THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE RESOLUTION No. 255 Session of 1990

INTRODUCED BY D. R. WRIGHT, J. L. WRIGHT, VEON, LLOYD, WAMBACH, FEE, KOSINSKI, CAPPABIANCA, FAIRCHILD, BOWLEY, MERRY, DeWEESE, PRESSMANN, COY, GODSHALL, STUBAN, GIGLIOTTI, BATTISTO, STISH, PESCI, F. TAYLOR, TANGRETTI, BELARDI, BELFANTI, MORRIS, GANNON, RICHARDSON, HAYDEN, D. W. SNYDER, JOSEPHS, BILLOW, DELUCA, STAIRS, MELIO, SERAFINI, LASHINGER, CIVERA, McCALL, E. Z. TAYLOR, JAROLIN, TRELLO, FREEMAN, HERSHEY AND JOHNSON, FEBRUARY 12, 1990

REFERRED TO COMMITTEE ON RULES, FEBRUARY 12, 1990

A RESOLUTION

Memorializing the Congress of the United States to take whatever 1 2 steps are necessary to insure that energy supplies, 3 particularly heating oil and propane, are made available at a reasonable price to consumers in the Commonwealth of 4 Pennsylvania and throughout the nation, especially during 5 times of severe weather conditions and supply disruptions. 6 7 WHEREAS, Heating oil prices increased as much as 50¢ a gallon in Pennsylvania during the month of December while the spot 8 9 price for a barrel of crude oil increased only 3c per gallon; 10 and 11 WHEREAS, Heating oil supplies were at their lowest level in 12 15 years at the start of the heating season, even lower than 13 during the 1973 Arab oil embargo; and 14 WHEREAS, Commodities speculators took advantage of the 15 combination of low levels of heating oil supply and colder than usual temperatures to drive up the price for heating oil on the 16 17 New York Mercantile Exchange from 58¢ per gallon in mid-November 1 to \$1.02 per gallon on December 28; and

2 WHEREAS, The elimination of Federal grants to states reliant 3 on heating oil, including Pennsylvania, to provide biweekly data 4 on heating oil inventories and prices at the wholesale and 5 retail level, left the Federal Government with no source of 6 timely, reliable, compatible data with which to monitor heating 7 oil markets; and

8 WHEREAS, Funding for the Low-Income Home Energy Assistance 9 Program and for the Weatherization Assistance Program has been 10 cut each year since 1985; and

11 WHEREAS, Propane, an important source of fuel for mobile home 12 dwellers and farm communities in Pennsylvania, which was selling 13 at the wholesale level for 22ç a gallon last year, sold for 70ç 14 per gallon at the end of December with retail prices going over 15 \$1 a gallon; and propane inventories were 25% less in October 16 1989 than in October 1988; therefore be it

17 RESOLVED, That the House of Representatives of the 18 Commonwealth of Pennsylvania memorialize the Congress to provide 19 to the appropriate Federal regulatory or oversight body greater 20 controls, in particular, tighter margin limits, on the 21 commodities markets for necessities like heating oil to prevent 22 speculators from driving prices up to unreasonable levels; and 23 be it further

24 RESOLVED, That the House of Representatives of the 25 Commonwealth of Pennsylvania memorialize the Congress to reject 26 the President of the United States' proposal to cut the funding 27 for the Low-Income Home Energy Assistance Program by 25% and the Weatherization Program by 85% in Federal fiscal year 1991; and 28 29 should instead raise the funding level for next year's programs 30 and provide supplemental assistance for this year; and be it 19900H0255R3084 - 2 -

1 further

RESOLVED, That the House of Representatives of the 2 3 Commonwealth of Pennsylvania memorialize the Congress to 4 reinstate the federally supported heating oil monitoring system and expand it to include propane data; and be it further 5 6 RESOLVED, That the House of Representatives of the 7 Commonwealth of Pennsylvania memorialize the Congress to amend 8 the Merchant Marine Act, 1920 (46 U.S.C. § 861 et seq.) to allow the movement of energy supplies by non-United States flag 9 10 vessels during times of supply disruption; and be it further 11 RESOLVED, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the Congress to 12 13 authorize that funding for the Strategic Petroleum Reserve be used to establish regional product reserves in the Northeast to 14 15 ensure the availability of supply to consumers and exert a 16 downward pressure on prices when supplies are short; and be it 17 further

18 RESOLVED, That the House of Representatives of the 19 Commonwealth of Pennsylvania memorialize the Congress to order 20 an investigation to determine whether the oil companies violated 21 Federal antitrust laws during the recent crisis and if 22 violations exist to prosecute the guilty parties; and be it 23 further

RESOLVED, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

- 3 -