To See Complete Finding Aid:
http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf
MEMORANDUM FOR THE PRESIDENT
FROM: FRANK MOORE

The Department of Education bill passed the Senate today by a vote of 72 to 21. It had no amendments.
PRESIDENT JIMMY CARTER
WHITE HOUSE CORRESPONDENTS DINNER
SATURDAY, APRIL 28, 1979

MEMBERS OF THE CABINET, THE CONGRESS, OTHER DISTINGUISHED
AMERICAN CITIZENS—and, REMAINING SURVIVORS OF LAST YEAR'S
WHITE HOUSE CORRESPONDENTS DINNER.

I AM HONORED TO BE HERE TONIGHT TO SUBSTITUTE FOR

JODY POWELL.

You know, you remember JODY, JODY POWELL!

He is the one who filled in for me last year.
The quality of his performance will never be forgotten.

IT HAS HAD AN OBVIOUS IMPACT ON THE TREATMENT OF MY
ADMINISTRATION DURING THE PAST TWELVE MONTHS.

I want to thank you very much. YEAH, THANKS A LOT!

As a matter of fact, he picked up most of his best lines
during emotional moments in the Oval Office.

It became obvious to me that some people can recognize
a joke and some people can't.

THEREFORE

WE ARE CONTEMPLATING SOME CHANGES IN THE WHITE HOUSE
SENIOR STAFF. ALTHOUGH I PREFER NOT TO CALL ANY NAMES, THE
POPULATION OF SOME PEOPLE IN VIENNA, GEORGIA WILL NOT BE PLEASED.

I UNDERSTAND

ATLANTIC MONTHLY HAS ALREADY MADE HIM AN OFFER.

(-OVER-) (I HAVE TO ADMIT...)

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SERIOUSLY.

I HAVE TO ADMIT THAT AT TIMES JODY DOES HAVE SOME
GOOD IDEAS.

FOR INSTANCE HE WANTS ME TO OPEN THE INDOOR SWIMMING
POOL AT THE WHITE HOUSE. (PAUSE)

SUDDENLY-- DURING ONE OF HIS BRIEFINGS.

ANY SURVIVORS WOULD BE PERMITTED TO HAVE SWIMMING PRIVILEGES.

I WOULD OF COURSE HAVE TO PERSONALLY ARRANGE TO PUT
YOU ON THE SCHEDULE. ---

COME TO THINK OF IT, I PROBABLY SHOULD NOT HAVE KICKED
JIM FALLOWS OFF THE TENNIS COURT.

A LOT OF PEOPLE JUST DON'T UNDERSTAND THE
AWESOME RESPONSIBILITIES OF A PRESIDENT.

AS YOU CAN SEE I'M REALLY VERY BUSY, BUT ONLY SOME
GREAT WORLD CRISIS COULD HAVE KEPT ME AWAY TONIGHT.

AND BF. BRZEZINSKI ALMOST GOT FIRED, BECAUSE HE COULDN'T
FIND ONE.

OF COURSE

I ALSO HATED TO MISS THE LA FUNDRAISING BANQUET LAST
MONTH.

INVESTIGATIVE REPORTING MAY SOME DAY REVEAL THE REASON
WE NOW HAVE A MID EAST PEACE TREATY.

AFTER ALL, I GUESS IF I COULD GO TO JERUSALEM AND CAIRO
TO MAKE PEACE I COULD COME TO THE WASHINGTON HILTON. FOR
THE SAME PURPOSE.

OF COURSE YOU'RE A TOUGHER GROUP THAN THE KNESSET.

I JUST THANK GOD THEY DON'T DRINK AS MUCH!

AS A MATTER OF FACT, EVEN A LOT DOESN'T SEEM TO HURT.

BUT AT LEAST ALCOHOL SEEMS TO IMPROVE YOUR JUDGMENT.
You're still able to concentrate on the most important issues. That you're always after the genuine insider's background story.

And tonight to show my goodwill I'm going to give you such an inside story.

Off the record, of course.

So put away your crayons.

In 1980, as you may have heard, the most important position of public leadership in America will once again be open and we must have strong leadership. However, image is obviously most important.

Now, John Connally is a master, but on my own I discovered his secret.

I noticed that a few months ago, he parts his hair on the left side.

And I decided to eliminate this Republican advantage with one bold stroke of a comb.

The result has been truly remarkable.

Neither my wife nor my barber noticed the change. But the best result was that Sam Donaldson didn't recognize me at all.

In spite of this episode, the other members of the press seldom miss a trick.

You probably already know that this change from right to left is only for the primaries and then back to the center for the general election.

(-over-) (I really get ...)
I really get annoyed with this kind of question.
Even Amy has been asking me why everyone talks about
John Connally, Ronald Reagan and Jerry Brown -- instead
of about me.
I told her I'm only the President, -- they're
candidates.
But she just looked at me and said "Teddy Kennedy
isn't a candidate, Daddy".
Please don't laugh -- she's only a child.
She doesn't understand the awesome responsibilities
of being a President.

For instance
I get a lot of calls from world leaders.
Just last night Jim Callaghan wanted me to get Tip
O'Neill to endorse Mrs. Thatcher.
Prime Minister Ohira called earlier this morning to
be sure that when I go to Japan in June that Linda Rondstat
will be with me.

They often don't understand American politics,
but I finally found a way to explain to foreign leaders
why we have such colorful opposition in my own party.
This is California's contribution to celebrating the
year of the child.
A lot of people don't understand the awesome responsibility of being President.

They keep asking me if I'm running.

I keep asking them -- running what?

You understand better than most the awesome responsibility of being President.

That's why I'm increasingly interested in our nation's news media -- television, radio, newspapers.

As a matter of fact to demonstrate my interest, I've asked Fred Kahn this week to take a careful look at your advertising rates and your first quarter profits.

Inflation is really tough, and a lot of people just don't understand the awesome responsibility of being President.

At least I have proven that the President still has tremendous powers of persuasion.

Take the most recent wage guideline dispute.

I had no trouble at all in persuading the Teamsters to consider my position before they put the new ones into effect.

(over) (I'm not the ...)

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for Preservation Purposes
I'm not the only one, by the way, interested in the news media. A lot of people were puzzled that the Supreme Court would suddenly permit prosecutors to peer into the contents of reporters' minds. Frankly, so am I. I didn't even know the Court had a sense of humor.

Even my most conservative friends are shocked at the consequences of this ruling. I agree with them. Of course you couldn't just let anyone do it. They're already demanding a law to protect children under eighteen.

For my part I promise never to ask what you were thinking when you write about one of my programs if you won't ask what was in my mind when I thought it up.

But you're not the only one in trouble with the law! They're looking into my peanut warehouse just like they're looking into editors' minds. But we're not worried, are we? We know they won't find anything.
Which reminds me of Bob Strauss.

Bob Strauss, you'll have to admit is the ideal man for the Middle East problems.

He's qualified for the position when he sold the most tickets for the big state dinner in the circus tent.

This event delayed our energy plan-of-the-month.

We had to wait until after this fundraiser was over before announcing the windfall profits tax. They thought it was "you scratch my back -- I'll scratch yours!"

This careful scheduling shows that I've learned a lot about the oil companies and I've made some unfair accusations against them. Of course, I wouldn't admit it in public!

I've learned, for instance, that they really never wanted to buy a circus.

They were really after the Congress and just got confused.

Speaking of confusion, I'd like to say, in all sincerity, that you, the White House correspondents, are some of my best and closest friends.

We have a wonderful almost unprecedented personal relationship.

I'm proud of you.

As a group I consider you to be a national treasure.

And I'm working on plans for you to have a permanent and a suitable homeland.

(-over-) (It has been a ...)

