

Originally Processed With FOIA(s):

FOIA Number:

S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13506
Folder ID Number: 13506-007

Folder Title:
Briefing - Natural Gas Supply Association 10/12/89 [OA 3536]

Stack:	Row:	Section:	Shelf:	Position:
G	25	6	5	5

THE WHITE HOUSE
WASHINGTON

1989 OCT 16 PM 6:47

OCTOBER 16, 1989

RECEIVED
10/18/89

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: CHRISS WINSTON *cw*

FROM: MARK LANGE *ML*

SUBJECT: BRIEFING FOR NATURAL GAS SUPPLY ASSOCIATION

Attached are brief remarks for your meeting with members of the Natural Gas Supply Association, at ~~1:15~~ p.m. on Wednesday, October 18, in Room 450 of the Old Executive Office Building.

Some 200 representatives will attend. Your remarks should run 5 to 7 minutes.

10:00 am
Thursday

THE WHITE HOUSE
WASHINGTON

DATE:

FROM THE PRESIDENT

To: *Jim*

see p. 3

*I thought we do
subsidize ethanol
etc.*

(Lange/Dooley)
October 16, 1989
5:25 p.m.
[GAS.DOC]

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
~~WEDNESDAY~~, OCTOBER 18, 1989
~~1:15 P.M.~~

Shurs
10:00

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President. . .And to all of you representing this vital American industry: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of ^{detecting} knowing about ~~it~~. *the leak*

Well, it doesn't work that way here in the White House. We have leaks in here all the time. ~~But they're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]~~

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had

decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the wellhead, of course -- it will also demand that we pave the way for broader use of natural gas.

As you know, I sent a bill to re-write our Federal Clean Air Act to Capitol Hill this summer. Today, I can report some good news -- the bill has been reported out of Subcommittee relatively intact -- the first time the Subcommittee has produced a bill in several years. That's good news for clean-burning fuels. And it's good news for cleaner air. Our bill is simple. We set a tough standard for air pollution. We don't care which fuel can meet it -- as long as it's met. ~~We won't favor subsidizing any fuel.~~ Instead, we support harnessing the power of the marketplace in the service of the environment.

I want to thank all of you -- and Bill Reilly and his E.P.A. staff -- for all of the hard work you've done so far. Now let's double our efforts to get a bill as soon as possible -- so the American people can start the '90s as "The Clean Air Decade."

Natural gas will be a vital part of this picture -- not as the sole solution, of course, but as part of a comprehensive energy package that makes use of a number of fuels and technologies.

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, now.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

**NATURAL GAS SUPPLY ASSOCIATION BRIEFING
ROOM 450, OE0B / OCT. 19, 1989 / 10:05 A.M.**

**IT'S A PLEASURE TO HAVE YOU HERE TODAY. JIM
MIDDLETON, CHAIRMAN OF THE N.G.S.A.; AND NICK BUSH,
YOUR PRESIDENT. . . I SEE SOME FAMILIAR FACES OUT THERE.
TO ALL OF YOU REPRESENTING THIS VITAL AMERICAN
INDUSTRY: WELCOME.**

**NATURAL GAS SUPPLY ASSOCIATION BRIEFING
ROOM 450, OE0B / OCT. 19, 1989 / 10:05 A.M.**

**IT'S A PLEASURE TO HAVE YOU HERE TODAY. JIM
MIDDLETON, CHAIRMAN OF THE N.G.S.A.; AND NICK BUSH,
YOUR PRESIDENT. . . EUGENE TRACEY AND BUD LAWRENCE;
DANNY CONKLIN AND HAROLD SCOGGINS; WAYNE GIBBENS; KEN
LAY; JERRY HALVORSEN; WAYNE VALIS; AND TO THE MANY
FRIENDS AND FAMILIAR FACES OUT THERE -- TO ALL OF YOU
REPRESENTING THIS VITAL AMERICAN INDUSTRY: WELCOME.**

[[YEARS AGO, YOUR INDUSTRY ADDED AN AGENT TO NATURAL GAS THAT GAVE IT A CHARACTERISTIC SCENT. THAT WAY, IF THERE WAS EVER A LEAK IN SOMEONE'S HOUSE, THEY'D HAVE A BETTER CHANCE OF ~~KNOWING ABOUT IT.~~ *detecting the leak*

WELL, IT DOESN'T WORK THAT WAY HERE IN THE WHITE HOUSE. WE HAVE LEAKS IN HERE ALL THE TIME. ~~BUT THEY'RE USUALLY ODORLESS. SOMETIMES THEY'RE COLORLESS. SOMETIMES EVEN TASTELESS...~~ [PAUSE]

~~BUT THERE'S NO TRUTH TO THE RUMOR THAT WE'RE PUTTING CANARIES IN ALL THE WEST WING OFFICES...]]~~

YOU KNOW, JUST OVER A YEAR AGO I SPOKE TO A GROUP OUT IN MIDLAND, TEXAS. SAID I WAS PROUD THAT OUR ADMINISTRATION HAD DECONTROLLED OIL PRICES -- BUT THAT WE HADN'T YET BEEN ABLE TO PREVAIL IN CONGRESS, TO DECONTROL NATURAL GAS.

