

THE WHITE HOUSE  
WASHINGTON

5 November 1984

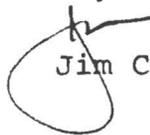
TO: ANNE HIGGINS

It is my understanding that we have decided to do a Presidential message to the Natural Gas Supply Association, instead of a videotape.

Attached is a copy of the material sent over by Don Hodel. I think the draft script could provide a good basis for the message your office will prepare (Fred Ryan may have already sent you a copy).

This is a good group for us-- many Eagles, and very supportive.

Thanks for your help.

  
Jim Cicconi



THE SECRETARY OF ENERGY  
 WASHINGTON, D.C. 20585  
 October 22, 1984

*for: Jim Cicconi  
 from: Wayne*

*FYI*

*I have made  
 some notes on  
 the proposed  
 message -*

*Thanks  
 for all  
 your help--*

*W  
 →*

MEMORANDUM

TO: Michael Deaver  
 Deputy Chief of Staff  
 Craig Fuller, Assistant to the President  
 for Cabinet Affairs

SUBJECT: Recommendation for Presidential Videotape for the  
 Natural Gas Supply Association Annual Meeting --  
 November 14-16, 1984 - Fort Lauderdale, Florida

The Natural Gas Supply Association (NGSA) is extremely interested in receiving a Presidential video message for their November annual meeting in Fort Lauderdale. Over 200 business leaders, representing 90 percent of U.S. gas production, will attend this convention. A majority of these members represent our strongest supporters in the Sun-Belt States.

NGSA has been supportive of Administration energy policies and programs, particularly our comprehensive natural gas decontrol legislative proposal and, more recently, in the fight against the natural gas recontrol efforts of Congressman Sharp. Though the latter effort -- opposition to recontrol -- was successful, this has been a discouraging year for natural gas producers because of failure to achieve total decontrol.

I strongly recommend that a Presidential message for the NGSA meeting be approved. This is an excellent opportunity for the President to deliver an upbeat economic message and reaffirm Administration support for comprehensive decontrol -- two messages which would be well received.

We are attaching a draft video script for your review and would be happy to provide any other assistance or information you desire.

I would be happy to discuss this with you at your convenience, and I look forward to your approval of this recommendation.

*Don Hodel*  
 DONALD PAUL HODEL

Attachment

Draft Video Script  
For Natural Gas Supply Association  
Annual Meeting -- November 14-16  
Fort Lauderdale, Florida

GOOD MORNING.

I WISH I COULD JOIN  
(NAME OF NEW CHAIRMAN),  
DANNY CONKLIN, NICK  
BUSH AND THE OTHER  
OFFICERS AND MEMBERS OF  
THE NATURAL GAS SUPPLY  
ASSOCIATION AT YOUR  
ANNUAL MEETING IN FORT  
LAUDERDALE TODAY.  
UNFORTUNATELY, THOUGH,  
MY SCHEDULE DOES NOT  
PERMIT THAT.

I PARTICULARLY WISH I  
COULD JOIN YOU SINCE IT  
WAS MY DISTINCT PLEASURE  
TO MEET WITH BILL  
SCHMOE, DANNY, AND  
OTHER COMPANY  
EXECUTIVES FROM YOUR  
INDUSTRY LAST OCTOBER  
AT THE WHITE HOUSE.

I MIGHT ADD THAT WHEN  
I MENTIONED TO VICE  
PRESIDENT BUSH THAT I  
WAS MAKING THIS  
VIDEOTAPE, HE REMINDED  
ME THAT HE SPOKE AT  
YOUR 1983 ANNUAL  
MEETING AND HAD MET  
SOME WONDERFUL PEOPLE  
ON THAT OCCASION.

HE SENDS HIS WARMEST  
REGARDS TO ALL OF YOU.

QUITE A LOT HAS  
HAPPENED SINCE OUR  
WHITE HOUSE MEETING --  
PARTICULARLY WITH THE  
ECONOMY.