Electrostatic Copy Made for Preservation Purposes
It has been a pleasure to be with you tonight and to have shared a few quiet thoughts on this solemn occasion.

In our day-to-day dealings with each other we occasionally ... we often ... we almost always aggravate the hell out of each other.

And sometimes we engage in what is known by Washington Semanticists as an adversary relationship.

But I hope we never forget that the people who founded this country planned it that way.

This nation of ours would be unimaginable without a free and a vigorous press.

That is why when the Founders wrote the Bill of Rights, they made the First Amendment the lead, and may that never change.

We have a lid until 9 o'clock Monday morning.

Good night everybody.
REMARKS FOR THE WHITE HOUSE CORRESPONDENTS DINNER

Note: The entertainment is the Chicago Symphony Orchestra Chorus, conducted by a formidable woman named Margaret Hillis. She will conclude with "The Battle Hymn of the Republic."

Members of the Senate, the Congress, Distinguished Members of the Press -- with a few notable exceptions -- but all remaining Honored Guests, Spouses, Roommates and Fellow Survivors of last year's White House Correspondents' Dinner....

2. This moving singing has given me a new inspiration -- the real problem with the White House Press Corps is that you just don't rehearse.

3. I am happy to be here tonight to fill in for Jody Powell. You may remember Jody filled in for me last year. I hear he did his performance, has had an impact on the White House. He didn't get a very good response. That's hard for you to understand. He didn't pick up most of the best lines during his performance. Well, I guess some people can tell a joke and emotional moments in the Press Office. Some people can't.

4. Dr. Lukash has recently convinced me of the need to reopen the indoor swimming pool at the White House. Jody has convinced me to do it during one of his briefings. If we do reopen the pool I hope you'll all feel free to use it. Just check with me first and I will put you on the schedule.

Although I prefer not to call any names, some people in Vienna, Ga. will not be pleased. Atlanta Monthly has clearly made an offer to Jody. Does have some good ideas. We want to reopen the indoor swimming pool at the White House.
Suddenly, during one of his briefings, survivors would be permitted to have swimming privileges. I would, of course, personally put you on the schedule to swim. I'm really very busy, but only some great world crisis could have kept me away tonight -- and Dr. Brzezinski almost got fired because he couldn't find one. I also hated to miss the L.A. fundraiser last month. Some day, you may discover the real reason we have a Mid-East Peace Treaty.

6. But I guess, if I could go to Jerusalem and Cairo to make peace, I could come to the Washington Hilton. Of course, you're a tougher group than the Knesset.... but you've also had more to drink. At least alcohol seems to improve your judgment. You concentrate on the most important issues. The incident's genuine background story. You always do.

7. And tonight, to show my good will, I'm going to tell you an inside story, my plans -- off the record, of course -- so put away your crayons.

In 1980, the most important position of public leadership in American will once again be open. And we share a deep concern for the quality of person who determines our national identity. John Connally is a master -- but on my own I discovered his secret. I noticed he parted his hair on the left side. I decided to eliminate this Republican top is very dangerous. It takes years of experience to master such awesome responsibility and I ought to know. The results have been truly remarkable. The then Vice President and Mrs. Carter noticed the change, endorsed me (pause) in urging Johnny Carter not to leave his post.

The best news thing of all is that...

Electrostatic Copy Made for Preservation Purposes
9. I know you're glad I came back from my vacation in Georgia. After ten days of fishing and resting, you're finally able to report the hard news of the day. On my first week, you had to contend with our sending up the windfall profits tax...a major speech on SALT...a non-political trip to New Hampshire...but most of all analyzing the presidential act of changing my hair style.

10. The press doesn't miss a trick -- they know that Democrat changes the part in his hair from right to left for the primaries -- (pause) and then back to the center for the general election.

11. But the real reason I changed my hair style was so that Sam Donaldson wouldn't recognize me.

12. I'm so interested in the position of our nation's news media -- that I've asked Fred Kahn to take a careful look at your first quarter profits.

13. A lot of people are puzzled that the Supreme Court would suddenly permit prosecutors to peer into the contents of reporters' minds. Frankly, so am I...I didn't know the Court had a sense of humor.
You're not the only ones in trouble in the law.

They're looking into my Planet Warehouse
and into editor's minds. We're not worried.

Jody said not to worry -- they won't find anything.

It's interesting that even my most conservative friends
are shocked at exposing a journalist's mind for all to see --
you couldn't let just anyone do it.
They're demanding a law to protect children under eighteen.

For my part I promise never to ask what was in your
mind when you write about one of my programs -- if you promise
never to ask what was in my mind when I thought it up.

Even journalists need friends. They could become an
endangered species all around the world -- if someone ever
figures out a practical use for them.

I know I've received a great deal of praise for The
Mid-East Treaty...and I expect to receive a lot more...from
some of you -- I promise you I'll only name the names if
I have to -- but in all humility the Treaty was a triumph
not only of men, but of laws --
The Law of Judaism
The Law of Islam
and the Law of Averages.

Electrostatic Copy Made
for Preservation Purposes
19. I think we've all been too hard on the CIA, though I was a bit troubled by an urgent memo on Iran that began:

"Dear President Truman:

In reply to your recent query -- we are pleased to report events have stabilized throughout Persia....

20. I was a little annoyed when Amy asked why everyone talked about John Connally, Ronald Reagan, and Jerry Brown instead of me. I'm only the President, Amy, they're candidates.

21. She just looked at me and said, "But Teddy Kennedy isn't a candidate, Daddy." Please don't laugh. She's just a child.

22. I've finally found a way to explain to foreign leaders why we have so many colorful people running so early in 1979 -- it's America's contribution to celebrating The Year of the Child.

23. I wasn't afraid when I became President, because as you know I have a deep conviction that someone is always watching over me -- I just didn't know it was Ted Kennedy.
A lot of people don't comprehend why I'm running, and I keep asking them -- running what?

speaking of inflation is really tough. At least wage

But the Presidency still has its powers of persuasion.

Take the most recent guidelines -- I had no trouble at all persuading the Teamsters to listen to me before they put them into effect.

Sometimes I've used my persuasion in ways that weren't always appropriate.

Looking back, I suppose there are some things I'd do differently -- like not kicking Jim Fallows off the tennis court.

White House speechwriters are like so-called star journalists -- they only stay long enough to find a publisher. I'm really not concerned about how much publicity speechwriters get -- they're actually quite shy -- like Bob Strauss.

I'm not mad at any of my former speechwriters -- they've been nicer to me than President Nixon's.

Bob Strauss is the ideal man for the Middle East problems -- he proved that when he sold those last ten tickets to the Big State Dinner in the tent.

I was amazed at how organized they were. We had to wait until after this fundraiser before announcing the windfall profits tax.

But I warned him that there will be no linkage between the corporate contributors and the windfall profits tax.
31. And if all else fails Bob can create a Palestinian homeland in Texas -- along the left bank of his swimming pool.

32. You should know there was a lot of inside controversy over what I should talk with you about tonight. So much so I had to call a meeting of my Knessett -- I mean my Knabinet. Some of them came. Califano sent his press agent.

33. Anyway, you know the real power is in the newspapers -- at least until someone figures out how to wrap a fish in a television set.

34. Not that the airwaves aren't powerful, too. You learn that on the first trip where you talk a little loosely -- and wind up with a bad case of Donaldson's revenge.

35. I was going to name several of you individually -- but Aldo Beckman warned I'd only cause a ruckus by singling out a few for special treatment. Jody thought that was nonsense (pause) we'd only have to get the ringleaders.

