Office of Public Affairs

**U.S. Environmental Protection Agency** 

Washington, D.C. 20460

#### AUTOS

Up to 10 million '75-model car owners may be without vital unleaded gas if supply and distribution problems not solved shortly, says AAA (AP story in <u>Wash. Star</u>, 5/27/74, <u>Wash. Post</u>, 6/2/74). AAA contacts with industry officials reveal back-logs in production of special nozzles, low fuel supplies and higher demand than expected. EPA's distribution formula called inadequate, particularly for rural areas. FEO and EPA play down report, FEO predicts adequate supplies, fears shortage of retail outlets, an EPA responsibility.

IN RELATED DEVELOPMENTS, 5 oil companies representing 10-15% of service stations in Md. & Va. announce elimination of premium gas at pumps to make room for unleaded gas by July (Wash. Post, 5/29/74). .... EPA's Norman Shutler outlines unleaded gas regs to Society of Independent Gasoline Marketers of America, showing "tough," "unyielding" EPA regulatory pattern, at same time quieting some dealer apprehension (Oil Daily, 5/22/74). .... Texaco predicts significant fuel penalty from refining of unleaded gas, in testimony to a Senate panel (Energy Resources Report, 5/10/74). American Petroleum Institute expects closure of 20 small refineries in lead phase-down (Report, 5/10/74); API's W.L. Walker also fears large fuel losses due to phase-down, calling health rationale "very speculative...more imagination than reality" (Oil Daily, 5/16/74).

IN OTHER AUTO DEVELOPMENTS, Phila. Inquirer (6/2/74) reports possibility that EPA ozone regs in transportation control strategies invalid after new study by Bell Laboratories, "one of the nation's most prestigious scientific teams," shows atmospheric concentrations not related to level of auto emissions. Cites EPA's (Reg. II) concern on study's impact. .....FEO's Sawhill asks auto manufacturer's for cars with increased mileage from national average of  $13\frac{1}{2}$  mpg to 17 mpg by '80, 19 mpg by '85 (Wash. Star, 5/23/ 74); asks voluntary cooperation, threatens "compulsory standards." Remarks hailed in Star editorial (5/28/74). .... EPA concedes its '74 fuel economy data meaningless and confusing to average car buyer, announces changes to include more specifics on gas mileage when adding, subtracting options, data on highway mileage (in addition to present urban-suburban data) (N.Y. Times, 5/30/74). Present test procedures using dynamometers would not change. ..... A Harrisonburg, Va. company is offering a \$10.95 Emission Bypass Control Manual, showing "...in explicit and photographic detail how to by-pass the controls and re-tune each 1973 and 1974 GM, Ford, Chrysler, and AMC automobile engine," also applicable to '70-'72 cars (AP story in Richmond Times-Dispatch, 5/24/74). EPA announces Texas company's mixed success with automotive steam engine -- meets emission standards, but fuel economy poor (N.Y. Times, 5/28/74, Wall St. Journal, 5/28/74).

## OIL

Jack Anderson charges secret NAS study disputes oil industry claims that petroleum production won't cause environmental damage (Wash. Post, 5/30/74). Report says 5
million tons of oil wastes are dumped into ocean annually, U.S. coastal waters suffer
8,000 oil spills a year, seriously damaging commercial fisheries and threatening certain
bird, fish species with extinction. In follow-up column 6/1/74), Anderson says extensive damaging data on carciogenic qualities of oil-polluted seafood "censored" from
final NAS report, replaced with substitute statement: "the effect of oil spills on
human health appears to be negligible." He also says, "It may only be a coincidence

IN RELATED DEVELOPMENTS, Southern Californians joining together to protest proposed oil drilling off Santa Barbara coast (Baltimore Sun, 5/22/74). Described by Sun as "epic." fight pits oil companies and fuel-hungry supporters against environmentalists and users of "...some of the most heavily-used bathing beaches in the world." Most

that scientists from Shell and Chevron oil companies helped prepare the report."

