

Victor Atiyeh  
GOVERNOR OF OREGON

11/12/79  
9:47 AM



2:00 p EST - Pres. Carter will announce  
will not purchase Mexican oil  
4% of total supply

PRESIDENT CARTER

JACK WATSON

CHARLES DUNCAN - SEC. ENERGY

JOHN SAWHILL - DEPUTY SEC. ENERGY

WARREN CHRISTOPHER - DEPUTY SECRETARY STATE

BILL MILLER - SEC. TREASURY

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U.S. PRODUCES APPROX. 20% OF THE OIL WE USE

U.S. IMPORTS APPROX 60% OF " " " " FROM OPEC

IRAN = 4% OF OUR IMPORTS @ 700,000 BARRELS PER DAY

(OPEC @ 1% OF POPULATION CONVERTED = 7,000 BARRELS X

42 GALLONS = 294,000 GALLONS PER DAY ÷

1,861,240 VEHICLES = .15 OF A GALLON PER DAY

OPEC PRICE 1973 = 4<sup>00</sup> PER BARREL / 1979 = 24.22 (SPOT @ UPTO 40<sup>00</sup>)  
+65% SINCE DEC. '78

ABOUT 45/50 DAYS IN "PIPELINE" FROM IRAN BEFORE SHORTAGE FELT

ONE DRIVER TRIPS PER DAY = 50 MILLION

DRIVE 3 MILES PER DAY LESS ADEQUATE CONSERVATION

RECOMMENDED ACTIONS:

ENFORCED 55 MPA SPEED = 100,000 B/D

RIDE SHARE = 50,000 B/D

GOVERNMENTS SAVE 5-10% = 60,000 B/D (w/50% COMPLIANCE)

AVOID HOARDING

MINIMUM PURCHASE REQUIREMENTS

EMERGENCY BUILDING TEMPERATURE REQUIREMENTS = 200,000 B/D

GASAHOL INITIATIVES

CONVERT FOSSIL FUEL ENERGY PRODUCTION TO COAL

"FAST-TRACK" CONSERVATION

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CHARTS CLEARLY SHOW NO APPRECIABLE INCREASE OR AVAILABILITY

OF OIL - CERTAINLY NO PROVISION FOR GROWTH - AND EXTRAORDINARY  
DEPENDENCE OF U.S. ON IMPORT OIL (60% FROM OPEC) — ANSWER

UNQUESTIONABLY IN CONSERVATION FOR SHORT TERM AND LONG TERM

IN OTHER SOURCES OF ENERGY (COAL / <sup>OIL SHARE</sup> NUCLEAR) ALTHOUGH THERE

APPEARS TO BE NO REAL COMMITMENT BY ADMINISTRATION TO

DEVELOPMENT OF THESE RESOURCES

"A NEW MESSAGE" BY JACK PEMBERTON  
 PUBLISHED BY THE ROCKFORD COLLEGE INSTITUTE  
 ROCKFORD, ILLINOIS 61101

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700,000 @ 1% = 70,000 BARRELS X 42 GALS. =

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1,861,240

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1294,000

(STORAGE OF SPENT FUEL)

CONCERN TO KEEP SAVINGS - NOT DISTRIBUTED TO NEXT STATE  
STATUS OF PROF. PRIMARY

SIGNAL THAT @ 4% WE ARE CALLED TO WORK. - FRAGILE NATURE  
OF ENERGY SITUATION

CONCERN ABOUT NUCLEAR/COAL PRODUCTION

TELL US WHAT TO SAVE - LET US DO JOB

USE GOVERNMENTS TO MOBILIZE ENERGY EFFORT

SITUATION OF EMBASSY TAKE OVER;

MARINES & PERSONNEL "BOUGHT" 2 HOURS OF TIME & DESTROYED  
ALL IMPORTANT SENSITIVE DOCUMENTS & CRYPTOGRAPHY MATERIAL  
STEEL DOORS WERE TORCHED BY IRANIAN STUDENTS TO GAIN ACCESS  
BETWEEN 5 & 7:00 AM ON NOV. 4<sup>TH</sup>

CALLED ON FOR HELP FROM IRANIAN GOVERNMENT WITH NO RESPONSE  
WHICH INDICATED ACQUIESCENCE AND CO-OPERATION

ALL NORMS OF DIPLOMATIC BEHAVIOR & LAW VIOLATED  
"OUTRAGEDUS & HEINOUS CONDUCT"

SITUATION DANGEROUS & DIFFICULT, NOT GETTING BETTER WITH  
DANGERS GROWING DAILY

"DO NOT SEE EARLY END" — "TIME TO BE DETERMINED &  
COOL"

