



NEWS from U.S. Senator Bob Dole

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FOR IMMEDIATE RELEASE

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FERTILIZER PLANT HEARING HELD

WASHINGTON, D.C.--At a Federal Power Commission hearing on a natural gas supply for the fertilizer plant at Crestline, Kansas, representatives for Senator Bob Dole, Custom Resins Fertilizer Company and the Kansas Farm Bureau explained to an FPC judge the critical need for more fertilizer in Kansas and the importance of the Crestline plant - formerly known as the Gulf "Jayhawk" plant - to meeting that need.

Senator Dole had previously written the FPC urging that the natural gas requirements of the new company be met. Dole said that the 70,000 tons of ammonia to be produced in the plant would go a long way toward resolving the fertilizer shortage for Kansas farmers.

The Custom Resins Fertilizer Company, if granted the natural gas contract, plans to rejuvenate the old Gulf ammonia plant at Crestline which was previously shut down due to age and inefficiency. Attorneys for the fertilizer company maintain that the natural gas application is not a new request but simply a continuation of a previous contract by Gulf Oil.

Richard Pringle, Yates Center cattleman representing the Kansas Farm Bureau, underscored the need for additional fertilizer for food production in Kansas and the importance of providing natural gas for the plant. He and representatives of Dole and the fertilizer company discussed the relatively short time of one year to bring the rejuvenated plant into production as compared with three to five years to build a new plant.

On July 23, 1974, Custom Resins filed a petition for extraordinary relief from an alleged curtailment by Cities Service Gas Company. On August 9, 1974, the Commission issued a letter-order denying this petition without prejudice on the basis that the petition by Custom Resins was "in essence an application for certificate authorization for new service," as opposed to a request for relief from curtailment of an already existing service. A rehearing of this letter-order was granted by the Commission on October 4, 1974. In addition to granting a rehearing, this order required Cities Service to file a response to Custom Resins' petition for relief. Cities Service filed a response in which it stated that Custom Resins' petition for relief amounts to a request for new service and that Custom Resins is not a successor-in-interest to the original contract with Gulf Oil Company. These and other issues were considered in the hearing today.

A decision by FPC on the case is expected within the next few weeks.