THIS COUNTRY IS  
EXPERIENCING A RECOVERY  
UNMATCHED IN 30 YEARS.  
-- THE PREVAILING PRIME  
RATE HAS DROPPED  
SIGNIFICANTLY;  
-- INFLATION IS ABOUT A  
THIRD THE 12 PERCENT  
RATE WE INHERITED:

- ~~INSTALLMENT DEBT~~  
~~BURDENS HAVE BEEN~~  
~~PARED TO THEIR~~  
~~LOWEST LEVELS SINCE~~  
~~1976, INDICATING~~  
~~THAT PEOPLE HAVE THE~~  
~~MEANS TO INVEST IN~~  
~~DURABLE GOODS;~~
- A RECORD NUMBER OF  
AMERICANS ARE AT  
WORK AND ARE EARNING  
SALARIES THAT GIVE  
THEM MORE DISPOSABLE  
INCOME; AND,
- ~~UNIT LABOR COSTS~~  
~~HAVE SLOWED TO THEIR~~  
~~LOWEST RATE OF~~  
~~INCREASE IN OVER SIX~~  
~~YEARS, ADDING~~  
~~PRODUCTIVE POWER FOR~~  
~~AMERICAN BUSINESS.~~

AS A NATION, WE CAN BE  
VERY PROUD OF OUR  
ECONOMIC ACCOMPLISHMENTS.  
BUT, WE CANNOT JUST SIT  
AND SMILE AT WHAT'S  
HAPPENING AROUND US.

WE MUST LOOK TO THE  
FUTURE AND WHAT NEEDS  
TO BE DONE TO KEEP OUR  
ECONOMY FUNCTIONING AS  
THE BEST IN THE WORLD.

A CRUCIAL ELEMENT TO  
CONTINUED GROWTH IS AN  
ADEQUATE AND REASONABLE  
COST ENERGY SUPPLY TO  
POWER OUR INDUSTRIAL  
BASE AND WARM OUR  
HOMES. UNFORTUNATELY,  
A CORNERSTONE OF OUR  
ENERGY MIX -- NATURAL  
GAS -- IS STILL  
SHACKLED WITH  
COUNTERPRODUCTIVE,  
COSTLY GOVERNMENT  
REGULATIONS.

THE PICTURE OF NATURAL  
GAS THAT I SEE,  
HOWEVER, DOES HAVE  
POSITIVE ASPECTS.

*fi ---*  
*Need to*  
*encourage*  
*the*  


YOUR INDUSTRY IS  
TRYING TO SORT ITSELF  
OUT AND WORK AS BEST IT  
CAN IN A BAD  
ENVIRONMENT. YOU HAVE  
MADE THAT EXTRA EFFORT,  
THROUGH GOOD FAITH  
NEGOTIATING, TO ENSURE  
NATURAL GAS MARKETS  
FUNCTION AS SMOOTHLY AS  
POSSIBLE IN A DIFFICULT  
TRANSITION PERIOD.

ON THE LEGISLATIVE  
FRONT, THIS LAST YEAR  
HAS BEEN ONE OF TRIUMPH  
AND DISAPPOINTMENT.

RECONTROL LEGISLATION  
WAS SOUNDLY DEFEATED IN  
THE SENATE. BUT,  
UNFORTUNATELY, THE  
ADMINISTRATION'S  
COMPREHENSIVE DECONTROL  
LEGISLATIVE PACKAGE  
ALSO WAS PUT ASIDE.

