

Commenting on the synfuel program, Sawhill said that 951 proposals for synfuel projects have been received by DOE from businesses, state and local governments. He said 160 DOE staff members are evaluating the proposals for \$200 million in grant awards, and that winners will be announced by the end of June.

"It is important to note," Sawhill said, "that many of the new coal technologies for synthetic fuel are no longer really experimental in the scientific sense." He cited four projects now undergoing large-scale development: The Great Plains Gasification Project at Beulah, N.D., the Exxon Donor Solvent Plant, Baytown, Tex., the H-Coal process plant at Catlettsburg, Ky., and the Solvent Refined Coal Process plants at Fort Lewis, Wash., and Morgantown, W.Va.

General Policy

EPA FEARS PROPOSAL TO TALLY COSTS WILL RESULT IN 'REGULATORY BUDGET'

Draft legislation from the Office of Management and Budget, which would require federal agencies to make estimates of the costs of complying with their regulations, raised concern within the Environmental Protection Agency that the plan would be the first step toward a regulatory budget.

The draft of OMB's "Regulatory Cost Accounting Act," was sent to federal agencies in December for comment. In April, OMB sent a revised version of the draft back to the agencies with the request they estimate by July the costs of implementing the plan.

Under the proposal, federal agencies would estimate costs of groups of similar type of regulations — their direct, and where "practical," their indirect costs to industry and other levels of government.

The draft bill itself would not affect EPA as much as other federal agencies because currently EPA is the only federal agency to report to Congress the costs of its major regulations — it tallies the costs of the Clean Air and Water Acts annually.

However, in informal comments to OMB, EPA expressed concern that, once OMB had the total costs of each agency's regulations, it might assign the agencies a total regulatory cost figure they could not exceed, according to a source within the agency.

If this happened EPA would be forced to assign priorities to regulations among its various programs, with, for example, air regulations competing with water or hazardous waste regulations for inclusion in the budget, the source said.

Also, federal agencies would compete with each other for a slice of the total federal budget for regulatory costs, the source said. As a result, agencies would be limited in the extent of their compliance with the requirements of statutes they are charged with implementing, the source said.

These effects, according to the source, could be good or bad depending on one's philosophy. OMB, the source said, is attempting to "get a handle" on the escalating costs of government regulation.

The OMB plan would centralize power in one federal agency that is not directly accountable to the public, another EPA staffer said. OMB, the source said, could use the regulatory budget to sidestep the mandates of Congress.

'Quality of Life' Review

Another reason the bill is viewed skeptically by some within EPA is what one staffer called "the residual of ill

feeling" in the agency left by a former OMB review of EPA regulations called the "Quality of Life" review.

Though the review, established in 1971, had both critics and proponents in the agency, it was terminated shortly after President Carter took office. Critics said OMB was singling out EPA for scrutiny and "was delaying needlessly its regulations, while proponents said the review made EPA more scientifically aggressive (Current Developments, January 28, 1977, p. 1443).

Tozzi's Bill

The proposed legislation comes from OMB's Office of Regulatory and Information Policy, headed by James J. Tozzi, who until last January oversaw EPA's budget for OMB.

Tozzi's new job is to scrutinize agency regulations with an eye toward cutting back their inconsistencies and the amount of paperwork they require.

Edward H. Clarke, management analyst in Tozzi's office, told Environment Reporter information on the total costs of regulations could and might be used for a regulatory budget, but that budget could be defined in many ways.

For example, he said, the information could simply aid agency officials in setting their own regulatory priorities, or help Congress in the same way.

The reaction from agencies so far, Clarke said, has been "heavily negative," and OMB is attempting to overcome agency objections that costs of implementing the bill would be too high.

The proposed legislation is in an "embryonic stage," he said.

General Policy

GROUP SAYS SEC SHOULD REQUIRE FIRMS TO FURNISH STATEMENTS MADE TO AGENCIES

A consumer group spearheaded by Ralph Nader has petitioned the Securities and Exchange Commission to adopt rules that would require that corporations disclose to the SEC and shareholders statements they make to federal agencies and courts on proposed or final regulations.

Nader himself told a House hearing May 5 that the proposed rules would put an end to "crosstown hypocrisy." Corporations tell shareholders that a proposed health or safety standard will have no material impact, but tell federal agencies that the same proposed standard would be burdensome and onerous, he claimed.

In its petition, Nader's Public Citizen Litigation Group told the SEC its research shows that "numerous corporations inform agencies and courts that regulations will have serious impacts on their ability to do business while not disclosing, or not fully disclosing this information to shareholders or the commission."

The Nader group contends this is an effort by corporations to delay or prevent the adoption of regulations that may increase costs or decrease profits. "At the same time they wish to keep their stock prices high and their shareholders happy by not disclosing the possible impact of these proposed regulations," it added.

"This petition asks that the commission adopt rules requiring corporations to be consistent," Public Citizen stated, "to disclose to shareholders the same information submitted to the government."

The litigation group acknowledged that the SEC's general disclosure rules already require corporations to disclose all material information. A review of filings by 45 corporations indicated that many have not been making disclosures regarding the financial effects of proposed regulations "and hence