WELL, YOU KNOW WHAT HAPPENED NEXT. THE WISDOM OF THE MARKETPLACE PREVAILED.

- 4 -

AFTER DECADES OF DISAGREEMENT, WE WERE ABLE TO ELIMINATE AN ENTIRE SYSTEM OF ARTIFICIAL PRICE CONTROLS, FOR ONE OF AMERICA'S CLEANEST ENERGY RESOURCES.

THAT WAS THIS ADMINISTRATION'S FIRST MAJOR ENERGY INITIATIVE -- AND IT WAS A GOOD ONE.

GOOD FOR DEVELOPING DOMESTIC ENERGY RESOURCES, SO IMPERATIVE TO NATIONAL SECURITY.

- 5 -

GOOD FOR CONSUMERS, WHO WILL ENJOY RELIABLE ENERGY AT REASONABLE PRICES OVER THE LONGER TERM. AND GOOD FOR THE ENVIRONMENT, WHICH CAN ONLY BENEFIT FROM THE BROADER USE OF CLEAN-BURNING NATURAL GAS.

SOME OF YOU WERE WITH ME IN THE EAST ROOM WHEN I SIGNED THE NATURAL GAS WELLHEAD DECONTROL ACT INTO LAW -- BUT ALL OF YOU DESERVE CREDIT AND CONGRATULATIONS FOR THAT ACHIEVEMENT.

BY SUPPORTING DECONTROL OF GAS PRICES, YOU'VE HELPED BUILD DIVERSITY, FLEXIBILITY, ECONOMY, AND SECURITY INTO OUR ENERGY PICTURE -- NOW, AND FOR THE FUTURE.

NATURAL GAS IS -- AND WILL CONTINUE TO BE -- ESSENTIAL TO OUR DOMESTIC ENERGY SECURITY. WITH GROWING DIFFICULTIES IN OIL AND GAS LEASING, AND DIFFICULTIES IN SITING NUCLEAR PLANTS, WE WILL DEPEND MORE THAN EVER ON A BALANCED MIX OF ENERGY SOURCES.

THAT WILL MEAN MORE THAN DEREGULATING THE COST OF GAS AT THE WELLHEAD, OF COURSE -- IT WILL ALSO DEMAND THAT WE PAVE THE WAY FOR BROADER USE OF NATURAL GAS.

AS YOU KNOW, I SENT A BILL TO RE-WRITE OUR FEDERAL CLEAN AIR ACT TO CAPITOL HILL THIS SUMMER. TODAY, I CAN REPORT SOME GOOD NEWS -- THE BILL HAS BEEN REPORTED OUT OF SUBCOMMITTEE RELATIVELY INTACT -- THE FIRST TIME THE SUBCOMMITTEE HAS PRODUCED A BILL IN SEVERAL YEARS.

- 8 -

THAT'S GOOD NEWS FOR CLEAN-BURNING FUELS. AND IT'S GOOD NEWS FOR CLEANER AIR. OUR BILL IS SIMPLE. WE SET A TOUGH STANDARD FOR AIR POLLUTION. WE DON'T CARE WHICH FUEL CAN MEET IT -- AS LONG AS IT'S MET. ~~WE WON'T FAVOR SUBSIDIZING ANY FUEL.~~ INSTEAD, WE SUPPORT HARNESSING THE POWER OF THE MARKETPLACE IN THE SERVICE OF THE ENVIRONMENT.

- 9 -

I WANT TO THANK ALL OF YOU -- AND BILL REILLY AND HIS E.P.A. STAFF -- FOR ALL OF THE HARD WORK YOU'VE DONE SO FAR. NOW LET'S DOUBLE OUR EFFORTS TO GET A BILL AS SOON AS POSSIBLE -- SO THE AMERICAN PEOPLE CAN START THE '90S AS "THE CLEAN AIR DECADE."

NATURAL GAS WILL BE A VITAL PART OF THIS PICTURE -- NOT AS THE SOLE SOLUTION, OF COURSE, BUT AS PART OF A COMPREHENSIVE ENERGY PACKAGE THAT MAKES USE OF A NUMBER OF FUELS AND TECHNOLOGIES.

