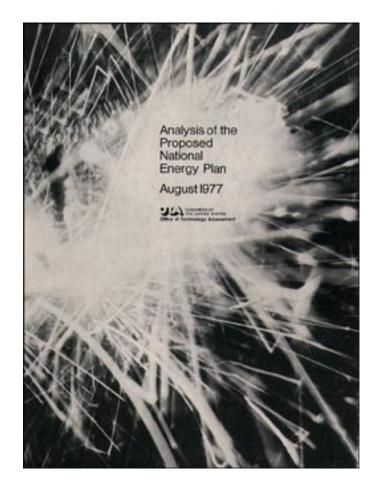
Analysis of the Proposed National Energy Plan

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Congress of the United States OFFICE OF TECHNOLOGY ASSESSMENT WASHINGTON, D.C. 20510

Honorable Olin E. Teague Chairman, Committee on Science and Technology U.S. House of Representatives Washington, D. C . 20515

Honorable Morris K. Udall Chairman, Committee on Interior and Insular Affairs U.S. House of Representatives Washington, D.C. 20515

Gentlemen:

On behalf of the Board of the Office of Technology Assessment, I am pleased to forward the results of the assessment requested by your Committees.

This report provides a balanced and impartial analysis of the Administration's proposed National Energy Plan. We hope that this analysis will serve as a useful resource, not only for the current debate on the proposed National Energy Plan, but also for the continual evaluation of the issues it presents.

Sincerely,

EDWARD M . KENNEDY Chairman

Enclosure

Foreword

This report is an analysis by the Office of Technology Assessment of the Administration's proposed National Energy Plan. It was made in response to requests from Chairman Olin E. Teague of the House Committee on Science and Technology and Chairman Morris K. Udall of the House Committee on Interior and Insular Affairs.

The National Energy Plan, which was presented to Congress on April 20, 1977, prescribes goals and principles to guide the Nation's energy future. The Administration also submitted legislation to implement the Plan. The purpose of the OTA study was to provide Congress with an independent evaluation of the Administration's proposals and their social and economic effects.

Task groups were assembled to assess the Plan's likely impacts on energy supply, energy demand, and society as a whole. An additional task group examined the overall policy implications of the Plan. The task groups, whose members are identified at the beginning of this report, were assembled to ac h i eve a balance of viewpoints. They represented major energy industries, energy demand sectors, environmental groups, consumer and public interest groups, academic institutions, and State and local governments. Each task group identified and assessed key issues posed by the Plan. The entire study was conducted over a 2-month period beginning in late April 1977.

The report begins with an executive summary, including the major conclusions on supply, demand, and societal impacts. Chapter I provides an overall perspective on the Plan and its policy implications. There follow chapters for each of the three impact areas and the issues that need to be considered. Finally, there are two appendixes: the first measures the magnitude of the energy problem; the second analyzes the effect of energy price changes on the supply of fossil fuels.

The Project Director for this assessment was Dr. Richard E. Rowberg, who was supported by the Energy Program Staff, led by Mr. Lionel S. Johns, the Program Manager.

Throughout this analysis and in the planning for it, OTA was assisted by its Energy Advisory Committee, chaired by Professor Milton Katz.

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*Note: The OTA Energy Advisory Committee provided advice, crltique, and material assistance throughout this assessment, for which the OTA staft is deeply grateful. The Advisory Committee, however, does not necessarily approve, dlsapprove, or endorse this report. OTA assumes full responsibility for the report and the accuracy of its content.

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