



NEWS from
U.S. Senator
Bob Dole

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DOLE FORESEES DECLINE IN PROPANE PRICES

GREAT BEND, KAN. -- After several meetings with Federal Energy Administrator William Simon and members of his staff, Senator Bob Dole says he has been convinced that "the next two or three weeks will see a decline in the price of propane."

"There are a number of factors which will have a cumulative effect on the price," Dole said. He cited Federal Energy Office pressures on propane producers and brokers and speculators, who have been reaping huge profits over the last few months, as well as general improvement in the weather. Nationally the winter has been mild, and in the Midwest, more moderate temperatures have replaced the prolonged sub-zero temperatures of early January. Dole wrote to Simon last Saturday, urging an investigation of propane price speculations and their effect on inflation in the propane market.

"The recent change in the regulations governing propane prices has helped in the sense that it precludes any future unjustified price rises," Dole added. "Current propane price levels should represent the high point from which the expected decline can begin."

Dole added, however, that the decline, "if it does materialize as expected, will not be enough." He said he was determined to continue his push for action to effect a propane price roll-back. Dole introduced legislation on Monday to require a roll-back of propane prices to January 1, 1973, levels, allowing for increases over those levels only to cover the actual increase in the cost of production incurred since that date, and will introduce it as floor amendment should committee consideration be delayed.