- 10 -

YOUR INDUSTRY IS AS CLEARLY ORIENTED TOWARD THE FUTURE AS ANY IN AMERICA. YOU UNDERSTAND THAT WE CAN'T WAIT FOR THE NEXT ENERGY CRISIS -- THAT A SECURE FUTURE DEMANDS THAT WE PLAN, NOW. THAT'S WHY I'VE ASKED THE SECRETARY OF ENERGY, ADMIRAL WATKINS, TO DEVELOP A COMPREHENSIVE NATIONAL ENERGY STRATEGY FOR THE NATION.

FOR SUCH A STRATEGY TO SUCCEED -- AND IT MUST SUCCEED -- WE'LL NEED BI-PARTISAN FEDERAL AND LOCAL SUPPORT.

- 11 -

IT WILL BE CRUCIAL THAT INDUSTRY LEADERS LIKE YOURSELVES WORK CLOSELY WITH ADMIRAL WATKINS ON THAT STRATEGY -- AND I KNOW WE CAN COUNT ON YOU.

IN THE COMING MONTHS, WE WILL BE LOOKING FOR YOUR THOUGHTS AND GUIDANCE. WITH GAS PRICES SET BY MARKET FORCES -- AND NEW TECHNOLOGIES OFFERING NEW USES FOR THIS FUEL -- NATURAL GAS IS ON THE VERGE OF REACHING ITS FULLEST POTENTIAL AS AN ECONOMIC, CLEAN, AND EFFICIENT SOURCE OF ENERGY.

- 12 -

I THINK ALL OF US CAN BE CONFIDENT THAT NATURAL GAS WILL HELP POWER THIS NATION WELL INTO THE NEXT CENTURY. LET ME OFFER YOU MY EVERY BEST WISH FOR A SUCCESSFUL ANNUAL MEETING.

AND NOW I'M GOING TO TURN THIS BRIEFING OVER TO TWO OUTSTANDING MEMBERS OF THE CABINET -- JIM WATKINS AND BILL REILLY.

#

THE WHITE HOUSE
WASHINGTON

OCTOBER 16, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH:

CHRISS WINSTON *cw*

FROM:

MARK LANGE *ML*

SUBJECT:

BRIEFING FOR NATURAL GAS SUPPLY ASSOCIATION

Attached are brief remarks for your meeting with members of the Natural Gas Supply Association, at 1:15 p.m. on Wednesday, October 18, in Room 450 of the Old Executive Office Building.

Some 200 representatives will attend. Your remarks should run 5 to 7 minutes.

(Lange/Dooley)
October 16, 1989
5:25 p.m.
[GAS.DOC]

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President. . .And to all of you representing this vital American industry: welcome.

[[] Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. But they're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had

decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean more than deregulating the cost of gas at the wellhead, of course -- it will also demand that we pave the way for broader use of natural gas.

As you know, I sent a bill to re-write our Federal Clean Air Act to Capitol Hill this summer. Today, I can report some good news -- the bill has been reported out of Subcommittee relatively intact -- the first time the Subcommittee has produced a bill in several years. That's good news for clean-burning fuels. And it's good news for cleaner air. Our bill is simple. We set a tough standard for air pollution. We don't care which fuel can meet it -- as long as it's met. We won't favor subsidizing any fuel. Instead, we support harnessing the power of the marketplace in the service of the environment.

I want to thank all of you -- and Bill Reilly and his E.P.A. staff -- for all of the hard work you've done so far. Now let's double our efforts to get a bill as soon as possible -- so the American people can start the '90s as "The Clean Air Decade."

Natural gas will be a vital part of this picture -- not as the sole solution, of course, but as part of a comprehensive energy package that makes use of a number of fuels and technologies.

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, now.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

THE WHITE HOUSE

WASHINGTON

DROP-BY NATURAL GAS SUPPLY ASSOCIATION BRIEFING

DATE: October 19, 1989
TIME: 10:05 a.m.
LOCATION: Room 450 OEOB

THROUGH: DAVID DEMAREST
ASSISTANT TO THE PRESIDENT FOR
COMMUNICATIONS

FROM: BOBBIE KILBERG ^{BK}
DEPUTY ASSISTANT TO THE PRESIDENT
FOR PUBLIC LIAISON

I. PURPOSE:

To note success of the Natural Gas Deregulation Act, discuss Clean Air initiatives and thank the Natural Gas Supply Association for their support of Administration policies.

