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# PROTECTING ENERGY TURF: THE DEPARTMENT OF ENERGY ORGANIZATION ACT

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On August 4, 1977 President Jimmy Carter signed the first of a series of key new laws which were designed to lay the foundations for his new Administration's energy policy: the Department of Energy Organization Act.<sup>1</sup> Although conflict over the National Energy Plan gained far greater national attention because of the protracted policy conflict in Congress in the late fall and winter of 1977-1978, the earlier act is equally notable for what it did not achieve.

The Department of Energy Organization Act is a particularly compelling demonstration of two basic principles of national policy making:

First, national policy is made through a system of power clusters<sup>2</sup> which operate quite independently in each of the major substantive fields of policy. Except for atomic energy, most of energy supply long has been a sub-cluster within the broader Natural Resources power cluster and has, in fact, operated in several other sub-clusters within Natural Resources, primarily in water and in minerals. On its face, it would appear that the establishment of a Department of Energy would do no violence to the power cluster system and thus should have been an attainable proposition.

Second, administrative agencies jealously guard their subject matter "turf." They yield jurisdiction only after a major struggle and only in the face of overwhelming political force. They can and will muster counter political forces to protect their turf.<sup>3</sup> Reorganization which involves realignment of established jurisdictional relationships and the sharing of duties formerly lodged in one agency are especially difficult to achieve, because the original agencies continue with their established functions and can successfully resist the new arrangements. Thus, for example, attempting to give the Fish and Wildlife Service responsibility for managing wildlife in the National

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1. 42 U.S.C. §7101 (1977) (hereinafter The Act).

2. D. OGDEN, HOW NATIONAL POLICY IS MADE, INCREASING UNDERSTANDING OF PUBLIC PROBLEMS AND POLICIES-1971 5-10 (1971).

3. H. SEIDMAN, POLITICS, POSITION, AND POWER (2d ed. 1975).

Parks would be an organizational disaster. Neat as it may look on paper and logical though it may sound to have one federal agency responsible for the management of fish and wildlife on all federal property, the overriding management responsibilities of the principal agency would simply make life impossible for the secondary one. The Department of Energy Organization Act clearly reflects the impact of both of these principles.

First, the Act assembles several energy agencies from various places in the government and establishes a few new ones. Two previously independent agencies, the Federal Energy Administration and the Energy Research and Development Administration, a lineal descendent of the post-war Atomic Energy Commission, are abolished and their functions transferred to Energy. The Nuclear Regulatory Commission, the other part of the old Atomic Energy Commission, remains independent. All of the electric power marketing bureaus of the Department of the Interior are moved to Energy: the Bonneville Power Administration, the Southwestern Power Administration, the Southeastern Power Administration, the Alaska Power Administration, and the power marketing functions of the Bureau of Reclamation converted to the Western Area Power Administration. The Federal Power Commission is abolished and all its powers transferred to the new Department. A new, five-member Federal Energy Regulatory Commission is "established within the Department (as) an independent regulatory commission." It has all of the regulatory functions of the old Federal Power Commission over hydroelectric licenses, power rates, natural gas rates, and service. The Secretary of Energy receives all other authority from the Federal Power Commission, especially the information functions.

The Act also creates several new bureaus. An Energy Information Administration will be "responsible for carrying out a central, comprehensive, and unified energy data and information program."<sup>4</sup> An Office of Energy Research is to advise the Secretary on the many research functions assembled in the Department. To direct internal auditing and insure honest administration, an Office of Inspector General is also established.

Second, the Act transfers to the Secretary several energy-related functions from other agencies. From Interior comes the power to promulgate leasing regulations for coal, oil, and natural gas on the Outer Continental Shelf and on public and private lands that are subject to the Mineral Lands Leasing Act, the Mineral Leasing Act for Acquired Lands, the Geothermal Steam Act of 1970 and the

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4. See, The Act, *supra* note 1, § 205.

Energy Policy and Conservation Act. This includes setting diligence requirements and rates of production, fostering competition in bidding, and specifying the procedures, terms, and conditions of federal royalty interests. But the Secretary of the Interior remains "solely responsible for the issuance and supervision of Federal leases and the enforcement of all regulations . . . including . . . lease terms and conditions and production rates,"<sup>5</sup> and the Secretary of Energy is expressly denied authority to "restrict or limit" that authority. Moreover, Indian lands remain exclusively under Interior's jurisdiction. This awkward arrangement is institutionalized with a Leasing Liaison Committee composed of equal representatives from Energy and Interior.<sup>6</sup>

From Housing and Urban Development comes the power "to develop and promulgate energy conservation standards for new buildings."<sup>7</sup> Yet "all other responsibilities, pursuant to Title III of the Energy Conservation and Production Act, shall remain with the Secretary of Housing and Urban Development."<sup>8</sup>