"ABOUT" 60 AMERICANS IN EMBASSY, SOME ISOLATED, SOME  
BOUND HAND & FOOT, SOME BOUND TO CHAIRS — PHYSICAL  
DISTRESS NOT ACUTE, MENTALLY VERY TIRED

"NON-GOVERNMENT" IN IRAQ MAKING NEGOTIATIONS EVEN MORE  
DIFFICULT

MANY IRANIANS IN U.S. SUPPORTIVE OF OUR GOVERNMENT

11/16

12:30 PM BT

EAST RM - WHITE HOUSE

JACK WATSON

① WARDEN CHRISTOPHER  
DEPT. SEC. STATE

⑤ BILL MILLER, TREASURY

① CURS. RUNCAN - SEC. ENERGY - WT. SUPPLY & DEMAND

② PRES. CARTER

③ JOHN SAWHILL - DEP. SEC ENERGY - RESPONSE MECH. FED/STATE

LATEST & INFORMATION RE. ENERGY & ECONOMIC SITUATION AS A  
RESULT OF IRAN - & APPROPRIATE RESPONSE

① A DIFFICULT SITUATION INTO SOMETHING MORE SERIOUS

"TOO DEPENDANT ON FOREIGN OIL"

FALLING SHORTER THAN LATER BECAUSE OF IRAN

MORE USE OF OIL RESOURCES - OIL/COAL/SOLAR - ETC

(\*) "CALGUL USE OF  
NUCLEAR POWER"

CONSUMPTION - MMB/D

	'79	1980	DOE / CIA / INT. EN. AGENCY / INFO.
CONSUMPTION	51.	51.3 / 52.6	
SUPPLY	52.2	51.1 / 52.9	
OPER	31.3	29.8 / 30.9	
NON-OPER.	20.1	20.9 / 21.3	
NET. CENT. PL. GEN.	.8	.4 / 1.0	

79 - 80

	U.S. / CAN / NO. SEA / MEXICO / OTHERS.	(U.S. 10.3)	20.1 / 21.3
NON-OPER			
OPER.			31.3 / 30.8
CPE			.8 / .8 /

(Iran 3.1 / 3.5) INCLUDES

TOTAL SUPPLY = 52.2 / 51.9

(SAUDI / IRAN / IRAQ / KUWAIT / LIBIA / NIGERIA / VENEZUELA / OTHERS)

\$ PER BARREL

173.9<sup>00</sup> / 79 - 24.22 (80) @ AS MUCH AS 40<sup>00</sup>

DEC. NOV.  
78-79 - +69%

IRAN - PRIOR TO REVOLUTION 6MMB/D — 16% OF OIL IN INT. TRADE

NOV. '78 - STRIKE

DEC. 21/78 - ALL STOPPED

3/6/79 - BEGIN AGAIN — MAR/OCT - AV, 3.6 MMB/D 65% OF PRE/REV. LEVEL

U.S. 900,000 MMB/D PRE. REV.

4<sup>th</sup> QUART '79 - IRAN ~~4~~ 4% OF TOTAL U.S. DEMAND + 2% OF U.S. WORLD

WIDE EXPORT

"FOR TIME <sup>BEING</sup> NOT ALLOWED TO LOAD IRANIAN CRUDE"

CRUDE OIL STOCK NOV/79 7.2% + THAN LAST YR.

MID. AS. 245MMB

GASOLINE + SLIGHTLY = CONCENTRATED CONSUMPTION

(MUCH OF GASOLINE CONSUMPTION IS DISCRETIONARY CONSUMPTION)

HAVE 45/50 DAYS BEFORE STORAGE ARRIVES = 700,000 BARRELS PER DAY

'DEPART. WILL WORK VERY FAST TO MINIMIZE STORAGE'

ACTION PLAN + CONSERVATION OBJECTIVES SOON

"BUY/SELL PROGRAM"  
DISTRIBUTE STORAGE  
NATION-WIDE

11/16/79

PLBS. CARTER (1:04 PM)

DIFFICULT & COMPLICATED PROBLEM IN PEACE TIME  
FAST TRACK CONSERVATION PROGRAM

→ "GOV. BROWN & OTHERS GAVE OVERWHELMING SUPPORT"

= HAS RECEIVED STRONG SUPPORT BY IRANIAN'S

WILL <sup>NOT</sup> RESPOND TO INTIMIDATION OR BLACKMAIL

- DISCOURAGE PERHAPS FOR DEMONSTRATIONS
- NOT ACCEPT IRANIAN OIL

(DO NOT KNOW RESULTS OF THAT DECISION AS TO AFFECT ON OIL IN  
WORLD SITUATION)  
GOOD SUPPLY ON HAND - COMMIT "SHARPEST CONSERVATION"

