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**Collection/Office of Origin:** Speechwriting, White House Office of  
**Series:** Speech File Draft Files  
**Subseries:** Chron File, 1989-1993

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**OA/ID Number:** 13497  
**Folder ID Number:** 13497-010

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**Folder Title:**  
Natural Gas Wellhead Decontrol 7/26/89

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Stack:	Row:	Section:	Shelf:	Position:
<b>G</b>	<b>25</b>	<b>6</b>	<b>4</b>	<b>3</b>

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THE WHITE HOUSE

WASHINGTON

July 24, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH:           CHRISS WINSTON *W*  
FROM:               EDWARD E. MCNALLY *EMW*  
SUBJECT:            REMARKS AT THE SIGNING CEREMONY FOR THE  
                      NATURAL GAS WELLHEAD DECONTROL ACT

I.    SUMMARY

Attached for your consideration and review are draft remarks for Wednesday afternoon's signing ceremony for the Natural Gas Wellhead Decontrol Act.

II.   DISCUSSION

At approximately 2:05 p.m. on Wednesday, July 26, 1989, you are scheduled to be announced at the East Room for the signing ceremony for the Natural Gas Wellhead Decontrol Act.

The suggested remarks are brier (approximately five minutes), and include your announcement that the Secretary of Energy has been directed to develop a comprehensive National Energy Strategy. At the conclusion of your comments, there will be a brier ceremony as you sign the Act into law.

(McNally/Simon)  
July 24, 1989, 6:50 p.m.  
Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell, Phil Sharp and Carlos Moorhead]] -- and many other leaders here today whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under the burden of oppressive price regulations. This was directly responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

It is instructive to look at what natural gas price controls brought us. They brought us shortages -- not increased supplies. They brought us higher gas prices -- not the lower consumer prices their supporters promised.

What was true for oil deregulation in 1981 is also true for gas deregulation in 1989. Experience shows that deregulation works to serve consumers and an expanding economy. It is a tribute to the American political system that, after decades of disagreement over the merits of gas decontrol, we can gather here today to state a clear message for all to hear: We have learned from the past. We are united in the conviction that the best way to deal with our energy problems and serve the American people is to let our market economy work.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- **the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.**

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

Industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas and developing new uses -- like powering cars and buses. With prices set by market forces, and improvements in gas exploration production technologies, natural gas can help power this nation well into the next century.

It may be said by some that this legislation could only have happened when energy prices are relatively low. Not true.

Legislation like this -- relying on market incentives to produce domestic energy -- can help keep prices low. It is the best way to assure consumers of adequate and reliable supplies of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. Natural gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, economy, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. Our energy security problem continues. Conservation achievements are levelling off. Domestic oil production is continuing its downward trend. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- is good news for America's energy future.

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy.

We cannot and will not wait for the next energy crisis to force us to respond. I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and to global, environmental and international changes. A keystone of this strategy will be the continuation of the successful policy of market reliance.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our determination to maintain an economy that is second to none. And our goal to reduce dependence, by ourselves and our friends and allies on unreliable energy suppliers.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path.

Domestically, natural gas can now reach its fullest potential as an economic, clean and convenient energy source. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

FILE

REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

THANK YOU. THANKS ALL OF YOU. AND THANKS ALSO TO  
MY FRIEND JIM WATKINS, WHO IS OFF TO SUCH AN  
OUTSTANDING START AT ENERGY. TO MARTHA HESSE  
[[HESS-SEE]], FOR HER GOOD EFFORTS AT THE FEDERAL  
ENERGY REGULATORY COMMISSION.

- 2 -

AND TO THE FORWARD-LOOKING LEADERS FROM BOTH SIDES OF  
THE AISLE -- LEADERS LIKE MY FRIENDS JIM McCLURE AND  
BENNETT JOHNSTON, NORM LENT AND JOHN DINGELL, PHIL  
SHARP AND CARLOS MOORHEAD -- AND MANY OTHER LEADERS  
HERE TODAY WHOSE COMMITMENT TO SAFEGUARDING AMERICA'S  
ENERGY AND ENVIRONMENT HAVE MADE THIS LANDMARK  
LEGISLATION POSSIBLE.

**NATURAL GAS -- METHANE -- IS ONE OF THE BEST FUELS ON THE WORLD'S ENERGY MENU. IT IS CLEAN. IT IS EFFICIENT. IT IS ABUNDANT.**

**BUT FOR 35 YEARS, CONSUMERS AND PRODUCERS OF NATURAL GAS HAVE STRUGGLED UNDER THE BURDEN OF OPPRESSIVE PRICE REGULATIONS. THIS WAS DIRECTLY RESPONSIBLE FOR THE DAMAGING NATURAL GAS SHORTAGES OF THE 1970'S -- AND FOR GAS MARKET DISTORTIONS THAT EXIST TO THIS DAY.**

**IT IS INSTRUCTIVE TO LOOK AT WHAT NATURAL GAS PRICE CONTROLS BROUGHT US. THEY BROUGHT US SHORTAGES -- NOT INCREASED SUPPLIES. THEY BROUGHT US HIGHER GAS PRICES -- NOT THE LOWER CONSUMER PRICES THEIR SUPPORTERS PROMISED.**

**WHAT WAS TRUE FOR OIL DEREGULATION IN 1981 IS ALSO TRUE FOR GAS DEREGULATION IN 1989. EXPERIENCE SHOWS THAT DEREGULATION WORKS TO SERVE CONSUMERS AND AN EXPANDING ECONOMY.**

IT IS A TRIBUTE TO THE AMERICAN POLITICAL SYSTEM THAT, AFTER DECADES OF DISAGREEMENT OVER THE MERITS OF GAS DECONTROL, WE CAN GATHER HERE TODAY TO STATE A CLEAR MESSAGE FOR ALL TO HEAR: WE HAVE LEARNED FROM THE PAST. WE ARE UNITED IN THE CONVICTION THAT THE BEST WAY TO DEAL WITH OUR ENERGY PROBLEMS AND SERVE THE AMERICAN PEOPLE IS TO LET OUR MARKET ECONOMY WORK.