From Transportation no powers are transferred. The Secretary of Transportation is merely directed to "consult with the Secretary of Energy" in carrying out his duty to promote fuel economy.<sup>9</sup> The carpooling provisions of the Energy Policy and Conservation Act go the other way; from the Federal Energy Administration to Transportation.<sup>10</sup>

From Agriculture nothing is transferred. The Administrator of the Rural Electrification Administration, in making loans to build generation, transmission, or distribution facilities, is merely directed to "consider such general criteria consistent with the provisions of this Act as may be published by the Secretary of Energy."<sup>11</sup>

From the Interstate Commerce Commission the Act transfers responsibility for the regulation of transportation of oil by pipeline, and from the Navy jurisdiction over several naval oil reserves is transferred. From the Department of Commerce comes the small Industrial Energy Conservation Program, which had been delegated there by the Federal Energy Agency.<sup>12</sup>

Third, the Act assigns to the new Department broad planning and

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5. The Act, *supra* note 1, § 303(a).

6. The Act, *supra* note 1, § 210.

7. The Act, *supra* note 1, § 304.

8. The Act, *supra* note 1, § 304.

9. The Act, *supra* note 1, § 305.

10. The Act, *supra* note 1, § 310.

11. The Act, *supra* note 1, § 709(f).

12. Department of Energy Organization Act: *Hearings before the Comm. on Governmental Affairs*, 95th Cong., 1st sess. 723 (1977).

coordinating functions to encourage energy conservation. Title VIII directs the President to propose a "National Energy Policy Plan" and makes elaborate provision for both state and local government and private input as well as Congressional review.

Recognizing that each power cluster would have to do its bit to win the energy war, the Act directed the Secretaries of Defense, Commerce, Housing and Urban Development, Transportation, Agriculture, and Interior, the Postmaster General, and the Administrator of the General Services Administration to designate one person at the level of Assistant Secretary to be "the principal conservation officer of such Department" who "shall be principally responsible for planning and implementation of energy conservation programs . . . and for coordination with the Department of Energy."<sup>13</sup>

A recitation of these provisions readily reveals that more energy management is left out of the new Department than is included. Two distinct conclusions emerge. First, the Department of Energy is responsible primarily for energy *supply*. Its duties in conservation are limited to planning, encouraging others, and data gathering and publication. The real decisions which could bring about energy conservation have been left as an integral function of those power clusters that consume rather than produce energy. Thus the Department of Transportation will continue to worry about improving the energy efficiency of automobiles, trucks, trains, airplanes, and other means of conveyance. The Department of Agriculture will continue its concern for conservation of energy on the nation's farms. The Department of Housing and Urban Development will continue its responsibilities to improve energy savings in existing homes and other buildings, where the real savings have to be made.

Second, in the energy supply area, the new Department is responsible primarily for research, regulation and part of electric power marketing. It has virtually no responsibility for managing the basic water and fossil fuel sources of energy, and it does not regulate nuclear power.

Such a limited assignment is especially remarkable because the United States Government owns the bulk of the basic energy resources of the nation. It owns all of the hydroelectric power and has developed many of the major hydro sites itself. The other sites have been licensed to private entrepreneurs on a 50-year recapture basis. The United States Government also owns all of the offshore oil and gas reserves beyond the 3-mile limit. It owns a major part of the oil and gas reserves in Alaska and much of the remaining reserves in the

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13. The Act, *supra* note 1, §656.

continental United States, including in particular most of the oil shale reserve. It leases these to private companies for development and extracts bonus bids and royalties. Of the nation's huge coal reserve, fully half is under federal lands or has been retained in federal ownership under the Mineral Leasing Act of 1920.<sup>14</sup> The government itself pioneered the development of nuclear energy and has retained a permanent government monopoly over it, primarily for defense reasons. It has licensed private development of electric energy using nuclear reactors with extensive subsidies, but the source of the energy remains as federal property and under tight federal controls.

The lack of jurisdiction of the new Department of Energy is therefore very significant. In the hydroelectric field, where the federal government has been an active generator and transmitter of power for generations, the Department has responsibility for no power generation at all and for only part of the federal power marketing. The Tennessee Valley Authority, the largest federal electric power system, remains independent and intact. The generation of power at federal dams continues in the hands of the dam-building agencies, specifically the Corps of Engineers in the Department of Army and the Bureau of Reclamation in the Department of the Interior. The Rural Electrification Administration remains essentially untouched in Agriculture.

In coal, oil, and gas, the Bureau of Land Management in the Department of the Interior continues to issue all leases on public lands, including the Outer Continental Shelf, and the Geological Survey in the Department of the Interior continues to oversee the operations of lessors. The regulation of the surface mining of coal and the restoration of damages caused by both surface and subsurface mining of coal have been assigned to the newly established Office of Surface Mining Reclamation and Enforcement in the Department of the Interior. In nuclear power, the licensing and regulation of nuclear reactors for domestic power production are left outside the Department in the independent Nuclear Regulatory Commission.