- EXAMINE VISAS OF IRANIAN STUDENTS
- FROZEN ASSETS OF IRAN GOVERNMENT (DEBT FROM IRAN MUST BE PAID)

→ - DISCOURAGED <sup>(DEBATE)</sup> MEETING BY SECURITY COUNCIL OF U.N. WHILE  
HOSTAGES BEING HELD

ENERGY EMERGENCY ACT PASSED BY CONGRESS (ALSO GAS RATIONING AUTHORITY)

MAXIMUM-COMMUNICATION

CLOSEST POSSIBLE PARTNERSHIP

50 MILLION 1 DRIVER TRIPS A DAY - 3mi. PER DAY ADEQUATE CONSERVATION



(DICK SWELLING VERMONT)

"NO GOOD DEED GOES UNPUNISHED"

SCOTT MARBLESON

④

1:37 PM

# JOHN SAWHILL -

SHORTAGE MANAGED EQUITABLY

W/IMPACT DIFF. REFINING DIFFERENTIALLY - EVEN OUT IMPACT NATION-WIDE

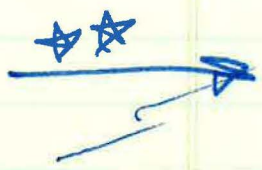
KEEP A CAREFUL EYE ON INVENTORIES

✓ AVOID PANIC BUYING OR HOARDING

✓ MIN. PURCHASE REQUIREMENTS

MOVE INTO "FAST-PACK" CONSERVATION

TARGETS TO BE SET FOR STATES



✓ 55 MPH SPEED 100,000 BARRELS PER DAY

✓ RIDE-SHARES 5,000 " " " (DOE & DOT ASSISTANCE)

✓ (HV LANES)

✓ STATE & LOCAL 5% - 10% (5% COMPLIANCE 60,000 BPD)

"ADD IN YOUR PROGRAM"

FED. LEVEL REPORTS (SOME PROPRIETARY) "DATA PACKAGES"

TECHNICAL ASSISTANT TEAMS - WHICH & IMPLEMENTATION

FUNDING FOR STATE ENERGY OFFICE	FISCAL '79	FISCAL 80
	57M	47M

ENERGY MANAGEMENT PARTNER ACT

★ ✓ EMERGENCY BUDG TEMP. AUTHORITY 200,000 BPD.

(STAND-BY GASOLINE RATIONING)

ACCELERATE NEAR-TERM DOMESTIC PRODUCTION

(COAL TRANSFORMATION CONF. IN DEC.)

✓ GASOLINE INITIATIVES - GOAL 10% BY END 1980 = 11MB

"PLEASE WORK WITH YOU -

★ ★ = LOOK @ HISTORICAL BASE PERIOD =

(700,000 BARRELS = 4% (≈ 96%) OF TOTAL CONSUMPTION VS. SPRING/SUMMER '79)

→ 94% END OF SECT ←

2:26 PM

(5)

WARREN CHRISTOPHER DEP. STATE DEPT.

STEEL DOORS / BULLET PROOF GLASS / TEAR GAS

MARINES & PERSONNEL - BOULDER ZINES - DESTROYED MOST

SENSITIVE MATERIAL B/W 5/7:00AM

HEAT ON STEEL DOORS - MARINES INSTRUCTED NOT TO ENGAGE

IN FIRE FIGHT - CALLED ON HOST COUNTRY DID NOT

RESPOND - DOORS MELTED

ACQUIESCENCE & CO-OP OF HOST COUNTRY

ALL NORMS OF DIPLOMATIC BEHAVIOR & LAW -

★ UNIFIED DIPLOMATIC COMMUNITY - ALL OUT ALBANIA -

OUTRAGEOUS HEINOUS CONDUCT

AMERICAN HONOR & PRINCIPLES - TO GET RELEASE W

CO-OPERATION W/ HOSTAGES & FAMILIES - & GOV. WITH RESTRAINTS

★ " TIME TO BE DETERMINED & COOL "

★ " DO NOT SEE EARLY END "

DAUNTING & DIFFICULT - NOT GETTING BETTER - DANGERS GROW DAILY

15/0 VOTE IN SECURITY COUNCIL

"NON-GOVERNMENT" <sup>TERRAN</sup> IN IRAN

ABOUT 25 - OTHER AMERICANS IN IRAN

EMBASSY # BOUND HAND & FOOT - SOME BOUND TO CHAIR - MOST ISOLATED

"ABOUT" 60

PHYSICAL DISTRESS NOT ACUTE - MENTALLY VERY TIRED

2:42 PM

(1)

BILL MILLER - SEC. MASS.

