in place by Oct. 1.

"Because of the crucial nature of middle distillate stocks, and their present depleted position, we believe it is essential that the Department of Energy insure that adequate middle distillate stocks are developed," the senators said.

"We are pleased that your Administration recognizes the serious condition of these stocks and we support those measures appropriate to restoring them to safe levels before the heating oil season begins.

"At the outset it is important to recognize that the middle distillate supply problem is a national problem. If middle distillate stocks are too low to meet demand, Midwestern farmers will not have diesel fuel for tractors, the Northeast will be without fuel for home heating; and train service and truck service in all regions will be severely curtailed. In addition, the petrochemical plants of the Gulf Coast states will run low of feedstocks. In brief, middle distillates are an essential energy source for the entire nation.

"We understand that the department (DOE) has been surveying refiners to determine whether enough middle distillates will be available for harvests, home heating oil, and transportation needs. We welcome these initiatives."

In addition to the 240-million-barrel stock, the senators made these recommendations:

1. If the goal of a 240-million-barrel middle distillate stock is to be met, refineries must now be adding about a million barrels per day of middle distillate to inventories. The Department of Energy must have developed, and in place, a plan it can implement as of June 30 if this level of distillate storage is not occurring.

2. DOE must collect the information necessary to make it possible for it to make the proper decision and for the public to assess whether DOE and the petroleum industry are responding adequately.

3. The Administration should urge that supply contracts for middle distillates be renewed up and down the supply chain. DOE should make clear its willingness to use its mandatory authority, on a company-by-company basis if necessary, to ensure contract renewal.

4. A specific person must be assigned responsibility to assure that the targets are being met.