36. So we decided I would say to you, in all sincerity, that you, the White House Correspondents, are some of my best and closest friends. We have a superb, almost unprecedented personal relationship. I consider you, as a group, to be a national treasure (pause) and I'm working on plans for a suitable homeland storehouse.
It's been a pleasure to be with you tonight and to have shared a few laughs with you. In our day-to-day dealings with each other we occasionally exasperate each other and sometimes engage in what is known as an adversary relationship -- but I hope we never forget that the people who founded this country planned it that way. This nation of ours would be unimaginable without a free and vigorous press. That is why, when the Founders wrote the Bill of Rights, they made the First Amendment the lead. And may that never change. (PAUSE)

We have a lid till 9 o'clock Monday morning.

Good night, everybody.
address
Toby in staff
Post
Tom Fellows - T Court
Crisis - Sky
Wessel - Clark
Ambition - cover
Lonely - hair
Right left - center
Army - candidate
Kennedy
for leader - year of child
Bellagio - T, P
Obra - Abduction
Running what?
Media - adu-profit
Teemsters
Supreme of minds
18 yr old
White - editor minds
Stauff - oil company - big corporates
Fresh - homeland
Close
THE WHITE HOUSE
WASHINGTON
4/30/79

Jerry Rafshoon

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

Phil Sacco
MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON

One of the ways to quiet the talk about your not being tough, competent and in control of your government is to expose the public to some of the behind-the-scenes of how you dominate a meeting of advisers, as you have done when you laid down the law to your energy advisers prior to the speech. Some of your meetings with Zbig and Vance on foreign policy also give an impression of decisiveness.

At some later date, I plan to film you in these kinds of situations for certain use.

Meanwhile, I would like to give the public some glimpse of this through the press. U.S. News and World Report has requested a "day in the life of the President". Jack McWethy would be the "fly-on-the-wall" and naturally, would be controlled by your schedule and would keep disruption to a minimum. He is easy. A photographer would also go in and out.

This would be a good media opportunity. If you approve, I would like to set this up with Phil.

_________ Approve __________ Disapprove

cc: Jody
    Phil
THE WHITE HOUSE
WASHINGTON

4/30/79

Frank Moore/Ev Small

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson
MEMORANDUM FOR: THE PRESIDENT
FROM: FRANK MOORE
SUBJECT: Letter to Senator Culver

We sent advance copies of your SALT speech to the Hill, and Senator Culver put it into the Record immediately. It would be appropriate for you to send him the letter at TAB A.

Attachment
THE WHITE HOUSE
WASHINGTON
April 30, 1979

To Senator John Culver

I understand that at the very moment that I was delivering my speech on SALT in New York you were putting it in the Congressional Record. I want to thank you for doing so.

I am convinced that our arguments are good, and we just have to present them as clearly and as often as possible.

It is going to be a long debate, and it is good to know that your voice will be a strong part of it.

Sincerely,

[Signature]

The Honorable John Culver
United States Senate
Washington, D.C. 20510
I. PURPOSE

This is a general discussion meeting. Possibly Mr. Ford will bring up the question of his staff allowance.

II. BACKGROUND

- Last fall you asked me to assist Mr. Ford in increasing his staff allowance.

- Last year, Mr. Ford on his own initiative had Congress pass, and you approved, an amendment to increase the amount appropriated for his staff from $96,000 to $150,000 per year for the first 30 months after the transition period.

- I had OMB include the 1980 budget funds to extend the $150,000 allowance to 36 months (through September 1980).

- However, before the money can be appropriated under House rules, the Former Presidents Act should be amended to authorize such an appropriation.

- My office has talked with members and Congressional staff concerning this extended funding. Congressional advice (concurred in by Bill Cable) has been to hold any changes to the minimum legally required at the present time because of the controversy of the issue.

- Senator David Pryor has brought up the subject of support to former presidents on the Senate floor (see attached) and presently plans a hearing in mid-May on uses of funds by former presidents. It is our understanding that Mr. Ford and Mr. Nixon may be asked to testify.
I have urged Mr. Ford to seek a simple amendment in the Congress (extending authorization through September 1980) and have promised our strong support.

Because it is a politically sensitive issue, and because it directly benefits Mr. Ford, it is better for Mr. Ford to take the lead and add our support.

The GAO has recommended certain amendments to the Transition Act and Former Presidents Act to modernize these statutes. My office has extensively reviewed GAO's proposals, and at the appropriate time, dependent on Senator Pryor's hearing, will present our recommendations to you.

Politically, we do not think it is wise for you to propose broad substantive changes at the present time. If you did, you could be criticized for seeking additional benefits for yourself to use when you go out of office.
Mr. PRYOR. Mr. President, I have read with interest recent reports concerning Federal employee travel, and I want to see the Federal employee travel budget reduced. My colleagues and I are not being required to travel in the least expensive way possible.

My colleagues are well aware that the taxpayers are demanding that the Federal Government cut expenditures and reduce waste. A good place to start, in my judgment, is by reducing the Federal travel budget by $500 million below the President's budget request of $7.9 billion. This would have the effect of grounding 2,000 Federal employees a day and keeping them at their desks, conducting, we hope, the essential affairs of this Nation. Such a cutback might also encourage the executive branch to tighten up its travel regulations and utilize the new discount fares whenever and wherever possible.

Mr. President, I urge my colleagues to join as cosponsors of S. 697. It is designed to reduce by $50 million the amount that may be spent for Federal transportation of Federal employees during fiscal year 1980. I point out that this is a bipartisan effort to reduce nonessential travel expenditures. This proposed legislation is being cosponsored by Senators Bentsen, Hatfield, Huddleston, Levin, Hollings, Stewart, Ford, Exon, Boren, Heinz, Thurmond, Cohen, Bentsen, Baudhu, Percy, Burdick, Harry F. Byrd, Jr., and Durbin. I urge my colleagues to join us by contacting the staff of the appropriate subcommittee or clerk, Mr. Terrence Sauvain, at 224-7251.

ORDER OF BUSINESS

Mr. SASSET. Mr. President, the distinguished Senator from Arkansas has requested that I yield the remainder of my time to him. However, the Majority leader has requested that the Senator from Kentucky (Mr. Ford) be allowed to speak prior to my yielding the remainder of my time.

Mr. FORD. Mr. President, the Senator from Tennessee may go ahead. Mr. President, the Senator from Tennessee may go ahead. Mr. President, the Senator from Tennessee may go ahead. Mr. President, the Senator from Tennessee may go ahead. Mr. President, the Senator from Tennessee may go ahead.

Mr. PRYOR. Mr. President, I thank the distinguished Senator from Tennessee, and I appreciate the cooperation of the Senator from Kentucky. I assure my colleagues that my remarks will take only a few moments.

FEDERAL EXPENDITURES FOR FORMER PRESIDENTS

Mr. PRYOR. Mr. President, I have

pick up the tab for $23,000 a year in long-distance phone calls and $2,000 a year for one round-trip airfare to Washington. In addition, both retirees are entitled to such fringes as lifetime Secret Service protection, first class mail privileges, social security checks, use of Federal facilities and services at military hospitals — and use of a stylish, government-owned townhouse in Washington.

Nixon's personal retirement benefits total some $69,000 per year, including his $6,000 pension under the President's Act and about $10,000 for his years in Congress.

The money didn't come without argument. Nixon's presidential salary at $100,000 — and the threat of impeachment led to several unsuccessful attempts in Congress to deny him a pension and staff. Only last summer, the Senate rejected a bill to strip off Nixon's benefits, rejecting the move, 99 to 2.

A 1975 law

Nixon lives in seclusion with his wife Pat in their luxurious oceanfront home in Southern California. Shuttling between his home and his nearby office in a golf cart, he spends most days answering correspondence or working on his next book.

According to records filed at the General Services Administration's regional office in San Francisco, Nixon spent $183,329 in federal funds for office and related expenses last year. He also spent $221,000 for his mail privileges.