AND SO TODAY'S LEGISLATION REPRESENTS THE BIPARTISAN ATTAINMENT OF THE ADMINISTRATION'S FIRST MAJOR ENERGY INITIATIVE -- THE ELIMINATION OF AN ENTIRE SYSTEM OF ARTIFICIAL PRICE CONTROLS FOR ONE OF AMERICA'S CLEANEST ENERGY RESOURCES.

THIS MEASURE REFLECTS A STRONG BIPARTISAN BELIEF THAT ELIMINATING PRICE CONTROLS WILL HELP THIS NATION TAKE FULL ADVANTAGE OF OUR PLENTIFUL DOMESTIC RESOURCES.

EVEN AT TODAY'S PRICES -- IT IS ESTIMATED THAT THE UNITED STATES HAS NATURAL GAS RESERVES THAT WILL TAKE US TO THE YEAR 2025 AND BEYOND.

INDUSTRY AND THE DEPARTMENT OF ENERGY ARE RESPONDING TO THIS OPPORTUNITY WITH IMAGINATION -- SEEKING TO TAP NEW SOURCES OF CLEAN-BURNING NATURAL GAS AND DEVELOPING NEW USES -- LIKE POWERING CARS AND BUSES.

WITH PRICES SET BY MARKET FORCES, AND IMPROVEMENTS IN GAS EXPLORATION PRODUCTION TECHNOLOGIES, NATURAL GAS CAN HELP POWER THIS NATION WELL INTO THE NEXT CENTURY.

IT MAY BE SAID BY SOME THAT THIS LEGISLATION COULD ONLY HAVE HAPPENED WHEN ENERGY PRICES ARE RELATIVELY LOW. NOT TRUE. LEGISLATION LIKE THIS -- RELYING ON MARKET INCENTIVES TO PRODUCE DOMESTIC ENERGY -- CAN HELP KEEP PRICES LOW.

IT IS THE BEST WAY TO ASSURE CONSUMERS OF ADEQUATE AND RELIABLE SUPPLIES OF CLEAN ENERGY AT THE LOWEST REASONABLE PRICE.

AND THIS IS NOT JUST ECONOMICAL LEGISLATION -- IT IS ENVIRONMENTAL LEGISLATION. NATURAL GAS BURNS MUCH MORE CLEANLY THAN OTHER FOSSIL FUELS -- AND PRODUCES LITTLE AIR OR WATER POLLUTION. AND IT CAN PLAY A LARGER ROLE IN OUR EFFORTS TO CLEAN UP OUR AIR AND WATER.

THE ENVIRONMENTAL OPPORTUNITIES CAN BE GLOBAL. WITH A FREE MARKET FOR THIS FUEL, WE CAN FORESEE AMERICA AND THE WORLD USING MORE OF IT. AMERICA AND HER ALLIES MUST WORK TOGETHER NOW TO EXPAND THE INFRASTRUCTURE TO USE THIS FUEL. ON THIS CONTINENT -- ACROSS THE ATLANTIC -- ACROSS THE PACIFIC -- THESE ARE OPPORTUNITIES FOR COOPERATION THAT CAN BE HELPED BY A FREER MARKET.

WHERE WE CAN ADD DIVERSITY, FLEXIBILITY, ECONOMY, AND SECURITY TO THE WORLD'S ENERGY PICTURE -- WE SHOULD DO IT. AND NATURAL GAS IS AN IMPORTANT ELEMENT.

BUT DESPITE TODAY'S GOOD NEWS, THIS IS NO TIME FOR COMPLACENCY. OUR ENERGY SECURITY PROBLEM CONTINUES. CONSERVATION ACHIEVEMENTS ARE LEVELLING OFF. DOMESTIC OIL PRODUCTION IS CONTINUING ITS DOWNWARD TREND. PETROLEUM IMPORTS ARE INCREASING. AND OUR NEED FOR A CLEANER ENVIRONMENT IS OBVIOUS TO ALL.

AND SO TODAY I HAVE ANOTHER ANNOUNCEMENT -- WHICH, LIKE THE DEREGULATION OF NATURAL GAS -- IS GOOD NEWS FOR AMERICA'S ENERGY FUTURE.

I AM DIRECTING THE SECRETARY OF ENERGY TO TAKE THE LEAD IN DEVELOPING A COMPREHENSIVE NATIONAL ENERGY STRATEGY.

WE CANNOT AND WILL NOT WAIT FOR THE NEXT ENERGY CRISIS TO FORCE US TO RESPOND.

I HAVE ASKED ADMIRAL WATKINS TO CRAFT THIS STRATEGY IN CLOSE CONSULTATION WITH THE CABINET AND THE CONGRESS, WITH OUR CITIES AND OUR STATES. OUR TASK -- OUR BI-PARTISAN TASK -- IS TO BUILD THE NATIONAL CONSENSUS NECESSARY TO SUPPORT THIS STRATEGY. AND TO MAKE THE STRATEGY A LIVING AND DYNAMIC DOCUMENT, RESPONSIVE TO NEW KNOWLEDGE AND NEW IDEAS, AND TO GLOBAL, ENVIRONMENTAL AND INTERNATIONAL CHANGES.

A KEYSTONE OF THIS STRATEGY WILL BE THE CONTINUATION OF THE SUCCESSFUL POLICY OF MARKET RELIANCE.

THIS TASK WILL NOT BE EASY. AMERICA MUST BALANCE: OUR INCREASING NEED FOR ENERGY AT REASONABLE PRICES. OUR COMMITMENT TO A SAFER, HEALTHIER ENVIRONMENT. OUR DETERMINATION TO MAINTAIN AN ECONOMY THAT IS SECOND TO NONE. AND OUR GOAL TO REDUCE DEPENDENCE, BY OURSELVES AND OUR FRIENDS AND ALLIES, ON POTENTIALLY UNRELIABLE ENERGY SUPPLIERS.