II. BACKGROUND:

The Natural Gas Supply Association (NGSA) represents over 90 gas production and supply companies and has been very helpful in working to unite the gas community behind the Administration's Clean Air Act. NGSA is one of 14 Associations which has helped create the Clean Air Coalition to help foster grassroots support for the President's bill.

In addition to the NGSA membership, the leadership of the following groups will be present at the briefing: American Gas Association, Independent Petroleum Association of America, Mid Continent Oil and Gas Association and the Interstate Natural Gas Association.

The President will speak at the opening of the briefing. He will be followed by EPA Administrator Reilly and Energy Secretary Watkins.

III. PARTICIPANTS:

The President

Seated onstage during President's remarks:

EPA Administrator William Reilly
Energy Secretary James Watkins
Jim Middleton, Chairman, Natural Gas Supply Association
Nick Bush, President, Natural Gas Supply Association

Seated in front row:

Eugene Tracey, Chairman, American Gas Association
Bud Lawrence, President, American Gas Association
Danny Conklin, Chairman, Independent Petroleum Association
of America
Harold Scoggins, President, Independent Petroleum
Association of America
Wayne Gibbens, President, Mid-Continent Oil and Gas
Association
Ken Lay, Chairman, Interstate Natural Gas Association
Jerry Halvorsen, President, Interstate Natural Gas
Association
Wayne Valis, President, Valis Associates

Approximately 210 NGSA members and gas industry
association officials

IV. PRESS PLAN:

Open press.

V. SEQUENCE OF EVENTS:

- The President arrives Room 450 holding room.
- Met in holding room by:
 Jim Middleton, Chairman, Natural Gas Supply Association
 Nick Bush, President, NGSA
- Holding room gift presentation and photo.
- Guests depart holding room to stage.
- President is announced and enters stage.
- The President makes brief remarks.
- The President departs.

THE WHITE HOUSE
WASHINGTON

October 16, 1989

MEMORANDUM FOR CHRISS WINSTON

FROM: C. BOYDEN GRAY *CMH*
COUNSEL TO THE PRESIDENT

SUBJECT: Presidential Remarks: Natural Gas Supply
Association Briefing

The Counsel's Office has no legal objections to the above-referenced briefing. I have prepared an environmental insert that should be added on page 3.

Environment Insert:

Deregulation will not be complete, however, unless Congress enacts the emissions trading and alternative fuel provisions of our clean Air Act legislation now pending in Congress. These provisions are essential to the creation of a free market that will permit natural gas - the cleanest fuel available - the opportunity to compete fairly for a role in reducing our nation's air pollution. I believe that sufficient gas will be discovered to service any new markets that can be developed.

*2607
Jeff Holmstead*

89 OCT 16 AM 11:34

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/17/89 ACTION/CONCURRENCE/COMMENT DUE BY: ----

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION

	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 type="checkbox"/>	PORTER	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DARMAN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGICH	<input type="checkbox"/>	<input checked="" type="checkbox"/>
BATES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>PINKERTON</u>	<input type="checkbox"/>	<input checked="" 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.

RESPONSE:

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

THE WHITE HOUSE
WASHINGTON

1989 OCT 16 PM 6:47

OCTOBER 16, 1989

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH:

CHRISS WINSTON *cw*

FROM:

MARK LANGE *ML*

SUBJECT:

BRIEFING FOR NATURAL GAS SUPPLY ASSOCIATION

Attached are brief remarks for your meeting with members of the Natural Gas Supply Association, at 1:15 p.m. on Wednesday, October 18, in Room 450 of the Old Executive Office Building.

Some 200 representatives will attend. Your remarks should run 5 to 7 minutes.

(Lange/Dooley)
October 16, 1989
5:25 p.m.
[GAS.DOC]

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President. . . And to all of you representing this vital American industry: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. But they're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had

decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean more than deregulating the cost of gas at the wellhead, of course -- it will also demand that we pave the way for broader use of natural gas.

As you know, I sent a bill to re-write our Federal Clean Air Act to Capitol Hill this summer. Today, I can report some good news -- the bill has been reported out of Subcommittee relatively intact -- the first time the Subcommittee has produced a bill in several years. That's good news for clean-burning fuels. And it's good news for cleaner air. Our bill is simple. We set a tough standard for air pollution. We don't care which fuel can meet it -- as long as it's met. We won't favor subsidizing any fuel. Instead, we support harnessing the power of the marketplace in the service of the environment.

I want to thank all of you -- and Bill Reilly and his E.P.A. staff -- for all of the hard work you've done so far. Now let's double our efforts to get a bill as soon as possible -- so the American people can start the '90s as "The Clean Air Decade."