Mr. PRYOR. Mr. President, I have

the distinguished Senator from Tennessee, and I appreciate the cooperation of the Senator from Kentucky. I assure my colleagues that my remarks will take only a few moments.

Mr. PRYOR. Mr. President, I thank
LITTLE THINGS COST A LOT

Even the little touches to make an ex-President's retirement years more comfortable could cost $2,243 last year to decorate Ford's personal office space.

Professional watering service for the plants cost another $100 a month. Also acquired last year was a $6,000 fireplace screen for $489 and two water carafes at $75 each.

A recurring expense in the care and feeding of former Presidents is the cost of protecting the windows from bodily harm. While the Secret Service does not disclose cost figures, a White House study shows that 2.2 million dollars was spent last year on window preservation for the Ford, President. Former Presidents also get pensions of $20,000 a year until they remarry or die.

The more a former President moves around, the more his protection costs. Even a relatively inactive person such as Nixon can require as many as 30 Secret Service guards at any one time.

THE SELLING OF A PRESIDENT

Impressive as it is, the outlay of taxpayer funds pales in comparison with the big money that outgoing Presidents have come to expect from book sales and lecturing.

For instance, Nixon has never stayed in the White House.

SPEECHES AND APPOINTMENTS

Still politically active and in the limelight as a Republican, Nixon's Ford has made a home in Palm Springs, Calif. He frequently speaks out on issues, often bringing in the public lecture circuit. He spends a significant portion of his leisure time working on his golf and skis.

Ford's activities keep his staff busy, and the White House to Nixon's. Last year, Ford spent $291,985 for offices and staff, a significant portion of his budget.

In addition to his presidential and congressional pensions totaling some $100,000 a year, he would also be entitled to a liberal social security pension, making it difficult for Nixon to receive a pension from the White House.

Nixon's post-presidential mail has tapered off from thousands of letters a week to 400 to 500 a month—slowing when he or Nixon himself is not in residence.

Congress managed to get Ford six more months as an assistant to his outgoing President on a salary increase.

Even with the extra money, Ford's salary budget of $158,000 must be stretched to cover the 30 months of the Presidential Transition Act. The law, intended as temporary assistance to smooth an outgoing President's entry into private life, previously extended six months after a new leader took over.

Routine Morning Business

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 20 minutes. During this time, there are 5 minutes each.

IMPACT OF EPA SO2 EMISSION CEILING PROPOSAL

Mr. FORD, Mr. President. I take the floor today to address an issue of great urgency which could have far-reaching and fundamental national policy implications. The issue to which I refer is a sulfur dioxide emission ceiling for new steam electric power plants which is now being considered by the Environmental Protection Agency.

Last September EPA initiated a rule-making proceeding as part of its revision of new source performance standards for steam electric power plants. While this proceeding has sparked national attention, it is based on a number of issues. In the meantime, EPA issued a maximum SO2 emission standard which is significantly more stringent than the 1.2 pound ceiling. At a time when SO2 emissions are decreasing nationwide, it is difficult to understand why EPA believes a stricter emission ceiling is necessary.

BRIEFLY, if EPA does adopt a stricter SO2 emission ceiling, such as 0.55 pound, SO2 per million Btu's, vast quantities of coal reserves in this country would be devalued. It is not clear that EPA is requiring a maximum SO2 emission standard which is significantly more stringent than the 1.2 pound ceiling.
THE WHITE HOUSE
WASHINGTON
30 Apr 79

Chairman Campbell

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

The original has been given to Bob Linder for handling.
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|-----------------|--|
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| POWELL | COSTANZA | |
| WATSON | CRUIKSHANK | |
| WEXLER | FALLOWS | |
| BRZEZINSKI | FIRST LADY | |
| MCINTYRE | GAMMILL | |
| SCHULTZE | HARDEN | |
| | HUTCHESON | |
| ADAMS | JAGODA | |
| ANDRUS | LINDER | |
| BELL | MITCHELL | |
| BERGLAND | MOE | |
| BLUMENTHAL | PETERSON | |
| BROWN | PETTIGREW | |
| CALIFANO | PRESS | |
| HARRIS | RAFSHOON | |
| KREPS | SCHNEIDERS | |
| MARSHALL | VOORDE | |
| SCHLESINGER | WARREN | |
| STRAUSS | WISE | |
| VANCE | | |
Part II Marion -

Please send 2IC a copy of the updated AtB notes.

Thanks,

[Signature]

3E comment in new AG version

4/130 - PWC

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MEMORANDUM FOR THE PRESIDENT

FROM: Alan K. Campbell
    Director

SUBJECT: Supergrade Position Allocations

Section 5108(a) of Title 5, United States Code provides that positions may be placed in GS-16, 17 or 18 only by action of the Director, Office of Personnel Management. It further provides that, with regard to positions in the Federal Bureau of Investigation, this authority shall be carried out by the President.

It is requested that the attached correspondence be signed and dispatched to the Federal Bureau of Investigation, to convey present position allocations.

Attachment
To William Webster

Pursuant to Section 5108(c)(2) of Title 5, United States Code, this authorizes the Director of the Federal Bureau of Investigation to place a total of 140 positions in the Federal Bureau of Investigation into GS-16, 17 or 18.

Sincerely,

The Honorable William B. Webster
Director
Federal Bureau of Investigation
Washington, D.C. 20535
Mr. President:

Judge Bell, Lipshutz and Eizenstat concur.

Rick/Bill
ID 791593
THE WHITE HOUSE
WASHINGTON

DATE: 24 APR 79

FOR ACTION: ATTORNEY GENERAL BELL
STU EIZENSTAT
BOB LIPSHUTZ

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAMPBELL MEMO RE SUPERGRADE POSITION ALLOCATIONS

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052)
BY: 1200 PM THURSDAY 26 APR 79

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

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MEMORANDUM TO: Rick Hutcheson  
Staff Secretary to the President

SUBJECT: FBI Supergrade Positions

You have asked for my comments on Alan Campbell's April 23, 1979, memorandum to the President concerning FBI supergrade positions.

After discussing the draft letter from the President to Director Webster further with staff of the Office of Personnel Management, we agree that the draft should be amended to clarify the Director's authority in the utilization of FBI's 140 supergrade positions. A new draft letter, with the appropriate changes, is attached.

Griffin B. Bell  
Attorney General

Attachment
THE WHITE HOUSE
WASHINGTON
30 Apr 79

Chairman Campbell

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

Stu Eizenstat
Bob Lipshutz
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Mr. President:

Lipshutz concurs; Eizenstat and Brzezinski have no comment.

Rick/Bill
MEMORANDUM TO THE PRESIDENT

FROM: Alan K. Campbell

Last week you approved delays in implementing the Senior Executive Service in the Veterans Administration and AID. At the request of the respective agency heads I now recommend that similar delays be granted to cover Assistant and temporarily appointed U. S. Attorneys and a small group of positions in the State Department. This will be the last such recommendation. The total number of positions involved, including those already acted on by you, represents less than 5% of the Senior Executive Service.

A. U. S. Department of Justice

These positions include: (1) paid supervisory Assistant U. S. Attorneys (AUSAs) and (2) temporarily appointed U. S. Attorneys. There are 53 permanent positions of paid supervisory AUSAs, located in 21 of the 94 U. S. Attorneys' Offices. The number of temporarily appointed U. S. Attorneys varies.

The Justice Department does not consider AUSAs as part of the agency's complement of supergrades due to the discretionary features of selection, removal and pay determination. There is a history of frequent interchange of professional attorneys between the Federal and private sectors because of the need for complete mutual confidence between the Assistant U. S. Attorney and the Presidentially-appointed U. S. Attorney.