- 15 -

ONE IMPORTANT STEP TOWARDS PROTECTING AMERICA FROM FOREIGN ENERGY SUPPLY INTERRUPTIONS IS TO PROVIDE MORE INCENTIVES FOR DRILLING RIGHT HERE AT HOME. THOUGH IT IS UNLIKELY CONGRESS WILL ACT THIS YEAR -- I WILL CONTINUE TO WORK TO PUT MORE INCENTIVE INTO THE TAX CODE FOR DOMESTIC WILDCAT DRILLING. THE BOTTOM LINE IS: A STRONG DOMESTIC DRILLING AND PRODUCING BUSINESS IS ESSENTIAL TO OUR NATIONAL SECURITY.

- 16 -

I AM CONFIDENT THAT AMERICA'S CAN-DO ATTITUDE, SCIENTIFIC KNOW-HOW, AND OLD-FASHIONED COMMON SENSE WILL PREVAIL. BY ACTING NOW -- WE CAN BEQUEATH A LEGACY TO THE NEXT CENTURY OF A CLEANER, MORE PROSPEROUS AND SECURE AMERICA.

TODAY'S LEGISLATION IS A GOOD START DOWN THAT PATH. DOMESTICALLY, NATURAL GAS CAN NOW REACH ITS FULLEST POTENTIAL AS AN ECONOMIC, CLEAN AND CONVENIENT ENERGY SOURCE.

- 17 -

I CONGRATULATE THOSE OF YOU IN CONGRESS WHO HAVE WORKED SO HARD AND SO LONG TO BRING THIS LEGISLATION TO MY DESK.

AND WITH THAT -- IT IS WITH GREAT PRIDE THAT I NOW SIGN THE NATURAL GAS WELLHEAD DECONTROL ACT INTO LAW.

# # #

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<del>BATES</del>	<del><input checked="" type="checkbox"/></del>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:  
 Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

8 JUL 24 P2:58

RESPONSE:  
 — Energy — Jay Stone — 586-5500.

See Comments

**James W. Cicconi**  
 Assistant to the President  
 and Deputy to the Chief of Staff  
 Ext. 2702

(McNally/Simon)  
July 21, 1989, 5:00 p.m.  
Draft Four (GAS)  
1989 JUL 21

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend  
Jim Watkins, who is off to such an outstanding start at Energy.  
To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And  
to the forward-looking leaders from both sides of the aisle --  
leaders like [[my friends Jim McClure and Bennett Johnston, Norm  
Lent and <sup>Phil Sharp.</sup> ~~John Dingell~~]] -- leaders whose commitment to  
safeguarding America's energy and environment have made this  
landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the  
world's energy menu. It is clean. It is efficient. It is  
abundant.

But for 35 years, consumers and producers of natural gas  
have struggled under a bureaucracy of oppressive price  
regulations. This was largely responsible for the damaging  
natural gas shortages of the 1970's -- and for gas market  
distortions that exist to this day.

And so today's legislation represents the bipartisan  
attainment of the Administration's first major energy initiative  
-- the elimination of an entire system of artificial price  
controls for one of America's cleanest energy resources.

It ends on January 1, 1993 -- starting us on a path to a  
more stable energy future.

Should mention  
Cong.  
Phil Sharp.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. ~~Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.~~

May open debate

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas ~~in places like Prudhoe Bay,~~ and developing new uses -- like powering cars and airplanes.<sup>Gasco.</sup> With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

red flag if mention



It may be said by some that this legislation could only have happened when energy prices are relatively low. I disagree. Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment. For example,

import alot -- not sure about exporting.

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas will be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. On other fronts, conservation achievements are levelling off. Domestic oil production is down. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- means good news for America's energy future.

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy -- the first such plan in the history of our Nation.

We cannot and will not wait for the next energy crisis -- or even the next smog alert -- to force us to respond. Today we don't have a crisis. We have an opportunity.

I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet <sup>through the Economic Policy Council,</sup> and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, <sup>including the potential for</sup> ~~and changes in~~ global climate change.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices; Our commitment to a safer, healthier environment; Our obligation to maintain an economy that is second to none; And our goal to reduce reliance on insecure energy supplies.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as a competitive alternative to imports of oil from unreliable sources. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89

*89 JUL 24 A 7:55*  
ACTION/CONCURRENCE/COMMENT DUE BY:

2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

*2:55*

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER <i>Roger has them</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES <i>walking over</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON <i>N/C phone</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON <i>[scribble]</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY <i>N/C phone</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

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RESPONSE:

James W. Cicconi  
Assistant to the President  
and Deputy to the Chief of Staff  
Ext. 2702

(McNally/Simon)  
1989 JUL 21 July 21, 1989, 5:00 p.m.  
Draft Four (GAS)

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Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under a <sup>the burden</sup> ~~bureaucracy~~ of oppressive price regulations. This was <sup>directly</sup> ~~largely~~ responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.

It ends on January 1, 1993 -- starting us on a path to a more stable energy future.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas in places like Prudhoe Bay, and developing new uses -- like powering cars and <sup>buses</sup> airplanes. With prices set by market forces, and improvements in gas <sup>exploration</sup> production <sup>technologies</sup> from ~~unconventional sources~~, natural gas can help power this nation <sup>well into the next century.</sup> ~~for decades to come.~~

It may be said by some that this legislation could only have happened when energy prices are relatively low. ~~I disagree.~~ <sup>NOT true.</sup> Legislation like this -- <sup>relying on market</sup> creating new incentives to produce domestic energy -- can help keep prices low. It ~~will help~~ <sup>is the best way to assure</sup> consumers <sup>of</sup> ~~receive an~~ adequate and reliable supply <sup>ies</sup> of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. <sup>Natural</sup> Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. ~~By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment.~~ For example,

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas ~~will be~~ *such as North Slope gas could* be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

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~~don't have a crisis. We have an opportunity.~~

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*will be the continuation of the successful policy of market reliance.*

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our *determination* obligation to maintain an economy that is second to none. And our goal to reduce *dependence* ~~reliance~~ *by ourselves and our friends and allies* on *unreliable* ~~insecure~~ *rs* energy supplies.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as *an economic, clean and convenient energy source, and* ~~a competitive alternative to imports of oil from unreliable sources.~~ I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:

Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

RESPONSE:

MEMORANDUM FOR CHRISS WINSTON

July 24, 1989

The NSC staff recommends the suggested changes as noted throughout the text.