Natural gas will be a vital part of this picture -- not as the sole solution, of course, but as part of a comprehensive energy package that makes use of a number of fuels and technologies.

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, now.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

NATURAL GAS SUPPLY ASSOCIATION



Suite 300
1129 20th Street, N.W.
Washington, DC 20036-3403
(202) 331-8900

Nicholas J. Bush
President

October 13, 1989

Wayne Valis
Valis Associates
1747 Pennsylvania Avenue, N.W.
Suite 1201
Washington, D.C. 20006

Dear Wayne:

News that the President wishes to use our meeting as a forum for a major address is terrific. We are honored and flattered. This will be a great opportunity for the President to reaffirm his commitment to his Clean Air bill. As you know, NGSAA has worked hard with other organizations to support the Administration's effort, particularly in the acid rain provisions.

Some of those attending the Presidential speech, however, will be from integrated petroleum companies and may have some sensitivity to the ongoing debate over the methanol question. It would be a shame if this opportunity was not an entirely positive one for the President.

Couldn't the President's remarks:

- o Stress the great job that Bill Reilly has done at EPA along with the White House staff in bringing together the first significant, comprehensive Clean Air bill amendments that have won bipartisan support since the passage of the original measure.
- o Reiterate his personal support for his proposal and his commitment to working with Congress to achieve the very best Clean Air bill possible.
- o Reiterate his commitment to the principles of freedom of choice in meeting standards, no subsidization or preference for one particular fuel over another; and, no new taxes to achieve these objectives.
- o Stress the importance of natural gas and its potential contributions to a cleaner environment. Point out that it is not the sole answer but an important part of the total solution which will include a multiplicity of fuels and technologies. Bright days for natural gas are ahead.
- o Avoid open shop comments about the dispute over the "methanol" or alternative fuel issue -- the Clean Air fight has a long way to go and the President could use this occasion to firm up support among some of his biggest helpers. Confrontation on the methanol issue would only jeopardize that.

Sincerely,

NJB/jct

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/12/89 ACTION/CONCURRENCE/COMMENT DUE BY: 10/16/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION BRIEFING

	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 type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ROGERS	<input type="checkbox"/>	<input checked="" 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"/>	PINKERTON <i>N/C</i>	<input checked="" 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 forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Monday, October 16, with a copy to my office. Thank you.

RESPONSE:

Call Peggy for research changes.

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

(Lange/Dooley)
October 12, 1989
4:30 p.m.
[GAS.DOC]

1989 OCT 12 PM 4:52

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President... *[Collect them yours]* To all of you: *And* welcome. *representing this vital American industry:*

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. They're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil

and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the *wellhead* pipeline, of course -- it will also demand that we pave the way for broader use of natural gas.

Grady insert A

~~[Possible topical insert on C.A.A. / environment]~~

Natural gas will be a vital part of that picture -- not as the sole solution, of course, but as part of a comprehensive energy package that makes use of a number of fuels and technologies

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on

the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

(Lange/Dooley)
October 16, 1989
5:25 p.m.
[GAS.DOC]

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President. . . And to all of you representing this vital American industry: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. But they're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had

decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the wellhead, of course -- it will also demand that we pave the way for broader use of natural gas.

As you know, I sent a bill to re-write our Federal Clean Air Act to Capitol Hill this summer. Today, I can reprot some good news -- the bill has been reported out of Subcommittee relatively intact -- the first time the Subcommittee has produced a bill in several years. That's good news for clean/burning fuels. And it's good news for cleaner air. Our bill is simple. We set a tough standard for air pollution. We don't care which fuel can meet it -- as long as it's met. We won't favor subsidizing any fuel. Instead, we support harnessing the power of the marketplace in the service of the environment.

I want to thank all of you -- and Bill Reilly and his E.P.A. staff -- for ~~the work you've~~ ^{all of} ~~done~~ ^{hard} done so far. Now let's double our efforts to get a bill as soon as possible -- so the American people can start the '90s as "The Clean Air Decade."

Natural gas will be a vital part of this picture -- not as the sole solution, of course, but as part of a comprehensive energy package that makes use of a number of fuels and technologies.

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#



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", is written over a faint circular stamp.

David J. Haun
Executive Assistant
to the Director

89 OCT 16 9 100 68

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/12/89 ACTION/CONCURRENCE/COMMENT DUE BY: 10/16/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION BRIEFING

	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 type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMEYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>PINKERTON</u>	<input checked="" 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 forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Monday, October 16, with a copy to my office. Thank you.

RESPONSE:

See comments

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

(Lange/Dooley)
October 12, 1989
4:30 p.m.
[GAS.DOC]

1989 OCT 12 PM 4:52

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President... To all of you: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. They're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil

and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the pipeline, of course -- it will also demand that we pave the way for broader use of natural gas.