Temporarily appointed U. S. Attorneys are presently covered under 28 U.S.C. 546, which provides that the appropriate District Court may appoint a U. S. Attorney to serve temporarily, until the President's permanent nominee is approved. A court-appointed U. S. Attorney should be excluded from SES since no organization within the executive branch may have any formal input into the appointment process.
B. Department of State

The Secretary of State has requested exclusion from the Senior Executive Service for a period not to exceed one year of not more than 57 present Foreign Service positions now encumbered by members of the Foreign Service holding career-oriented appointments. The Department feels that this exclusion is needed in view of pending legislation affecting the Foreign Service personnel system. Moreover, although it is contemplated that the positions eventually will be removed from the Foreign Service category and designated SES, the fact that they are now filled by individuals in the Foreign Service systems substantially complicates the conversion process.

Recommendation:


APPROVE

DISAPPROVE

OTHER

Electrostatic Copy Made for Preservation Purposes
DATE: 24 APR 79

FOR ACTION: STU EIZENSTAT

BOB LIPSHUTZ

ZBIG BRZEZINSKI

INFO ONLY: THE VICE PRESIDENT

SUBJECT: CAMPBELL MEMO RE EXCLUSION OF CERTAIN U.S. ATTORNEYS AND 57 FOREIGN SERVICE POSITIONS FROM THE SENIOR EXECUTIVE SERVICE

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052)

BY: 1200 PM THURSDAY 26 APR 79

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:
THE WHITE HOUSE
WASHINGTON
April 30, 1979

MEETING WITH DOUGLAS COSTLE
Monday, April 30, 1979
10 a.m. (30 minutes)
The Cabinet Room

From: Stu Eizenstat
Fred Kahn
Charlie Schultze

I. PURPOSE
This meeting was requested by Doug Costle to explain his choices in revising New Source Performance Standards (NSPS) for utility boilers under the Clean Air Act.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN
A. Background: EPA must promulgate revised NSPS by June 1 under court order. These standards set minimum pollution-control requirements for all new coal-fired power plants. Two areas of controversy remain:

-- Should all coal be "fully" scrubbed (90% sulfur oxide (SO2) removal); or should some lesser percentage removal be permitted for naturally lower-sulfur coals? This issue is described in detail in EPA's briefing document, in this memorandum, and in our own attachment A (which deals with a few issues not handled in the EPA document).

-- Regardless of the percentage level of SO2 removal, what ceiling should be placed on total sulfur emissions (currently 1.2 lbs per million Btu of combustion)? We discuss this issue later in this memorandum.

The standards chosen are controversial and important because:

-- Cost. The additional pollution-control equipment will cost utilities $3-5 billion per year by 1995, increasing consumer
electric bills by about 2 or 2 1/2 percent.

-- Environmental Quality. Congress ordered EPA to revise NSPS after a protracted campaign by environmentalists. The standards will probably not affect air quality very much (because pollution control will be required by other Clean Air Act programs), but the issue has tremendous symbolic importance to the environmental community.

-- Energy. As NSPS becomes more stringent, domestic oil consumption will increase, since the increased costs that NSPS imposes on coal-fired plants will cause utilities to extend the lives of existing oil-fired plants. In addition, the coal industry is very concerned that use of a large portion of Eastern high-sulfur coal will be precluded if the emissions ceiling is set too low. Senator Byrd is greatly concerned about this possibility and considers this matter to be crucial.

EPA originally proposed two alternative S02 reduction requirements and an emission ceiling that was much lower than the existing ceiling. Since then, the utility industry, the coal industry, the Department of Energy and EPA staff have developed a variety of alternatives.

Doug will probably tell you that he would prefer "full control" (90% S02 removal for all coals), but that energy and economic factors -- which legally he must also consider -- have led him to lean toward a "variable control" option that permits less scrubbing (70%) of low-sulfur coals. This option would require greater sulfur removal (70% vs. 33%) than DoE supports.

Whether EPA's 70% option makes sense depends critically on acceptance and use by utilities of a new scrubbing technology called "dry scrubbing." This is a simpler technology that appears to offer greater reliability and lower costs on some coals. The technology is now only in a pilot stage and cannot economically achieve 90% removal for many coals. EPA believes that dry scrubbing will ultimately gain wide acceptance for use on a variety of coals, and points to the fact that several full-scale units have already been ordered. The utility industry, however, argues that dry scrubbing is as yet unproven, and that in general, they cannot afford to take a chance on it. The question is important because the 70% option would
be almost as expensive as full control if utilities continue to rely on wet scrubbing and reject the dry technology. Without dry scrubbing, we would probably prefer a 50% removal standard to reduce the down-side costs.

EPA began to base its options on dry-scrubbing technology only at the last minute, and so we have just begun to review that information the agency has and to assess the matter independently. We plan to meet with Doug during the next several days to discuss this issue further.

The second major issue involves the maximum emission limit ("ceiling"). Currently, utilities may emit no more than 1.2 lbs per million Btu, regardless of the sulfur content of the coal being burned. EPA is considering reducing this ceiling to 1.0 lbs, in order to preclude use of the highest-sulfur coals and reduce S02 emissions. The agency had considered ceilings as low as 0.6 lbs., but focussed on the higher level because it appeared that the low ceiling might have precluded use of large portions of existing high-sulfur coal reserves in the East and Midwest. By raising the ceiling, EPA seems to have maintained the viability of all but the highest sulfur coals; but the industry remains concerned, because they fear that utilities will avoid high-sulfur coals in order to reduce any chance of violating the ceiling. Senator Byrd has met with and called both Doug and Stu on this issue and insists that a fully satisfactory resolution is crucial to his relations with the Administration. We believe that Doug should make no final decision until he has met with Senator Byrd and is confident that the Senator is comfortable with the standard.


C. Press Plan: White House photographer only.

III. TALKING POINTS

Since there are important unresolved questions on each issue, we strongly recommend that you take no position at the meeting, although Doug will almost surely ask for your views. It would be better simply to listen and ask any questions you may have.
1. Thank you for taking the time to explain the issues to me and my staff while you are making your decision.

2. I recognize that your decision involves painful and politically sensitive considerations of energy, environmental and economic policies. I am glad to see that you and your staff have consulted and worked with the Department of Energy and my staff.

3. I am impressed with the quality and depth of the analysis you have performed here. It sets a very high standard for other regulatory agencies.

4. I understand that a number of objections have been raised to the emissions ceiling. I think it is important for you to make clear to all concerned that the ceiling chosen is sound and can be lived with.

5. I hope you will have further discussions with my staff on the feasibility of dry scrubbing.
EPA's discussion of the issues is incomplete in several respects:

- EPA considered a variety of alternatives in addition to the three listed (full, 70%, 33%). For example, analysis has been performed on a 50% removal option, but EPA does not discuss it in the memorandum.

- While the differences in national average S02 emissions resulting from the options are not likely to be great, emissions will vary geographically. Full control would be likely to increase emissions in the (more populated) East, as utilities prolonged use of existing uncontrolled oil plants. On the basis of health, therefore, variable control is probably better. On the other hand, variable control does not guarantee strict controls in the West to protect visibility.

- Estimates of both the costs and benefits of the NSPS are seriously overstated because the effects of other Clean Air Act programs could not be estimated and are not taken into account. It seems very likely that most powerplants in the West will use full control, regardless of the NSPS chosen, because they will be forced by the states to do so on a case-by-case basis under the regulations for Prevention of Significant Deterioration and under the visibility regulations EPA will publish this fall.