Brent Scowcroft

James W. Cicconi  
Assistant to the President  
and Deputy to the Chief of Staff  
Ext. 2702

cc: James W. Cicconi

89 JUL 25 4 89 07

(McNally/Simon)  
1989 JUL 21 July 21, 1989, 5:00 p.m.  
Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell]] -- leaders whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the <sup>world's</sup> best fuels ~~on the~~ ~~world's energy menu~~. It is clean. It is efficient. ~~It is~~ <sup>there are</sup> abundant. <sup>secure supplies.</sup>

But for 35 years, consumers and producers of natural gas have struggled under a bureaucracy of oppressive price regulations. This was largely responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.

It ends on January 1, 1993 -- starting us on a path to a more stable energy future.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas in places like Prudhoe Bay, and developing new uses -- like powering cars and airplanes. With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

It may be said by some that this legislation could only have happened when energy prices are relatively low. I disagree. Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment. ~~For example,~~

*Comment: Summit reference incorrect, no need to cite Japan*

~~at the recent economic summit we were encouraged by Japan's new interest in clean energy sources.~~ Today's legislation means that, <sup>additional</sup> ~~ultimately, new~~ U.S. sources of clean natural gas will be available to <sup>foreign</sup> ~~Japanese and other international~~ markets -- and at <sup>competitive</sup> market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. On other fronts, conservation achievements are levelling off. Domestic oil production is down. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- means good news for America's energy future.

*after President's (e.g. Carter) have claimed some thing.*

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy -- the first such plan in the history of our Nation.

*is this correct? What about FEA in 73/74?*

We cannot and will not wait for the next energy crisis -- or even the next smog alert -- to force us to respond. Today we don't have a crisis. We have an opportunity.

I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and changes in global climate.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our obligation to maintain an economy that is second to none. And our goal to reduce reliance on insecure energy supplies.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as a competitive alternative to imports of oil from <sup>potentially</sup> unreliable sources. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503



**NOTICE:**

Enclosed are comments from staff members of the Office of Management and Budget (OMB). Such comments do not necessarily represent the official position of the Director of OMB or of the Office of Management and Budget. If you wish to have the Director's personal comments, please let me know -- and contact me if you have any questions.

A handwritten signature in black ink, which appears to read "David J. Haun".

David J. Haun  
Executive Assistant  
to the Director

89 JUL 24 P 4: 56

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

**REMARKS:**  
 Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

**RESPONSE:**

James W. Cicconi  
 Assistant to the President  
 and Deputy to the Chief of Staff  
 Ext. 2702

(McNally/Simon)  
1989 JUL 21 July 21, 1989, 5:00 p.m.  
Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell]] -- leaders whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under a bureaucracy of oppressive price regulations. This was ~~largely~~ <sup>directly</sup> responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

Grady  
x 4844

[INSERT NEXT PAGE (2 PARAGRAPHS) HERE]

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.

Grady  
x 4844

It ends on January 1, 1993 -- starting us on a path to a more ~~stable~~ energy future.

↑  
realistic and efficient

Grady  
x 4844

Natural gas bill signing statement  
OMB mark-up  
Insert on page 1 after the third paragraph

~~It is instructive to look at what natural gas price controls brought us. They brought us shortages -- not increased supplies. They brought us higher gas prices -- not the lower consumer prices their supporters promised. I am reminded of an editorial in the Washington Post after President Reagan accelerated decontrol of the petroleum market. It was titled "Decontrol At Last." It went on to say that "controls have brought us nothing but harm, and the end of them will bring us nothing but benefit."~~

What was true for oil deregulation in 1981 is also true for gas deregulation in 1989. Experience shows that deregulation works to serve consumers and an expanding economy. It is a tribute to the American political system that, after decades of disagreement over the merits of gas decontrol, we can gather here today to state a clear message for all to hear: We have learned from the past. We are united in the conviction that ~~markets work to serve the American people. They can deal effectively to banish scarcity and to produce abundance.~~ The best way to deal with our energy problems is to let our market economy work ~~to serve~~

*and serve the American people*

Insert  
A

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

And industry ~~and the Department of Energy are~~ <sup>is</sup> responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas ~~in places like Prudhoe Bay~~ and developing new uses -- like powering cars and airplanes. With prices set by market forces, and improvements in gas <sup>exploration and</sup> production ~~from unconventional sources~~ <sup>technologies</sup>, natural gas can help power this nation ~~for decades to come~~ <sup>well into the next century</sup>.

It may be said by some that this legislation could only have happened when energy prices are relatively low. I disagree. Legislation like this -- ~~creating new~~ <sup>relying on market</sup> incentives to produce domestic energy -- can help keep prices low. It ~~will help~~ <sup>is the best way to assure</sup> consumers ~~receive an~~ <sup>of</sup> adequate and reliable ~~supply~~ <sup>supplies</sup> of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is <sup>good for the</sup> ~~environmental~~ <sup>environmental</sup> legislation. Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. ~~[By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment.]~~ For example,

↑  
[A possibility, but remote.  
Suggest you drop this.]

Grady  
x4844  
?

Grady  
x4844

Grady  
x4844

Grady  
x4844

Grady  
x4844

Such as North Slope gas could  
Bundy  
x4844

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas, ~~will~~ be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

economy,  
Bundy  
x4844

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. *Our energy security problem continues* On other fronts, conservation achievements are levelling off. ~~Domestic oil production is down.~~ Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement: ~~which, like the deregulation of natural gas means good news for America's energy future.~~

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy. ~~the first such plan in the history of our Nation~~ [not true!]

Bundy  
x4844

Although there is an excess of oil-producing capacity in the world, U.S. oil production is continuing its downward trend.

Bundy  
x4844

6996

Shady  
x4844 ?

We cannot and will not wait for the next energy crisis ~~or even the next smog alert~~ to force us to respond. Today we don't have a crisis. We have an opportunity.

I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, ~~and changes in global climate~~

Grady  
x4844

and to global environmental and international changes. A keystone of the strategy will be the continuation of the successful policy of market reliance.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our obligation to maintain an economy that is second to none. And our goal to reduce reliance on insecure energy supplies. of the United States and our friends and allies

Shady  
x4844

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path.