*Grady
x 4844*

A. Hill this summer. Today, I can report some good news -- the bill has been reported out of Subcommittee relatively intact -- the first time the Subcommittee has produced a bill in several years. That's good news for clean burning fuels. And it's good news for cleaner air. Our bill is simple, we set a tax

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on

I want to thank all of you -- and Bill Reilly and his EPA staff -- for the work you've done so far. Now let's redouble our efforts to get a bill as soon as possible -- so the American people can start the '90s as "the Clean Air Decade!"

the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/12/89 ACTION/CONCURRENCE/COMMENT DUE BY: 10/16/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION BRIEFING

	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 type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>PINKERTON</u>	<input checked="" 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 forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Monday, October 16, with a copy to my office. Thank you.

RESPONSE:

*See Comments
10/16/89*

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

(Lange/Dooley)
October 12, 1989
4:30 p.m.
[GAS.DOC]

1989 OCT 12 PM 4:52

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President... To all of you: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. They're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil

and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the pipeline, of course -- it will also demand that we pave the way for broader use of natural gas.

[Possible topical insert on C.A.A. / environment]

(-- May want to mention Clean Air).

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on

the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

Even though there are still reforms that need to be undertaken,
← I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/12/89 ACTION/CONCURRENCE/COMMENT DUE BY: 10/16/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION BRIEFING

	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 type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>PINKERTON</u>	<input checked="" 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 forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Monday, October 16, with a copy to my office. Thank you.

RESPONSE:

OK S.R.

89 OCT 13 P 1: 15

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

(Lange/Dooley)
October 12, 1989
4:30 p.m.
[GAS.DOC]

1989 OCT 12 PM 4:52

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President... To all of you: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. They're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil

and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the pipeline, of course -- it will also demand that we pave the way for broader use of natural gas.

[Possible topical insert on C.A.A. / environment]

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on

the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

THE WHITE HOUSE
WASHINGTON

October 16, 1989

MEMORANDUM FOR CHRISS WINSTON

FROM: ROGER B. PORTER *RBP*

SUBJECT: Presidential Remarks: Natural Gas Supply
Association Briefing

The President's draft remarks for the Natural Gas Supply Association Briefing are well written. The joke about leaks on the first page is particularly clever.

We have one comment from a policy standpoint. In the second full paragraph on page three, "That will mean more than deregulating the cost of gas at the pipeline" the word "pipeline" should be replaced with the word "wellhead".

If you have any questions or we can help in any other way, please let me know.

cc: James W. Cicconi

89 OCT 16 PM 2: 20

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/12/89 ACTION/CONCURRENCE/COMMENT DUE BY: 10/16/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION BRIEFING

	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 type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>PINKERTON</u>	<input checked="" 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 forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Monday, October 16, with a copy to my office. Thank you.

RESPONSE:

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

(Lange/Dooley)
October 12, 1989
4:30 p.m.
[GAS.DOC]

1989 OCT 12 PM 4:52

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President... To all of you: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. They're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil

and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the ~~pipeline~~ ^{WELLHEAD}, of course -- it will also demand that we pave the way for broader use of natural gas.

[Possible topical insert on C.A.A. / environment]

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on

the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

WHITE HOUSE STAFFING MEMORANDUM

DATE: 10/12/89 ACTION/CONCURRENCE/COMMENT DUE BY: 10/16/89 10:00 AM

SUBJECT: PRESIDENTIAL REMARKS: NATURAL GAS SUPPLY ASSOCIATION BRIEFING

	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 type="checkbox"/>	<input type="checkbox"/>	PORTER	<input checked="" type="checkbox"/>	<input type="checkbox"/>
DARMAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ROGICH	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BATES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	UNTERMAYER	<input type="checkbox"/>	<input type="checkbox"/>
CARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>ROGERS</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
CICCONI	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<u>WINSTON</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DEMAREST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>PINKERTON</u>	<input checked="" 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 forward any comments directly to Chriss Winston, Rm. 122, x2930, no later than 10:00 AM, Monday, October 16, with a copy to my office. Thank you.

RESPONSE:

Legislative Affairs would recommend that there be a "plug" for the President's clean air proposals (insert p. 3 ?)

Nancy Dorn (x7766) sent a memo to David Demarest 10/13/89 per his request. Pls. contact Nancy Dorn if any questions.

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

(Lange/Dooley)
October 12, 1989
4:30 p.m.
[GAS.DOC]

1989 OCT 12 PM 4:52

PRESIDENTIAL REMARKS: BRIEFING, NATURAL GAS SUPPLY ASSOCIATION
ROOM 450, OEOB
WEDNESDAY, OCTOBER 18, 1989
1:15 P.M.