- The estimated costs of this particular action are overstated also because they assume the standards chosen will remain in force through 1995, the year for which impacts are estimated. In fact, EPA is required by law to revise the standards twice more during this period, and any change would almost certainly be to tighten it. Therefore this NSPS revision will affect a smaller number of powerplants than the analysis might suggest at first glance. However, it will serve as precedent for later revisions. For this same reason, Doug's proposal to decide now to require 90% dry scrubbing in five years should be resisted.
TABLE OF CONTENTS

- Memorandum - New Source Performance Standards for Coal-Fired Power Plants
- Background Information on New Source Performance Standards for Coal-Fired Power Plants
- Briefing Materials - Revised NSPS for Power Plants
  SO2 Control Alternatives - 4/27/79
MEMORANDUM TO THE PRESIDENT

SUBJECT: New Source Performance Standards for Coal-Fired Power Plants

FROM: Douglas M. Costle

EPA must adopt a final rule tightening control of air pollution from new coal-fired power plants to meet a mandate of the 1977 Clean Air Act. The most controversial issue in this decision is the degree of control of sulfur oxides to be required on plants burning lower sulfur Western coal.

The debate has been cast as a choice between full and partial control of such coals.

Advocates of full control point to the Administration's commitment to require best available control technology on new coal-burning plants. They argue that full control will protect against visibility impairment and energy-environment conflicts in the West.

Advocates of partial control point to the fact that using the same degree of control on lower sulfur coal is economically inefficient since far fewer tons of sulfur oxides will be removed per dollar of control costs.

If I were to decide this issue based solely on long-range environmental benefits, I would choose full control for six reasons:

- It most clearly satisfies the Administration's promise to require best available control technology.
- It provides the best protection of visibility.
- It minimizes air quality related siting problems for new power plants and associated growth.
- It is the most legally defensible interpretation of the law.
- The associated economic and energy penalties while significant do not constitute an unreasonable burden on the consumers of electricity.
I believe that a firm environmental posture is essential to gaining broad public support for an aggressive program to shift to coal.

However, the law expects me to balance environment, energy and economic factors, and the economic factors here can be viewed as significant. As a result, I believe the most appropriate decision is a variable approach, which requires a minimum of 70% sulfur oxide control for lower sulfur coal and full (85-90%) control for higher sulfur coals.

The following points support this approach:

- The costs are much lower for the variable control option than for full scrubbing. In fact, it is probably the most cost-effective choice (in terms of dollars per ton of sulfur removed).

- Western regional emissions would be only slightly greater under the variable choice than under full control.

- It permits the development of dry scrubbing technology, which offers promising dollar and energy savings.

- It offers some technical and economic flexibility to utilities.

Dry scrubbing technology has the potential for 90% control of high-alkaline coals. I am considering establishing a second phase control requirement to apply only to plants beginning construction five years from now, which would require this degree of control. This would be conditioned on a commitment to revise the standard if the record does not show that dry scrubbing can achieve full control at acceptable costs by five years from now.

The attached background paper describes the sulfur oxide control issue in more detail.

A second issue has arisen regarding the maximum emission limit (ceiling) we will set as part of this decision. We had considered a very tight ceiling of 0.6 pounds of sulfur dioxide per million Btu, which might have precluded use of some of the highest sulfur coals. After further analysis, we have tentatively decided on a higher ceiling (1.0 pound) which is compatible with virtually all coals, assuming good performance levels from control equipment.

Attachment
BACKGROUND INFORMATION ON NEW SOURCE PERFORMANCE STANDARDS FOR COAL-FIRED POWER PLANTS
BACKGROUND INFORMATION ON NEW SOURCE PERFORMANCE STANDARDS FOR COAL-FIRED POWER PLANTS

EPA'S DECISION

• The Administration's 1977 energy plan called for use of Best Available Control Technology on all new coal-fired plants. The Clean Air Act Amendments of 1977 require EPA to revise emission standards for new coal plants to mandate such technology.

• The major issue is what standard to set for sulfur oxide emissions. The key question is whether EPA should require plants which burn low sulfur coals to reduce emissions as much as plants which burn high sulfur coal. The implications of this choice are most significant for new western and midwestern power plants.

• The issue is very controversial, with both the utility industry and environmentalists claiming that EPA's decision will be an important indicator of the Administration's energy, environmental and economic priorities.

BACKGROUND

• New power plants are subject to two federal air pollution controls. First, all new plants must use "best" control technology as defined in New Source Performance Standards (NSPS) set by EPA for broad categories of industrial plants—in this case, coal-fired power plants. Second, new plants are subject to a case-by-case review to insure that their emissions do not violate ambient air quality limits. This case-by-case review also considers whether controls more stringent than the national New Source Performance Standard should be required.

The first of these controls—New Source Performance Standards—is what EPA is revising now.

• EPA set the current standard in 1971. It specifies an emission limit that utilities can meet either by burning low sulfur western coals without emission controls or higher sulfur eastern coals with controls. Many utilities chose the first route because the additional costs for low sulfur coals were offset by industry reluctance to use pollution control technology on higher sulfur local coals.
In 1977, environmentalists interested in minimizing western power plant emissions and eastern and midwestern mining companies worried about declining markets allied together and attacked the 1971 standard. They pushed through a change in the law—over intense opposition from utilities and western mining companies—which requires EPA to specify a percent reduction in emissions from untreated coal as well as an absolute emission limit. EPA is to base both requirements on the best available pollution control technology, considering environmental, economic and energy impacts.

The principal technology utilities now use to remove sulfur oxides is flue gas desulfurization (FGD), commonly called scrubbing. The flue gas passes through an alkaline spray which strips away sulfur compounds. "Wet" scrubbers can remove 90% or more of the SO2 in the flue gas, and are in use on power plants burning various grades of coal. EPA's revised standard would require 90% SO2 removal, based on a scrubber with 85% removal ability and moderate coal washing. Utilities can comply with the percent removal requirements by using any combination of control techniques that achieve required reductions.

An alternative scrubbing technology now in advanced stages of development could reduce control costs, energy penalties, and water use compared to wet scrubbing. This technology uses a dry spray instead of a wet one. Dry scrubbing has not yet been demonstrated on full-scale power plants, however, and appears to have lower removal efficiency than wet scrubbing.

ALTERNATIVE STANDARDS

The key issue is whether EPA should require 90% of the sulfur in the coal to be removed for all coals, or whether lower sulfur coals should be subject to a less stringent percent removal requirement.

Since most low sulfur coals are in the West, EPA's choice will mostly affect:
western utilities, who see large cost differences between the most and least stringent standards;

-- midwestern utilities, whose choice of coal will be affected;

-- Environmentalists and others interested in protecting the very clean air in the West.

• Eastern utilities may challenge EPA's finding that scrubbers can remove 85% of sulfur from high sulfur coals, but EPA is firm that its conclusion is amply supported by the facts.

• Coal production from all sections of the country will increase so much from new power plant construction that the degree of control required will not significantly alter coal production.

EPA has considered three alternatives:

1. Full control--require a minimum 90% reduction in SO2 emissions for all coals.

2. Partial control--require a minimum of 33% reduction on low sulfur coals and greater reductions for higher sulfur coals.

3. Variable control--require a minimum reduction of 70% for low sulfur coals and greater reductions for higher sulfur coals.

IMPACTS OF THE ALTERNATIVES

• EPA has estimated the environmental and economic impacts of the alternative standards for individual power plants and the national total impacts as well.

• The individual plant impacts are predictable with a good deal of certainty, but the regional and national implications are not obvious. The national and regional estimates allow comparison of the aggregate effects of the standard decision. However, the accuracy of these aggregate estimates is much less certain than the individual plant estimates.
EFFECTS ON INDIVIDUAL PLANTS

- New plants which would burn Eastern high sulfur coals are not much affected by EPA's choice of standard. Table 1 shows they have to fully control their SO2 emissions under any of the alternatives.

- In the West, emissions and cost differences are significant. Table 2 shows the effects of the alternative standards on a plant burning low sulfur coal. The least stringent standard (partial control) allows about seven times more emissions than the toughest standard (full control) and about twice the emissions of the variable standard (Figure 1).