Shady  
x4844

Domestically, natural gas can now reach its fullest potential as an economic, clean, and convenient energy source. ~~[a competitive alternative to imports of oil from unreliable sources.]~~

I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
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CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS:  
Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

*see comments*

RESPONSE:

08 : 01v 12 JUL 24 89

James W. Cicconi  
Assistant to the President  
and Deputy to the Chief of Staff  
Ext. 2702

(McNally/Simon)  
1989 JUL 21 July 21, 1989, 5:00 p.m.  
Draft Four (GAS)

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THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

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~~And~~ Industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas in places like Prudhoe Bay, and developing new uses -- like powering cars and airplanes. With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

It may be said by some that this legislation could only have happened when energy prices are relatively low. ~~I disagree.~~ *Not true.* Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment. For example,

*do not have to mention Alaska*

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas will be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. On other fronts, conservation achievements are levelling off. Domestic oil production is down. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- means good news for America's energy future.

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy -- the first such plan in the history of our Nation.

*how do you export natural gas?*

*NOTE:  
U.S. HAS  
LONG  
EXPORTED  
LIQUIFIED  
NATURAL  
GAS  
-E.M.N*

*Didn't Carter at least have a plan? If not implemented, proposed?*

We cannot and will not wait for the next energy crisis -- or even the next smog alert -- to force us to respond. Today we don't have a crisis. We have an opportunity.

*this line was in space speech*  
 I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and changes in global climate.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our ~~obligation~~ *determination* to maintain an economy that is second to none. And our goal to reduce ~~reliance~~ *dependence* on ~~insecure~~ *unreliable* energy suppliers.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as a competitive alternative to imports of oil from unreliable sources. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

THE WHITE HOUSE  
WASHINGTON

July 24, 1989

89 JUL 24 P6:11

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RBP*  
SUBJECT: Natural Gas Bill Signing Ceremony

I have reviewed and approve of the presidential draft remarks for the Natural Gas Bill signing ceremony. I have also marked several changes that I believe will help strengthen the statement on the attached draft.

Most important from a policy standpoint is the reference to the comprehensive National Energy Strategy as the first such plan in the history of our Nation. Many would argue that Project Independence in 1973 was a comprehensive National Energy Strategy. Certainly John Sawhill and those who put it together thought it was. Likewise, in 1977 Jimmy Carter made a National Energy Plan the centerpiece of his initial legislative strategy and this is what James Schlesinger and others thought they were doing.

One of the things that we do not want is to bring back visions of the 1977 effort which is generally viewed dimly. The sentence reads fine without the concluding phrase.

If you have any questions, please let me know.

cc: James W. Cicconi

## WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

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SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
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CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
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**REMARKS:**  
 Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

**RESPONSE:**

James W. Cicconi  
 Assistant to the President  
 and Deputy to the Chief of Staff  
 Ext. 2702

(McNally/Simon)  
1989 JUL 21 July 21, 1989, 5:00 p.m.  
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THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell]] -- leaders whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of <sup>most attractive choices</sup> (the best fuels) on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under <sup>the burden</sup> a ~~bureaucracy~~ of oppressive price regulations. This was largely responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.

It ends on January 1, 1993 -- starting us on a path to a more stable energy future.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas in places like Prudhoe Bay, and developing new uses -- like powering cars and airplanes. With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

It may be said by some that this legislation could only have happened when energy prices are relatively low. I disagree. Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

And this is not just environmental legislation. <sup>NATURAL</sup> Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment. For example,

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas will be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. On other fronts, conservation achievements are levelling off. Domestic oil production is down. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- means good news for America's energy future.

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy ~~[-- the first such plan in the history of our Nation.]~~

IC 117  
C222

We cannot and will not wait for the next energy crisis -- or even the next smog alert -- to force us to respond. Today we don't have a crisis. We have an opportunity.

I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and changes in global climate.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our obligation to maintain an economy that is second to none. And our goal to reduce reliance on insecure energy supplies.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as a competitive alternative to imports of oil from unreliable sources. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

THE WHITE HOUSE  
WASHINGTON

July 24, 1989

MEMORANDUM FOR CHRISS WINSTON  
DEPUTY ASSISTANT TO THE PRESIDENT  
FOR COMMUNICATIONS

FROM: ROBERT J. PORTMAN *RJP*  
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: National Energy Strategy

Pursuant to your staffing memorandum of July 21, 1989, Counsel's Office has reviewed the above-referenced draft Presidential speech. We have no legal objection to the contents of this speech.

Thank you for bringing this matter to our attention.

cc: James W. Cicconi

89 JUL 24 P 3 : 48

**WHITE HOUSE STAFFING MEMORANDUM**

DATE: 07/21/89 ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<del>MCCLURE</del>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

**REMARKS:**

Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

*Nick-DL*

**RESPONSE**

*TR* Mention: Congressman Phil Sharp  
*Jm* 89 JUL 24 P 2:37 Congressman Carlos Moorhead

**James W. Cicconi**  
 Assistant to the President  
 and Deputy to the Chief of Staff  
 Ext. 2702

(McNally/Simon)  
1989 JUL 21 July 21, 1989, 5:00 p.m.  
Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell]] *in the committee and many others* -- leaders whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under a bureaucracy of oppressive price regulations. This was largely responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.

It ends on January 1, 1993 -- starting us on a path to a more stable energy future.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas in places like Prudhoe Bay, and developing new uses -- like powering cars and airplanes. With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

It may be said by some that this legislation could only have happened when energy prices are relatively low. I disagree. Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment. For example,

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas will be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. On other fronts, conservation achievements are levelling off. Domestic oil production is down. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- means good news for America's energy future.

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy -- the first such plan in the history of our Nation.

We cannot and will not wait for the next energy crisis -- or even the next smog alert -- to force us to respond. Today we don't have a crisis. We have an opportunity.

I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and changes in global climate.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our obligation to maintain an economy that is second to none. And our goal to reduce reliance on insecure energy supplies.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as a competitive alternative to imports of oil from unreliable sources. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

Simon

(McNally/Simon)

July 21, 1989, 5:00 p.m.

Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

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per  
Fred  
McClure

*before we can afford to extract + transport it.*

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

*NOTE: There are some N.G. buses coming out, about no plans for airplanes. There is lots of gas at Prudhoe Bay, but it will be a long, long time*

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas ~~in places like Prudhoe Bay,~~ and developing new uses -- like powering cars and ~~airplanes.~~ *buses* With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

It may be said by some that this legislation could only have happened when energy prices are relatively low. I disagree. Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

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The environmental opportunities can be global. By exporting plentiful, clean-burning American natural gas -- we can help both our nation's economy and the world's environment. For example,

- NOTE:*
- 1. Japan's environment plan at the summit talked about stopping rain forest cutting + a substitute for CFC's, not clean burning fuel.*
  - 2. The US cannot export gas at market rates - too expensive for others to burn (although we do sell to Canada.)*

at the recent economic summit we were encouraged by Japan's new interest in clean energy sources. Today's legislation means that, ultimately, new U.S. sources of clean natural gas will be available to Japanese and other international markets -- and at market prices.

With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is an important element.

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And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

(McNally/Simon)  
July 21, 1989, 5:00 p.m.  
Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

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Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under a bureaucracy of oppressive price regulations. This was largely responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

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It ends on January 1, 1993 -- starting us on a path to a more stable energy future.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

And industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas in places like Prudhoe Bay, and developing new uses -- like powering cars and airplanes. With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

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I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as a competitive alternative to imports of oil from unreliable sources. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

(McNally/Simon)  
July 25, 1989, 10:00 a.m.  
Draft Five (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell, Phil Sharp and Carlos Moorhead]] -- and many other leaders here today whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under the burden of oppressive price regulations. This was directly responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

It is instructive to look at what natural gas price controls brought us. They brought us shortages -- not increased supplies. They brought us higher gas prices -- not the lower consumer prices their supporters promised.

What was true for oil deregulation in 1981 is also true for gas deregulation in 1989. Experience shows that deregulation works to serve consumers and an expanding economy. It is a tribute to the American political system that, after decades of disagreement over the merits of gas decontrol, we can gather here today to state a clear message for all to hear: We have learned from the past. We are united in the conviction that the best way to deal with our energy problems and serve the American people is to let our market economy work.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- **the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.**

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

Industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas and developing new uses -- like powering cars and buses. With prices set by market forces, and improvements in gas exploration production technologies, natural gas can help power this nation well into the next century.

It may be said by some that this legislation could only have happened when energy prices are relatively low. Not true.

Legislation like this -- relying on market incentives to produce domestic energy -- can help keep prices low. It is the best way to assure consumers of adequate and reliable supplies of clean energy at the lowest reasonable price.

**And this is not just economical legislation -- it is environmental legislation.** Natural gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, economy, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. Our energy security problem continues. Conservation achievements are levelling off. Domestic oil production is continuing its downward trend. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- is good news for America's energy future.

**I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy.**

We cannot and will not wait for the next energy crisis to force us to respond. I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and to global, environmental and international changes. A keystone of this strategy will be the continuation of the successful policy of market reliance.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our determination to maintain an economy that is second to none. And our goal to reduce dependence, by ourselves and our friends and allies, on potentially unreliable energy suppliers.

One important step towards protecting America from foreign energy supply interruptions is to provide more incentives for drilling right here at home. Though it is unlikely Congress will act this year -- I will continue to work to put more incentive into the tax code for domestic wildcat drilling. The bottom line

is: A strong domestic drilling and producing business is essential to our national security.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as an economic, clean and convenient energy source. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #

(McNally/Simon)  
July 18, 1989, 10:00 a.m.  
Draft One (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
~~TUESDAY~~, JULY 25, 1989, \_\_:00 \_\_.M.  
*wed.*

Thank you \_\_\_\_\_. And thanks also to my friend Jim  
Watkins, who is off to such an outstanding start at Energy. To  
Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to  
the forward-looking leaders from both sides of the aisle --  
leaders like \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_  
\_\_\_\_\_ -- whose commitment to safeguarding America's energy  
and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the  
world's energy menu. It is clean. It is efficient. It is  
abundant.

But for 35 years, consumers and producers of natural gas  
have struggled under a bureaucracy of oppressive price  
regulations. This was largely responsible for the damaging  
natural gas shortages of the 1970's -- and for gas market  
distortions that exist to this day.

And so today's legislation represents the bipartisan  
attainment of the Administration's first major energy initiative  
**-- the elimination of an entire system of artificial price  
controls for one of America's cleanest energy resources.**

It ends on January 1, 1993 -- starting us on a path to a  
more stable domestic energy future.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take maximum advantage of our plentiful reserves of clean-burning natural gas. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond. With prices set by market forces, and improvements in gas production from unconventional sources, natural gas can help power this nation for decades to come.

It may be said by some that this legislation could only have occurred when energy prices are relatively low. I disagree. Legislation like this -- creating new incentives to produce domestic energy -- can help keep prices low. It will help consumers receive an adequate and reliable supply of clean energy at the lowest reasonable price.

**And this is not just economical legislation -- it is environmental legislation.** Gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. Natural gas can play a larger role in our efforts to clean up our air and water.

And its effect is global. For example, in Japan, ~~long criticized for appearing to be concerned only about its own environment~~ there is a new commitment to clean energy sources. And today's legislation is a signal that America is ready to match such a commitment with one of its own -- through the export of clean burning natural gas, we can help both our nation's economy and the world's environment.

With a free market for this fuel, we can foresee America and the world using more of it. ~~We call upon~~ America and her allies ~~to~~ <sup>must</sup> work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, and security to the world's energy picture -- we should do it. And natural gas is ~~an important element part of the means.~~ <sup>an important element</sup>

~~Over thirty years ago President Eisenhower had an opportunity to sign a bill which would have accomplished the same effect as today's legislation. But the bill was vetoed because of ethical concerns in the lobbying that surrounded its passage. I'm happy to sign this bill today because it is clean in two ways: It is an open and clean consensus that can result in cleaner air. And that's good news for all Americans.~~

<sup>Domestically</sup> Natural gas <sup>can</sup> ~~will~~ now reach its fullest potential as a competitive ~~domestic~~ alternative to imports of oil from unreliable sources. This legislation is long overdue -- and an important step in enhancing America's domestic energy supplies. I congratulate those of you in Congress who have worked so hard to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Decontrol Act into law.