WE BELIEVE THAT HAD  
OUR DECONTROL MEASURE  
BEEN APPROVED, THE  
NATION'S GAS MARKETS  
WOULD NOT BE GOING  
THROUGH SUCH TROUBLED  
TIMES.

|| *good*

DURING THIS MOST  
RECENT CONGRESS,  
PRODUCERS DESERVE  
CREDIT FOR NOT DUCKING  
BEHIND LEGISLATIVE  
"QUICK FIXES."

|| *good*

INSTEAD, YOU HAVE  
FOUGHT A HARD FIGHT,  
AGAINST SOME FORMIDABLE  
OPONENTS, TO BRING  
ECONOMIC SANITY TO  
NATURAL GAS MARKETS.

|| *good*

AND, YOU HAVE DONE SO  
IN A DIFFICULT PERIOD  
THAT DEMANDS THE BEST  
OF PEOPLE TRYING TO  
MAKE MARKETS FUNCTION  
RATIONALLY WHILE COPING  
WITH A CRAZY QUILTWORK  
OF REGULATIONS.

|| *good*

IN FACT, YOUR INDUSTRY  
IS ONE OF THE FIRST  
UNFORTUNATE VICTIMS OF  
THE TIRED NOTION THAT  
GOVERNMENT CAN REGULATE  
INDUSTRY BETTER THAN  
THE MARKET.

*this is  
good  
stuff*

I KNOW THAT'S NOT  
TRUE, AND SO DO YOU.  
REGRETTABLY, SO DO  
MILLIONS OF AMERICANS  
WHO NOW PAY THE HEAVY  
TOLL FOR FEDERAL  
INTERVENTION AND  
CONTROL OF THIS VITAL,  
DOMESTICALLY-PRODUCED  
FUEL.

I KNOW, AS YOU WELL  
KNOW, THAT TOTAL  
DECONTROL AT THE  
WELLHEAD WOULD PUT IN  
PLACE A KEY SEGMENT OF  
A SOUND, COMPREHENSIVE  
NATIONAL ENERGY POLICY  
THAT IS SO NECESSARY  
IF OUR ECONOMY IS TO  
REMAIN VIBRANT.

DECONTROL WOULD LET  
THE FREE MARKET  
FUNCTION TO EVERYONE'S  
BENEFIT -- PRODUCER,  
PIPELINE, DISTRIBUTOR,  
AND CONSUMER, ALIKE.

DECONTROL WOULD  
INCREASE PRODUCTION AND  
SHARPLY REDUCE OUR  
RELIANCE ON FOREIGN  
SOURCES OF OIL AND  
NATURAL GAS.

FOR CONSUMERS, NATURAL  
GAS DECONTROL WOULD  
PROVIDE ADEQUATE  
SUPPLIES AT REASONABLE  
COST -- SOMETHING PRICE  
CONTROLS HAVE NEVER  
BEEN ABLE TO DELIVER.

FOR PRODUCERS, IT  
WOULD MEAN BEING ABLE  
TO COMPETE FOR  
BUSINESS. AND, THE  
GOVERNMENT WOULD BE OUT  
OF THE BUSINESS OF  
TELLING YOU WHAT NO  
GEOLOGIST IN HIS RIGHT  
MIND WOULD SAY --

-- THAT YOU HAVE TO  
DRILL TO A CERTAIN  
DEPTH BEFORE YOU CAN  
GET A FAIR RETURN ON  
YOUR INVESTMENT.

IF THERE IS ANY  
SEGMENT OF AMERICAN  
INDUSTRY THAT CAN  
SUCCEED AT COMPETITION,  
IT IS YOURS.

THE TASK AHEAD IS NOT  
AN EASY ONE. BUT, I  
KNOW YOUR DEDICATION IS  
SURPASSED ONLY BY YOUR  
ABILITIES AND STRONG  
MEASURE OF PERSEVERANCE.

MY BEST WISHES TO ALL  
THE MEMBERS OF NGSА FOR  
A SUCCESSFUL MEETING.  
AND, THANK YOU FOR ALL  
YOU HAVE DONE AND WILL  
DO TO SEE THAT TOTAL  
NATURAL GAS DECONTROL  
BECOMES A REALITY.

*Some kind  
of up beat  
ending  
would be  
great!*