likely drilling areas, to be leased by Interior Dept., located in shallow waters within sight of beaches. Politicians, though concerned about fuel shortages, calling for extensive environmental controls, with L.A. Mayor Bradley asking for 2-year moratorium on leasing pending state coastal conservation plan. ..... Santa Barbara ranks tenth in oil industries' assessment of prime resource areas, with Central Gulf of Mexico No. 1, Gulf of Alaska, No. 2, and Mid-Atlantic, No. 5 (Energy Resources Report survey, 5/24/74). .....John Whitaker of Interior Dept. notes Gulf of Alaska, Mid-Atlantic (Baltimore Canyon) first "frontier" areas to be leased, possibly by "end of 1975". .....Gulf of Alaska ranked earlier by CEQ as "most environmentally dangerous offshore area for oil and gas drilling". .... Whitaker, in Senate testimony, condemns legislation against Outer Continental Shelf (OCS) drilling, assures adequate environmental safeguards (ERR, 5/10/74); testimony against necessity of further safeguards echoed by EPA deputy administrator John Quarles (Wash. Star, 5/7/74). ..... New York Times (5/14/74) asks Interior to heed CEO's advice on OCS drilling, postpone all leasing until long-range effects known, to "...preclude the hasty gobbling up of a resource which once gone, can never be replaced --not to mention...a coastline..." ..... Newsday (5/22/74) in study of "pros and cons" of offshore drilling, finds "few hardliners on either side" --drilling acceptable to most

people if safety assured. IN OTHER OFFSHORE DEVELOPMENTS, House Rules Comm. has sent to floor two bills authorizing deepwater ports (Clean Water Report, 5/24/74). Public Works Committee bill, which is first scheduled for debate, leaves federal licensing to special commission including EPA administrator, grants states licensing preferences, contains cost recovery provision, gives neighboring states veto power (Wash. Post, 6/2/74, Clean Water Report, 5/24/74). Merchant Marine & Fisheries Committee bill, which can be debated only if Public Works bill defeated, is supported by Administration, and would give licensing authority to Interior, operating authority to Coast Guard (Post, 6/2/74, CWR, 5/24/74). Sierra Club, in its National News Report (5/24/74), supports Merchant Marine & Fisheries version for its "stronger provisions for public participation, judicial review and liability."

IN RELATED DEVELOPMENTS, Interior Dept., in completed environmental impact statement on deepwater ports, urges greater dispersal of resultant industrial development (crude oil delivery, storage, refineries, transportation facilities) to minimize impact (Land Use Planning Reports, 5/27/74).....Natural Resources Defense Council is assisting three Puerto Rico-based conservation groups in suit against EPA Administrator Russell Train and members of P.R. government, including Gov. Colon, for failure to file environmental impact statements on impending superport construction. Plaintifs charge "environmental colonialism," saying port and refineries will be used to benefit U.S. east coast cities, with Puerto Rico suffering consequences (San Juan Star, 5/21/74).

#### REFINERIES

Fourth New England Coastal Zone Management Conf., in refinery issue debate, heard MIT professor point out refineries' poor use of labor, and capital intensiveness which benefits private corporations, not state; drew sharp retort from Exxon--"New England had better hurry up..." (Coastal Zone Management, 5/22/74). In consideration of siting factors, EPA Reg. I rep Wally Stickney "sounded less encouraging," citing gaps in federal regs on noise, illumination, odor & solid waste; Arthur D. Little rep stated refineries may provide jobs, but tax benefits small, social impacts great, doubtful whether states can enforce pollution laws. Interior's Frank Kelly "typified the federal heavy hand by intimating that New England had better take its refinery or there could be a stronger law soon about siting facilities."

IN RELATED DEVELOPMENTS, Vermont Governor Salmon calls for joint New England commitment to seek refinery construction (<u>Burlington Free Press</u>, 5/8/74).....Gordon Bishop, columnist for Newark <u>Star-Ledger</u> (5/8/74), calls for deepwater port construction off New Jersey coast, but asks for state legislation prohibiting any new on-shore construction, since already has more than any other state.

## ENERGY VS. ENVIRONMENT

The environmental movement, "far from becoming the scapegoat in this national upheaval...is emerging with wider respect than it has enjoyed at anytime in history," reports the National Observer (5/18/74). "The issue of resources and the environment has broken through to touch the rank-and-file citizens," says ecologist Barry Commoner, "...they have a very skeptical attitude toward the oil companies...[they are] able to analyze things, so that today the oil companies are facing an environmentally educated public." Observer finds four major reasons for new trend: 1) "kooks" of environmental movement have been replaced by economists and planners; 2) public believes environmentalists' warnings that resources are finite and should be wisely used; 3) because of apparent ineptness and confusion displayed by federal government and oil companies, public beginning to listen to other "experts"; 4) public becoming aware of interrelationship of economics, energy and the environment. Observer says many conservation and environment groups reporting considerable membership increases, yet these groups remain cautious, warning of "more stormy weather" to come.

Michael Frome, in <u>Field & Stream</u> interview with Russell Train (June, 1974) gives Train "high marks" for successfully overcoming challenges to environmental laws, esp. in energy/environment conflicts. Says "...Train, through both his strengths and weaknesses, has shown that we must continue with courage to fight for environmental protection as an integral part of all national policies."