# # #

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 07/21/89

ACTION/CONCURRENCE/COMMENT DUE BY: 2:00 p.m. Monday 07/24

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
(07/21 5:00 p.m. draft four)

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<del>PINKERTON</del>	<del><input checked="" type="checkbox"/></del>	<input type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: Please provide any comments/recommendations directly to Chriss Winston by 2:00 p.m. on Monday, 07/24, with a copy to my office. Thanks.

RESPONSE:

88 : 11/25 7:00 68  
*Comments*

James W. Cicconi  
Assistant to the President  
and Deputy to the Chief of Staff  
Ext. 2702

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 26, 1989

REMARKS BY THE PRESIDENT  
AT THE  
NATURAL GAS BILL SIGNING CEREMONY

The East Room

2:12 P.M. EDT

THE PRESIDENT: Thank you all very, very much, and thanks also to Jim Watkins, our distinguished Secretary, who is off to such an outstanding start as Secretary of Energy. And also, Martha, thanks to you -- Martha Hesse -- for her great efforts at the Federal Energy Regulatory Commission, and to the forward-looking leaders from both sides of the aisle.

Seeing this awesome array with my own two Senators, Lloyd Bentsen and Phil Gramm. I'm going to get in serious trouble by exclusion, but standing up here, of course, I'm delighted that Senator Bennett Johnston is here and Joe Barton, Phil Sharp, Don Nickles was -- there he is -- and all the rest of you. I want to single out, of course, John Dingell for his help and Norm Lent and Carlos Moorhead and so many others who have a keen interest in this subject.

Natural gas -- methane -- one of the best fuels on the world's energy menu -- it's clean, it's efficient, relatively abundant. But for 35 years, consumers and producers of natural gas have struggled under the burden of oppressive price regulations, and this was directly responsible, in my view, for the damaging natural gas shortages of the '70s and for gas market distortions that exist to this very day.

And it is instructive to look at what natural gas price controls brought us -- shortages, not increased supplies; higher gas prices, not the lower consumer prices that their supporters promised. And what was true for oil deregulation in 1981 is also true for gas deregulation in 1989. Experience shows that deregulation works to serve consumers and to serve an expanding economy. And it's a tribute to the American political system that, after decades of disagreement over the merits of gas decontrol, we can gather here today to state a clear message for all to hear. We've learned from the past; we are united in the conviction that the best way to deal with our energy problems and serve the American people is to let our market economy work.

And so today's legislation represents the bipartisan attainment of the administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources. And this measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources.

Even at today's prices it's estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond. And industry -- and I'm glad to see so many members of the industry here today, people that have been in the forefront for the battle of decontrol for many, many years -- industry and the Department of Energy are responding to this opportunity with imagination, seeking to tap new sources of clean-burning natural gas and then developing new uses, like powering cars and buses. With prices set by market forces and improvements in gas exploration

MORE

production technologies, natural gas can help power this nation well into the next century.

And it may be said by some that this legislation could only have happened when energy prices are relatively low. Not true. Legislation like this, relying on market incentives to produce domestic energy, can help keep prices low. And it's the best way to assure consumers of adequate and reliable supplies of clean energy at the lowest reasonable price.

And this is not just economical legislation, it is also environmental legislation. Natural gas burns much more cleanly than other fossil fuels and produces little air or water pollution and it can play a larger role in our efforts to clean up our air and our water. The environmental opportunities can be global. When a free market for this fuel exists we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure for this fuel. And on this continent, cross the Atlantic, cross the Pacific, these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity and flexibility, economy, and security to the world's energy picture we ought to do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. Our energy security problem continues. Conservation achievements are leveling off, domestic oil production continuing its downward trend and petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today, I want to make this announcement which, like the deregulation of natural gas, is good news for America's energy future. I'm directing Jim Watkins, our able Secretary of Energy, to take the lead in developing a comprehensive, national energy strategy. We cannot and will not wait for the next energy crisis to force us to respond. And so I've asked Jim to craft this strategy in close consultation with the Cabinet, leading members of the United States Congress and then with our cities and our states.

Our task -- our bipartisan task -- is to build the national consensus necessary to support this strategy and to make this strategy a living and dynamic document, responsive to new knowledge and new ideas and to global, environmental and international changes.

And I should say on this one parenthetically -- and I don't, again, want to single out only the Texans here -- but our Governor, who is with us today, has been in the forefront of urging upon us a national energy strategy for a long, long time. A keystone of this strategy is going to be the continuation of the successful policy of market reliance. And it's not going to be easy. We must balance -- achieve balance -- our increasing need for energy at reasonable prices, our commitment to a safer and healthier environment, our determination to maintain an economy that is second to none, and our goal to reduce dependence by ourselves and our friends and allies on potentially unreliable energy suppliers.

One important step towards protecting American from foreign energy supply interruptions is to provide more incentives for drilling right here at home. And though it is unlikely that Congress will or maybe even can act on that this year, I will continue to work to put more incentive into the tax code for domestic wildcat drilling.

The bottom line is, a strong domestic drilling and producing business is essential to the national security of the United States of America. And I am confident that America's can-do attitude and scientific know-how and old-fashioned plain common sense will prevail. By acting now, we can bequeath a legacy to the next century of a cleaner, more prosperous and, yes, more secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as an economic, clean and convenient energy source.

And so, I congratulate all the members of the United States Congress who have worked so hard and, in some cases, so long to bring this legislation to this desk. (Laughter.) And with that, it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into the law. (Applause.)