It's a pleasure to have you here today. I see some familiar faces out there. Jim Middleton, Chairman of the N.G.S.A.; and Nick Bush, your President... To all of you: welcome.

[[Years ago, your industry added an agent to natural gas that gave it a characteristic scent. That way, if there was ever a leak in someone's house, they'd have a better chance of knowing about it.

Well, it doesn't work that way here in the White House. We have leaks in here all the time. They're usually odorless. Sometimes they're colorless. Sometimes even tasteless... [PAUSE]

But there's no truth to the rumor that we're putting canaries in all the West Wing offices...]]

You know, just over a year ago I spoke to a group out in Midland, Texas. Said I was proud that our administration had decontrolled oil prices -- but that we hadn't yet been able to prevail in Congress, to decontrol natural gas.

Well, you know what happened next. The wisdom of the marketplace prevailed. After decades of disagreement, we were able to eliminate an entire **system** of artificial price controls, for one of America's cleanest energy resources.

That was this administration's first major energy initiative -- and it was a good one.

Good for developing domestic energy resources, so imperative to national security. **Good for consumers**, who will enjoy reliable energy at reasonable prices over the longer term. And **good for the environment**, which can only benefit from the broader use of clean-burning natural gas.

Some of you were with me in the East Room when I signed the Natural Gas Wellhead Decontrol Act into law -- but **all** of you deserve credit and congratulations for that achievement.

By supporting decontrol of gas prices, you've helped build diversity, flexibility, economy, and security into our energy picture -- now, and for the future.

Natural gas is -- and will continue to be -- essential to our domestic energy security. With growing difficulties in oil

and gas leasing, and difficulties in siting nuclear plants, we will depend more than ever on a balanced mix of energy sources.

That will mean **more** than deregulating the cost of gas at the pipeline, of course -- it will also demand that we pave the way for broader use of natural gas.

[Possible topical insert on C.A.A. / environment]

Your industry is as clearly oriented toward the future as any in America. You understand that we can't wait for the next energy crisis -- that a secure future demands that we plan, **now**.

That's why I've asked the Secretary of Energy, Admiral Watkins, to develop a comprehensive National Energy Strategy for the nation.

For such a strategy to succeed -- and it **must** succeed -- we'll need bi-partisan Federal and local support. It will be crucial that industry leaders like yourselves work closely with Admiral Watkins on that strategy -- and I know we can count on you.

In the coming months, we will be looking for your thoughts and guidance. With gas prices set by market forces -- and new technologies offering new uses for this fuel -- natural gas is on

the verge of reaching its fullest potential as an economic, clean, and efficient source of energy.

I think all of us can be confident that natural gas will help power this nation well into the next century. Let me offer you my every best wish for a successful Annual Meeting.

And now I'm going to turn this briefing over to two outstanding members of the Cabinet -- Jim Watkins and Bill Reilly.

#

THE WHITE HOUSE

WASHINGTON

October 13, 1989

MEMORANDUM TO: David Demarest
THROUGH: Fred McClure
FROM: Nancy Dorn
SUBJECT: Clean Air status report

In preparation for the President's remarks to the gas association next Wednesday, you had requested an update on the progress of the Administration's Clean Air legislation. After three weeks of debate and amendment, the bill was reported out of the House Energy and Commerce Subcommittee on Health and the Environment Wednesday. Though subjected to much debate, some controversial amendments and intense media attention, the significant news is that the Administration bill remains intact coming out of the Waxman subcommittee.

The significant amendments which were adopted during the subcommittee markup include:

- a Dingell - Lent substitute to the original bill tightening up several vulnerable areas such as the exclusion of tall stacks from regulation, as well as correcting several inadvertent errors in the original bill. This was accepted by the Administration and was generally non-controversial.
- a Waxman - Dingell agreement tightening tailpipe emissions to the levels currently in place in California and providing for stricter controls in the early 2000's if necessary and feasible.
- the Hall - Fields alternative fuel amendment. The Administration did not support the amendment because it yields fewer emission reductions than did the Administration bill. The amendment's sponsors have indicated willingness to address the Administration's concerns in full committee and we are currently discussing potential fixes with them.

Chairman Dingell has indicated that he would like to move the bill fairly quickly to the full committee, probably in the next two weeks. There is still a chance that the bill could be considered by the Sharp subcommittee on Energy and Power, though

it seems somewhat unlikely since Sharp does not have the votes in his subcommittee to fix his own regional problems. Several of the most contentious amendments were not offered in the Waxman subcommittee, including amendments on cost-sharing to alleviate the burden on the Midwest and the emissions cap, which effects fast-growing states like Florida. We will have to deal with these and other issues in the full committee markup.