IN OTHER ENERGY DEVELOPMENTS, the National Academy of Engineering, in a study conducted by its Task Force on Energy which included top industry executives, has concluded that U.S. energy self-sufficiency by 1985 is not likely even if "the federal government immediately undertook a comprehensive 'wartime crash-type' energy program, and private industry commits a total of \$600-billion or more" (Energy Resources Report, 5/17/ N.Y. Times, in 5/27/74 editorial, complains of lack of energy policy in Washington, citing "...inter-related problems which turn...policy into something requiring far more coordination than the Administration has yet been able to provide. More than forty Federal Government agencies, bureaus and commissions play their separate and distinct regulatory roles in energy policy-making, often in ignorance of what the others are doing and without any clear guidelines of national policy against which to measure their individual decisions".....One-half of all power plants that were given variances to switch from oil to coal, will be back to oil this summer, says director, Bur. of Mines (Oil Daily, 5/10/74) and National Coal Association President Carl Bagge (Energy Resources Report, 5/17/74); FEO's Sawhill expects to grant more variances to offset those switching back to oil (ERR, 5/17/74).

Senate passes bill providing program to demonstrate solar heating technology within 5 years (Energy Resources Report, 5/24/74)....Senate Government Operations Comm. has approved House-passed legislation creating Energy Research & Development Agency (WS Journal, 5/30/74).

## OIL SHALE

The Univ. of Denver finds carcinogenic substances "more than double levels known to induce malignancy in laboratory animals" in shale processing waste water, fears large-scale shale oil development "could create serious pollution threats to air, underground water, plants and livestock" (L.A. Times, 5/12/74). Notes more carcinogenic the substance the more soluble in water it is, substances will be present "long after shale industry has ceased." Asks for adequate protective measures. Story also in Clean Water Report, 5/14/74....Environmental Defense Fund undertaking program to monitor water, air, land

use problems in Colo. shale development (<u>Water Newsletter</u>, 5/30/74)....Interior's Bur. of Land Mgmt. has begun issuing various land-use permits in connection with shale leases (<u>Denver Post</u>, 5/22/74). Director, Colorado Health Dept., Edward Dreyfus tells a Senate public works subcomm. that "Oil shale development should be stalled until its environmental consequences are clearly understood..."(<u>Denver Post</u>, 5/16/74). Citing unavoidable devastation to land, severe impact on air, water quality, Dreyfus says "hysterical speed could produce irreversible consequences." Asks EPA, state agencies be funded on level of private industry to do job adequately.

# STRIP MINING

House Interior Comm.-approved strip mining legislation draws fire from both coal industry and environmentalists. Controversial amendments include those requiring restoration of strip-mined land, and banning "high-wall" cuts. Nat'l Coal Assoc. says reclamation provisions could prevent production of 60% of western low-sulfur coal, all eastern coal; environmentalists oppose "interim" standards which could give coal industry 40 mos. more under standards virtually unchanged from present (Energy Resources Report, 5/17/74). Interior Sec. Morton, and FEO head Sawhill also oppose House comm. bill as unacceptable for meeting national energy needs (N.Y. Times, 5/31/74). Rep. Udall of Ariz. calls Morton's data "full of distortions and inaccuracies," called Administration opposition "...almost total capitulation to the most conservative and backward segment of coal industry."

Wall St. Journal (5/28/74) supports House comm. legislation as a "quite reasonable start," "certainly much more reasonable and realistic" than Senate bill. Journal also considers requirements to obtain written consent from owners of surface land "reasonable." "Actually, it isn't at all clear that industry will be unduly handicapped by the regulations embodied in the House committee bill. Pennsylvania has somewhat similar laws, supposedly the toughest of any state in the nation, yet strip mining production has actually increased in that state." Louisville Courier-Journal (5/18/74) opposes bill as "weak and ineffectual." Believes strip mining "not necessary," says 30 times more low-sulfur, deep-mine coal than strippable coal in national reserve. Fears "continued rape and ruin of Appalachian coalfields," if interim standards allowed. David Ross Stevens, in Courier-Journal column (5/19/74) considers anti-pollution standards in House bill "extremely weak...it appears that Kentucky's standards are stiffer."



566-A9.

ENVIRONMENTAL PROTECTION AGENCY

TENAL TY FOF

OFFICIAL BUSINESS

OFC OF PUBLIC AFFAIRS, A-107
WASHINGTON, D.C. 20460