END

2:22 P.M. EDT

# WHITE HOUSE STAFFING MEMORANDUM

DATE: 7/25/89 ACTION/CONCURRENCE/COMMENT DUE BY: ----

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS WELLHEAD DECONTROL ACT

	ACTION FYI			ACTION FYI	
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	MCCLURE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SUNUNU	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NEWMAN	<input type="checkbox"/>	<input type="checkbox"/>
SCOWCROFT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STUDDERT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
BREEDEN	<input type="checkbox"/>	<input type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	WINSTON	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PINKERTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
FITZWATER	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
GRAY	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
HAGIN	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>



REMARKS:

The attached has been forwarded to the President.

89 JUL 25 P4:38

RESPONSE:

James W. Cicconi  
Assistant to the President  
and Deputy to the Chief of Staff  
Ext. 2702

THE WHITE HOUSE

WASHINGTON

1989 JUL 26 11 17 AM

July 24, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH:

CHRISS WINSTON *W*

FROM:

EDWARD E. McNALLY *EMN*

SUBJECT:

REMARKS AT THE SIGNING CEREMONY FOR THE  
NATURAL GAS WELLHEAD DECONTROL ACT

I. SUMMARY

Attached for your consideration and review are draft remarks for Wednesday afternoon's signing ceremony for the Natural Gas Wellhead Decontrol Act.

II. DISCUSSION

At approximately 2:05 p.m. on Wednesday, July 26, 1989, you are scheduled to be announced at the East Room for the signing ceremony for the Natural Gas Wellhead Decontrol Act.

The suggested remarks are brief (approximately five minutes), and include your announcement that the Secretary of Energy has been directed to develop a comprehensive National Energy Strategy. At the conclusion of your comments, there will be a brief ceremony as you sign the Act into law.

(McNally/Simon)  
July 24, 1989, 6:50 p.m.  
Draft Four (GAS)

PRESIDENTIAL REMARKS: NATURAL GAS BILL SIGNING CEREMONY  
THE EAST ROOM  
WEDNESDAY, JULY 26, 1989, 2:05 P.M.

Thank you. Thanks all of you. And thanks also to my friend Jim Watkins, who is off to such an outstanding start at Energy. To Martha Hesse [[hess-SEE]], for her good efforts at FERC. And to the forward-looking leaders from both sides of the aisle -- leaders like [[my friends Jim McClure and Bennett Johnston, Norm Lent and John Dingell, Phil Sharp and Carlos Moorhead]] -- and many other leaders here today whose commitment to safeguarding America's energy and environment have made this landmark legislation possible.

Natural gas -- methane -- is one of the best fuels on the world's energy menu. It is clean. It is efficient. It is abundant.

But for 35 years, consumers and producers of natural gas have struggled under the burden of oppressive price regulations. This was directly responsible for the damaging natural gas shortages of the 1970's -- and for gas market distortions that exist to this day.

It is instructive to look at what natural gas price controls brought us. They brought us shortages -- not increased supplies. They brought us higher gas prices -- not the lower consumer prices their supporters promised.

What was true for oil deregulation in 1981 is also true for gas deregulation in 1989. Experience shows that deregulation works to serve consumers and an expanding economy. It is a tribute to the American political system that, after decades of disagreement over the merits of gas decontrol, we can gather here today to state a clear message for all to hear: We have learned from the past. We are united in the conviction that the best way to deal with our energy problems and serve the American people is to let our market economy work.

And so today's legislation represents the bipartisan attainment of the Administration's first major energy initiative -- the elimination of an entire system of artificial price controls for one of America's cleanest energy resources.

This measure reflects a strong bipartisan belief that eliminating price controls will help this nation take full advantage of our plentiful domestic resources. Even at today's prices -- it is estimated that the United States has natural gas reserves that will take us to the year 2025 and beyond.

Industry and the Department of Energy are responding to this opportunity with imagination -- seeking to tap new sources of clean-burning natural gas and developing new uses -- like powering cars and buses. With prices set by market forces, and improvements in gas exploration production technologies, natural gas can help power this nation well into the next century.

It may be said by some that this legislation could only have happened when energy prices are relatively low. Not true.

Legislation like this -- relying on market incentives to produce domestic energy -- can help keep prices low. It is the best way to assure consumers of adequate and reliable supplies of clean energy at the lowest reasonable price.

And this is not just economical legislation -- it is environmental legislation. Natural gas burns much more cleanly than other fossil fuels -- and produces little air or water pollution. And it can play a larger role in our efforts to clean up our air and water.

The environmental opportunities can be global. With a free market for this fuel, we can foresee America and the world using more of it. America and her allies must work together now to expand the infrastructure to use this fuel. On this continent -- across the Atlantic -- across the Pacific -- these are opportunities for cooperation that can be helped by a freer market.

Where we can add diversity, flexibility, economy, and security to the world's energy picture -- we should do it. And natural gas is an important element.

But despite today's good news, this is no time for complacency. Our energy security problem continues. Conservation achievements are levelling off. Domestic oil production is continuing its downward trend. Petroleum imports are increasing. And our need for a cleaner environment is obvious to all.

And so today I have another announcement -- which, like the deregulation of natural gas -- is good news for America's energy future.

I am directing the Secretary of Energy to take the lead in developing a comprehensive National Energy Strategy.

We cannot and will not wait for the next energy crisis to force us to respond. I have asked Admiral Watkins to craft this strategy in close consultation with the Cabinet and the Congress, with our cities and our states. Our task -- our bi-partisan task -- is to build the national consensus necessary to support this strategy. And to make the strategy a living and dynamic document, responsive to new knowledge and new ideas, and to global, environmental and international changes. A keystone of this strategy will be the continuation of the successful policy of market reliance.

This task will not be easy. America must balance: Our increasing need for energy at reasonable prices. Our commitment to a safer, healthier environment. Our determination to maintain an economy that is second to none. And our goal to reduce dependence, by ourselves and our friends and allies on unreliable energy suppliers.

I am confident that America's can-do attitude, scientific know-how, and old-fashioned common sense will prevail. By acting now -- we can bequeath a legacy to the next century of a cleaner, more prosperous and secure America.

Today's legislation is a good start down that path. Domestically, natural gas can now reach its fullest potential as an economic, clean and convenient energy source. I congratulate those of you in Congress who have worked so hard and so long to bring this legislation to my desk.

And with that -- it is with great pride that I now sign the Natural Gas Wellhead Decontrol Act into law.

# # #