MON. - DISCONTINUE CRUDE OIL

"UNSTABLE PEOPLE"

ABOUT 50,000 STUDENTS - MANY IN PROPER STATUS

OIL IS FUNGIBLE

REDUCE BY 1/2 U.S. WILL DO O.K.

SITUATION RE. OOPS ON EXECUTION'S

HISTORICALLY LONGER HOLD HOSTAGE ~~UNLESS~~ POSSIBILITY OF LIFE

HOWEVER - IN THIS CASE - VERY DANGEROUS, VERY GRAVE

WE ALL HAVE TO BE VERY CAREFULLY & DELIBERATELY

## OVERVIEW OF MEETING:

MANAGEMENT OF IRANIAN OIL CUT-OFF SHORTAGE IS WITHIN THE RELATIVELY EASY ABILITY OF THIS COUNTRY. THIS SITUATION, HOWEVER, ONLY SHARPLY BRINGS INTO FOCUS THE TERRIBLE EXPOSURE OF THIS COUNTRY BY IT'S DEPENDENCE ON FOREIGN OIL ENERGY — GASOLINE OR ELECTRICITY. THE MEETING, IF THE MESSAGE IS CARRIED CLEARLY BY THE GOVERNORS AND THE MEDIA, MAY FINALLY GAIN THE PENETRATION OF BELIEF TO AMERICANS GENERALLY. THIS THEN MIGHT CONVERT INTO RESOLVE AMONG THE PEOPLE TO ACTION TO DO SOMETHING ABOUT IT.

HOWEVER, THE ADMINISTRATION SEEMS ONLY DEEPLY COMMITTED TO THE NECESSARY BUT SHORT-TERM ACTION OF CONSERVATION AND SOME CONVERSION OF ~~FREE~~ OIL FIRED UTILITIES TO COAL. THERE STILL DOES NOT SEEM TO BE ANY DEEP-SEATED DETERMINATION TO MOVE <sup>AS</sup> AGGRESSIVELY INTO OTHER SOURCES OF ENERGY — OIL SHALE, COAL & NUCLEAR. CONSERVATION CAN BE ACCOMPLISHED BY AMERICANS — IT WILL NOT SOLVE THE LONG-TERM PROBLEM AND EACH DAY WE WAIT WILL MAKE THAT SOLUTION ONE DAY FURTHER OUT INTO THE FUTURE (WE HAVE ALREADY LOST TOO MANY "ONE DAYS").

DECISIONS MUST BE MADE FOR OUR ECONOMIC FUTURE — WHICH MEANS ~~THE~~ THE FUTURE OF OUR FORM OF GOVERNMENT — IS REALLY AT STAKE. I FOUND NO SENSE OF URGENCY ABOUT THIS.

AS TO THE SITUATION IN IRAN, THE U.S. CUT-OFF OF OIL WAS PURE AND SIMPLY DONE TO TAKE AWAY A BARGAINING TOOL FROM THE IRANIANS. THE CONDITIONS ARE EXTREMELY GRAVE AND THE <sup>CONTINUED</sup> LIVES OF THE HOSTAGES ARE STILL IN DOUBT. OUR GOVERNMENT IS DELIBERATELY ACTING IN A RESTRAINED WAY — AS DIFFICULT AS THAT IS — TO DO EVERYTHING IN THEIR POWER TO ASSURE THE

SAFE RETURN OF OUR CITIZENS. IT APPEARS TO ME THE IRAN IS ALMOST IN A STATE OF ANARCHY — IF NOT THERE ALREADY. THIS MAKES OUR NEGOTIATIONS EVEN MORE DIFFICULT. INTERNATIONAL SYMPATHY IS WITH THIS COUNTRY, ALTHOUGH NOT OVERT ACTIONS BY OUR FRIENDS HAS YET TO BE EVIDENCED EXCEPT BY PUBLIC PRONOUNCEMENTS. ALL OF US MUST RESTRAIN OURSELVES AS MUCH AS HUMANLY POSSIBLE FOR AMERICANS TO BE RESTRAINED.

AND SO WE FIND THE MEETING CONTAINED TWO ELEMENTS. ONE BEING THE HOPE THAT RECOGNITION OF OUR LONG-TERM DANGER, IF WE DO NOTHING, OR LONG-TERM BENEFIT IF WE ACT AGGRESSIVELY.

AND TWO, WE MUST HELP OUR GOVERNMENT IN RETURNING OUR CITIZENS SAFELY.

THAT'S IT. \_\_\_\_\_