- Emissions under partial control could over time have some adverse impact on visibility in pristine areas. As figure 2 shows, small increases in fine particle concentrations have more dramatic effects on visibility in clean air than where background pollution is already high.

- Cost differences between the standards are also large for plants burning clean coal. On a 500 megawatt (MW) boiler the toughest standard costs $9-10 million more per year than the least stringent, $7 million more than the variable standard.

- The cost of removing a ton of sulfur under all these standards varies depending on the coal sulfur content. Removal from high sulfur coals costs about $350 per ton and removal from low sulfur coal costs between $1500 and $2000 per ton.

NATIONAL IMPACTS

- The first plants subject to the standard will come on line in 1983. Significant impacts will not arise until about 1995, so EPA's comparative estimates of emissions, cost, and energy impacts are for that year.

- In the near term (through 1995), environmental, energy, and economic effects are dominated by the emissions and operating costs of today's existing power plants.
The aggregate environmental and economic impacts are very sensitive to assumptions about future oil prices, mining costs, coal transportation costs, and electricity growth rates. Varying these assumptions within reasonable limits results in greater differences in emissions and costs than do different levels of the standard itself.

**Emissions**

- Through 1995 total national emissions from power plants are not very different among the alternative standards. Table 3 shows that the variation between the tightest and the most lenient standard is only 200,000 tons, about 1.0 percent of estimated 1995 power plant emissions (about 21 million tons).

- As Figure 3 illustrates, emission differences among regions are significant.
  
  -- The full control standard results in the lowest Western emissions. However, full control results in higher Eastern emissions. This effect in the East is predicted by the model, which assumes that dirtier coals will be burned under full control and that older, dirtier plants will be run longer. Part of the effect is temporary and will disappear as the older plants are retired. Since many factors influence utility coal choice and load dispatching decisions the size of the effect is also quite uncertain.
  
  -- The partial control standard causes Western power plant emissions to be the highest of the three standards.
  
  -- The variable standard results in Western emissions which are higher than with full control but which are significantly lower than with partial control.

**Costs**

- Total consumer costs for electricity, as represented by annualized utility revenue requirements, are expected to increase dramatically over the next 15 years due to increases in demand as well
as in the cost of construction, transportation and fuels. Current revenue requirements of some $50 billion per year are forecast to increase in current dollars to about $175 billion per year in 1995. Similarly, average monthly consumer bills will increase from the current $27 per month to $54 per month.

- EPA's standard will increase utility revenue requirements by 2 to 2 1/2 percent or $3-5 billion in 1995 (Figure 4). The impact on monthly consumer bills ranges from $0.90 to $1.50 (Table 4).

- The difference in the present value of 1995 annual utility expenditures is $15 billion between the partial and full standard. The difference is $2 billion between the partial and variable standard (Figure 5).

Energy Impacts

- Under each alternative, coal production is expected to triple current levels by 1995 and EPA's standard is expected to have virtually no impact on total coal production (Table 5). Similarly, the alternatives should have almost no impact on high sulfur coal markets which are expected to improve in all cases.

- All alternatives may slightly delay the substitution of coal for oil. This impact would occur if existing oil-fired plants are run more due to the slightly higher costs of building a new coal-fired plant. The most stringent standard (full control) may cause oil consumption in 1995 to be 400,000 bbl/day higher than it would be if the standards were not changed. The variable and partial options have the same potential impact on oil consumption: 200,000 bbl/day (Table 5).

ENVIRONMENTALISTS' AND UTILITY ARGUMENTS

The environmental interest groups concerned with the preservation of national parks and other pristine areas have taken the most active role in promoting a stringent standard. They have found support from other public interest groups and certain members of Congress and will respond unfavorably to any decision which requires less than the maximum degree of control from low sulfur coal plants.
The environmentalists argue that it is prudent to design the best available control into new sources because of the certainty of increased coal production and the uncertain impacts of related increases in emissions. They lobbied for and effected a change to the law to require additional controls and feel that the Administration has an obligation to take an aggressive stand in favor of the cleanest possible production of new energy.

The key arguments in favor of full control are:

- A major shift to coal as the nation's basic energy source should have protection of the environment as a precondition. The Administration promised to require Best Available Control Technology on all coal plants as part of its energy plan. Only full control will be accepted as keeping that promise.

- Emission differences for individual low sulfur coal plants are great. A partially controlled plant emits seven times more SO2 than a fully controlled plant.

- Incremental increases of emissions in the pristine West are much more significant than equal amounts would be in the East. Visibility impacts in pristine areas will be worse with higher emissions.

- Partially controlled plants will use up an area's growth potential at a much faster rate than full control.

- The law contains a bias toward full control.

- Cost differences are small compared to other energy cost increases imposed on the public.

- Increased coal use will be more readily accepted by the public if it is convinced emissions will be fully controlled.

- Failure to adopt full control as a national regulation may lead groups to fight for strict controls on a case-by-case basis, resulting in power plant construction delays due to controversy, uncertainty, administrative complexity and litigation.
On the other hand, the electric power industry has enlisted support for the partial control standard from a large number of industry spokesmen and Congressional representatives. They argue that the partial alternative provides ample environmental protection at a substantial savings in dollars and imported oil. They argue further that the unit cost for sulfur oxide removal under all alternatives is high when compared to other sulfur oxide control strategies and that the costs of control far outweigh the benefits. (Table 6)

The key arguments in favor of partial control are:

- Benefits of additional control are not well defined.
- Utility oil consumption is lower than under full control.
- Full scrubbing of new power plants is less cost effective than controlling existing sources of sulfur oxides.
- Other regulatory tools, including plant-by-plant permitting and visibility regulations, are better suited for controlling Western impacts than a full control standard.
- Scrubbing technology is costly and energy intensive and flexibility should be provided to encourage introduction of alternatives.

The third alternative, variable control, offers a measure of compromise by providing a degree of flexibility, reducing costs and energy impacts, and by increasing the opportunity for innovative technology. It relies in part on the emergence of the highly promising dry scrubbing technology which is favored by a number of utilities burning western coal (three full scale power plants employing this technology are now under construction). While there is some uncertainty with dry scrubbing, the 70% control level can easily be met by wet scrubbing at a lower dollar and energy cost than the full scrubbing alternative, although at a higher cost than dry scrubbing.
BRIEFING MATERIALS

REVISED NSPS FOR POWER PLANTS

SO₂ CONTROL ALTERNATIVES

APRIL 27, 1979
REVISED NSPS FOR POWER PLANTS
SO₂ CONTROL ALTERNATIVES

APRIL 27, 1979
## IMPACTS FOR A 500 MW POWER PLANT BURNING HIGH SULFUR COAL *

<table>
<thead>
<tr>
<th></th>
<th>CONTINUE CURRENT STANDARDS</th>
<th>REVISED STANDARD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PERCENT CONTROL REQUIRED</strong></td>
<td>75 %</td>
<td>90 %</td>
</tr>
<tr>
<td>FGD COSTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FGD CAPITAL, $ MILLION</td>
<td>47</td>
<td>57</td>
</tr>
<tr>
<td><strong>PERCENT INCREASE IN CAPITAL REQUIREMENTS</strong></td>
<td>12 %</td>
<td>15 %</td>
</tr>
<tr>
<td><strong>PERCENT INCREASE IN ANNUALIZED COST</strong></td>
<td>22 %</td>
<td>26 %</td>
</tr>
<tr>
<td><strong>ANNUAL SO(_2) EMISSIONS, TONS/YR</strong></td>
<td>15,400</td>
<td>6,900</td>
</tr>
</tbody>
</table>