[REDACTED]

- 2 -

[[] YEARS AGO, YOUR INDUSTRY ADDED AN AGENT TO NATURAL GAS THAT GAVE IT A CHARACTERISTIC SCENT. THAT WAY, IF THERE WAS EVER A LEAK IN SOMEONE'S HOUSE, THEY'D HAVE A BETTER CHANCE OF DETECTING THE LEAK.

WELL, IT DOESN'T WORK THAT WAY HERE IN THE WHITE HOUSE. WE HAVE LEAKS IN HERE ALL THE TIME.

- 3 -

YOU KNOW, JUST OVER A YEAR AGO I SPOKE TO A GROUP OUT IN MIDLAND, TEXAS. SAID I WAS PROUD THAT OUR ADMINISTRATION HAD DECONTROLLED OIL PRICES -- BUT THAT WE HADN'T YET BEEN ABLE TO PREVAIL IN CONGRESS, TO DECONTROL NATURAL GAS.

WELL, YOU KNOW WHAT HAPPENED NEXT. THE WISDOM OF THE MARKETPLACE PREVAILED.

- 8 -

THAT'S GOOD NEWS FOR CLEAN-BURNING FUELS. AND IT'S GOOD NEWS FOR CLEANER AIR. OUR BILL IS SIMPLE. WE SET A TOUGH STANDARD FOR AIR POLLUTION. WE DON'T CARE WHICH FUEL CAN MEET IT -- AS LONG AS IT'S MET. INSTEAD, WE SUPPORT HARNESSING THE POWER OF THE MARKETPLACE IN THE SERVICE OF THE ENVIRONMENT.

- 4 -

AFTER DECADES OF DISAGREEMENT, WE WERE ABLE TO ELIMINATE AN ENTIRE SYSTEM OF ARTIFICIAL PRICE CONTROLS, FOR ONE OF AMERICA'S CLEANEST ENERGY RESOURCES.

THAT WAS THIS ADMINISTRATION'S FIRST MAJOR ENERGY INITIATIVE -- AND IT WAS A GOOD ONE.

GOOD FOR DEVELOPING DOMESTIC ENERGY RESOURCES, SO IMPERATIVE TO NATIONAL SECURITY.

[REDACTED]

- 2 -

[[] YEARS AGO, YOUR INDUSTRY ADDED AN AGENT TO NATURAL GAS THAT GAVE IT A CHARACTERISTIC SCENT. THAT WAY, IF THERE WAS EVER A LEAK IN SOMEONE'S HOUSE, THEY'D HAVE A BETTER CHANCE OF DETECTING THE LEAK.

WELL, IT DOESN'T WORK THAT WAY HERE IN THE WHITE HOUSE. WE HAVE LEAKS IN HERE ALL THE TIME.

- 3 -

YOU KNOW, JUST OVER A YEAR AGO I SPOKE TO A GROUP OUT IN MIDLAND, TEXAS. SAID I WAS PROUD THAT OUR ADMINISTRATION HAD DECONTROLLED OIL PRICES -- BUT THAT WE HADN'T YET BEEN ABLE TO PREVAIL IN CONGRESS, TO DECONTROL NATURAL GAS.

WELL, YOU KNOW WHAT HAPPENED NEXT. THE WISDOM OF THE MARKETPLACE PREVAILED.

- 8 -

THAT'S GOOD NEWS FOR CLEAN-BURNING FUELS. AND IT'S GOOD NEWS FOR CLEANER AIR. OUR BILL IS SIMPLE. WE SET A TOUGH STANDARD FOR AIR POLLUTION. WE DON'T CARE WHICH FUEL CAN MEET IT -- AS LONG AS IT'S MET. INSTEAD, WE SUPPORT HARNESSING THE POWER OF THE MARKETPLACE IN THE SERVICE OF THE ENVIRONMENT.

- 4 -

AFTER DECADES OF DISAGREEMENT, WE WERE ABLE TO ELIMINATE AN ENTIRE SYSTEM OF ARTIFICIAL PRICE CONTROLS, FOR ONE OF AMERICA'S CLEANEST ENERGY RESOURCES.

THAT WAS THIS ADMINISTRATION'S FIRST MAJOR ENERGY INITIATIVE -- AND IT WAS A GOOD ONE.

GOOD FOR DEVELOPING DOMESTIC ENERGY RESOURCES, SO IMPERATIVE TO NATIONAL SECURITY.