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If Cars Ran on Federal Schemes . . .

IF appropriations could solve the energy problem, Congress might do it.

The House-Senate energy conference has produced a synthetic fuels program estimated to cost \$20 billion. A new federal bank would be created just to dish out the subsidized loans for energy projects.

Dollars spouting from the federal money derrick may become as spectacular as the "black gold" that poured over the tops of early-day drilling rigs. There is a difference. The oil was new wealth, but the energy subsidies would be a redistribution of profits from working taxpayers and successful businesses to finance uncertain enterprises.

Look at what is proposed for the U.S. Department of Agriculture:

— Federal grants for "wood energy centers" to study problems such as the production and use of firewood. Fortunately, early settlers didn't have to wait for such a study to be made.

— Grants for "biomass energy centers," which would analyze the

production of energy from organic materials such as animal manure.

— Subsidized loans and grants to farmers amounting to around \$1 billion a year for timberland energy and conservation projects.

A Michigan industrialist has theorized that 6,200 poplar trees per acre would, in four years, produce 24 pounds of green wood per tree per acre. This would yield 3,600 gallons of ethyl or butyl alcohol per acre. Other theorists are waiting in the subsidy line also.

There would be a fund of \$1.2 billion to be handed out as subsidies for production of gasohol from crops. An Alabama farmer has set aside 26,000 acres, says *Newsweek* magazine, to plant milkweed, expecting to harvest 160 barrels of oil per acre at a cost of \$18.50 per barrel.

Subsidized gasohol plants are under construction all around, including some in Oklahoma. They range in size from farm stills to industrial units. The idea seems to be gaining

popularity, but the first company to market gasohol in Kansas went out of the business because the price of corn got too high.

Gasohol is 100 percent exempt from federal taxes, although 90 percent of the product is gasoline.

President Carter has succeeded in getting the fuel tax raised from 4 cents per gallon to 14 cents so people can afford less of it.

Meanwhile, the Department of Energy is boosting the allowed markup of gasoline for wholesalers from 5.1 cents to 7.7 cents per gallon.

The same department a few days ago ordered Standard Oil of Ohio to raise its gasoline prices 10 cents per gallon because it sold fuel at lower prices than its competitors. Two days later, fearing political fallout, the administration revoked the price raise order.

Who knows? Maybe one of these schemes will actually produce energy some day. Washington officials seem to believe that almost anything may be accomplished with appropriations and regulations.