* 3 % SULFUR  
** CAPITAL COST OF POWER PLANT LESS SO\(_2\) CONTROL = $380 MILLION
TABLE 2
IMPACTS FOR A 500 MW POWER PLANT
BURNING LOW SULFUR COAL *

<table>
<thead>
<tr>
<th></th>
<th>-- WET SCRUBBING --</th>
<th>-- DRY SCRUBBING --</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CONTINUE CURRENT</td>
<td>FULL CONTROL</td>
</tr>
<tr>
<td>PERCENT CONTROL REQUIRED</td>
<td>STANDARDS</td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>90 %</td>
<td>33 %</td>
</tr>
<tr>
<td>SO₂ REMOVAL COSTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAPITAL, $ MILLION</td>
<td>0</td>
<td>54</td>
</tr>
<tr>
<td>PERCENT INCREASE IN</td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>CAPITAL REQUIREMENTS**</td>
<td>0</td>
<td>28 %</td>
</tr>
<tr>
<td>PERCENT INCREASE IN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ANNUALIZED COST</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>ANNUAL SO₂ EMISSIONS, TONS/YR</td>
<td>10,250</td>
<td>1,000</td>
</tr>
</tbody>
</table>

* 0.4 % SULFUR
** CAPITAL COST OF POWER PLANT LESS SO₂ CONTROL = $410 MILLION
FIGURE 1
SO$_2$ EMISSIONS FROM A 2000 MW POWER PLANT FIRING
0.4 % S COAL
(THOUSAND TONS PER YEAR)

A CONTINUE CURRENT NSPS (0 % SO$_2$ REMOVAL)
B PARTIAL CONTROL (33 % SO$_2$ REMOVAL)
C VARIABLE CONTROL (70 % SO$_2$ REMOVAL)
D FULL CONTROL (90 % SO$_2$ REMOVAL)
FIGURE 2

IMPACT OF AMBIENT SULFATE CONCENTRATIONS ON VISUAL RANGE

ARROWS INDICATE VISIBILITY LOSS ATTRIBUTABLE TO INCREMENTAL INCREASES OF 1 MICRON/CM$^3$

NOTE: MEDIAN BACKGROUND SULFATE CONCENTRATIONS IN THE WEST FALL IN THE RANGE OF 2 TO 4 MICROGRAMS PER CUBIC METER

FINE PARTICLE CONCENTRATION (SULFATE), MICROGRAMS PER CUBIC METER
## TABLE 3

1995 SO₂ EMISSIONS FROM UTILITY BOILERS, million tons*

<table>
<thead>
<tr>
<th>LEVEL OF CONTROL</th>
<th>1975 ACTUAL</th>
<th>CONTINUE CURRENT STANDARDS</th>
<th>PARTIAL CONTROL</th>
<th>VARIABLE CONTROL</th>
<th>FULL CONTROL</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL NATIONAL EMISSIONS</td>
<td>18.6</td>
<td>23.8</td>
<td>20.7</td>
<td>20.5</td>
<td>20.7</td>
</tr>
<tr>
<td>TOTAL PLANT EMISSIONS</td>
<td>--</td>
<td>7.0</td>
<td>3.3</td>
<td>3.1</td>
<td>3.1</td>
</tr>
<tr>
<td>TOTAL COAL CAPACITY, GW</td>
<td>205</td>
<td>554</td>
<td>537</td>
<td>537</td>
<td>520</td>
</tr>
</tbody>
</table>

* BASED ON DRY SO₂ SCRUBBING
1995 REGIONAL SO₂ EMISSIONS FROM POWER PLANTS

A CONTINUE CURRENT NSPS
B PARTIAL CONTROL
C VARIABLE CONTROL
D FULL CONTROL
FIGURE 4
1995 ANNUALIZED UTILITY REVENUE REQUIREMENTS,
1978 DOLLARS

<table>
<thead>
<tr>
<th>Category</th>
<th>Base Cost</th>
<th>Incremental Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue Standards</td>
<td>160</td>
<td></td>
</tr>
<tr>
<td>Full Control</td>
<td>184.4</td>
<td>+4.4</td>
</tr>
<tr>
<td>Variable Control</td>
<td>189.2</td>
<td>+3.2</td>
</tr>
<tr>
<td>Partial Control</td>
<td>189.9</td>
<td>+2.9</td>
</tr>
</tbody>
</table>

- **BASE AIR POLLUTION CONTROL COSTS**
- **INCREMENTAL AIR POLLUTION CONTROL COSTS**
<table>
<thead>
<tr>
<th>Region</th>
<th>Current Standard</th>
<th>Full Control</th>
<th>Variable Control</th>
<th>Partial Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>NATIONAL</td>
<td>52.85</td>
<td>1.50</td>
<td>0.95</td>
<td>0.90</td>
</tr>
<tr>
<td>EAST</td>
<td>55.25</td>
<td>1.55</td>
<td>0.95</td>
<td>0.95</td>
</tr>
<tr>
<td>MIDWEST</td>
<td>51.55</td>
<td>1.50</td>
<td>0.90</td>
<td>0.90</td>
</tr>
<tr>
<td>WEST SOUTH CENTRAL</td>
<td>62.65</td>
<td>1.75</td>
<td>1.25</td>
<td>1.05</td>
</tr>
<tr>
<td>WEST</td>
<td>42.30</td>
<td>1.20</td>
<td>0.90</td>
<td>0.70</td>
</tr>
</tbody>
</table>

* Based on dry SO₂ scrubbing
FIGURE 5

NET PRESENT VALUE OF INCREMENTAL ANNUALIZED COSTS, OF 1995 CAPACITY*
1978 DOLLARS

<table>
<thead>
<tr>
<th>CONTROL TYPE</th>
<th>Cost in Billion Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>FULL CONTROL</td>
<td>45</td>
</tr>
<tr>
<td>VARIABLE CONTROL</td>
<td>32</td>
</tr>
<tr>
<td>PARTIAL CONTROL</td>
<td>30</td>
</tr>
</tbody>
</table>

* BASED ON DRY SO₂ SCRUBBING.
<table>
<thead>
<tr>
<th>LEVEL OF CONTROL</th>
<th>1975 ACTUAL</th>
<th>CONTINUE CURRENT STANDARDS</th>
<th>PARTIAL CONTROL</th>
<th>VARIABLE CONTROL</th>
<th>FULL CONTROL</th>
</tr>
</thead>
<tbody>
<tr>
<td>WESTERN COAL SHIPPED, million tons</td>
<td>21</td>
<td>99</td>
<td>72</td>
<td>72</td>
<td>55</td>
</tr>
<tr>
<td>NATIONAL COAL PRODUCTION, million tons</td>
<td>647</td>
<td>1767</td>
<td>1744</td>
<td>1750</td>
<td>1761</td>
</tr>
<tr>
<td>OIL CONSUMPTION, million bbl/day</td>
<td>3.1*</td>
<td>1.4</td>
<td>1.6</td>
<td>1.6</td>
<td>1.8</td>
</tr>
</tbody>
</table>

*Includes 1.4 million bbl per day of oil and natural gas equivalent of 1.7 million bbl per day.
<table>
<thead>
<tr>
<th></th>
<th>SO EMISSIONS, MILLION TONS</th>
<th>DOLLARS PER TON OF ADDITIONAL CONTROL</th>
</tr>
</thead>
<tbody>
<tr>
<td>CURRENT STANDARDS</td>
<td>23.8</td>
<td>--</td>
</tr>
<tr>
<td>PARTIAL CONTROL</td>
<td>20.7</td>
<td>900</td>
</tr>
<tr>
<td>VARIABLE CONTROL</td>
<td>20.5</td>
<td>1500</td>
</tr>
<tr>
<td>FULL CONTROL</td>
<td>20.7</td>
<td>N/A</td>
</tr>
</tbody>
</table>