When confronted with a crisis the President has labeled "the moral equivalent of war,"<sup>15</sup> how could the Congress have left so much of the control of energy in other hands? The stark truth is that the President did not ask for a Department of Energy which would

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14. See, ENERGY POLICY PROJECT, A TIME TO CHOOSE 270-S (1974).

15. *The President's Energy Program: A compilation of documents printed by the Committee on Energy and Natural Resources*, 95th Cong., 1st sess. (1977). It appears in the President's address to the nation of April 18, 1977.

assemble all federal energy responsibilities under one roof. He really asked for very little more than he got.

Carter apparently called on a task force of experienced natural resources administrators to write the strongest bill they thought could be passed. Being well aware of the strength of the power clusters and of the propensity of all agencies to protect their turf, they wrote a bill which would avoid antagonizing the most effective of these clusters and attacking the turf of the energy agencies.

Charles F. Luce, Chairman of the Board of the Consolidated Edison Company of New York, and formerly Bonneville Power Administrator and later Under Secretary of the Interior under Presidents Kennedy and Johnson, accurately characterized the Administration's bill to the New York delegation:

By no means does the bill create a strong Energy Department. I assume that it creates as strong an Energy Department as the President believes the Congress would approve. But the fact is that the head of the Energy Department will be powerless to assure that domestic energy resources are tapped, or new energy facilities built, unless the Interior Department, the Environmental Protection Agency, and, in the case of nuclear facilities, the Nuclear Regulatory Commission concur in his decisions.<sup>16</sup>

The application of a strategy of avoiding confrontation with other power clusters and avoiding confrontation over turf with well-established intra-cluster agencies is particularly clear in the electric power field. There were two explicit lines of attack.

First, the Administration's bill, S. 856, avoiding attacking agencies which were capable of arousing vigorous defense of their turf in Congress. The Tennessee Valley Authority was completely ignored, as though it did not exist. It is mentioned nowhere in the bill. Moreover, it is mentioned in neither the testimony of the Administration's key spokesmen, James R. Schlesinger or John F. O'Leary, before the Senate Committee on Governmental Affairs,<sup>17</sup> nor in the President's April 18, 1977 address to the Nation.<sup>18</sup> In his address to the joint session of Congress on April 20, President Carter mentioned the TVA only in passing and then only as implementing its own programs to conserve energy.<sup>19</sup> The power generating functions of the Corps of Engineers and the Bureau of Reclamation were similarly ignored.

Second, Title III of the bill attempted to transfer to the Secretary

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16. Dept. of Energy Organization Act *supra* note 9, at 719. Luce's elaboration of this point is very clear and well done.

17. *Id.* at 4-53.

18. *The President's Energy Program*, *supra* note 12, at 1-5.

19. *Id.* at 10.

of Energy the powers and functions of agencies which the bill drafters apparently thought would be unable to resist such a transfer. Rather than proposing to transfer these agencies intact, however, the bill very precisely and explicitly proposed to transfer to the Secretary of Energy "all the functions vested by law" in the Federal Power Commission and the four separate power marketing administrations in the Department of the Interior, plus the electric transmission and marketing functions of the Bureau of Reclamation.<sup>20</sup>

This language very skillfully preserved the famous "Bone red line formula" established in the Bonneville Act of 1937.<sup>21</sup> Senator Homer T. Bone of Washington had struck a compromise between the Corps of Engineers and the Secretary of the Interior, Harold Ickes, which preserved the "integrity" of managing all functions of the dam itself for the Corps but handed the power to Interior at the bus bar for transmission and sale. That pattern had subsequently been followed throughout the nation except in the Tennessee Valley.

The bill drafters guessed right about the Federal Power Commission. As an agency, it proved to have few champions. They guessed wrong, however, about the support for continued independence and collegial decision making in the Federal Power Commission's regulatory functions and about the power marketing agencies.

The proposal to transfer the power marketing functions only avoided attacking the turf of the Corps of Engineers, and they accordingly stayed out of the fray. But it did attack the turf of the Bureau of Reclamation, which had marketed all federal power in the West except in the Pacific Northwest and Alaska. It also threatened every one of the power marketing agencies, for it opened the possibility of a single, centralized power marketing administration headquartered in Washington. All of the power marketing administrations and the Bureau of Reclamation have strong local support from their preference customers, the publicly and cooperatively owned utilities. These groups in turn are heavily supported by key members of the Congress, and especially by the leadership of the Senate Committee on Energy and Natural Resources. Moreover, two key Senators on the Energy committee are also ranking members of the Committee on Governmental Affairs which handled the Department of Energy bill.

The drafters of these proposals also apparently did not perceive the double trouble they would create by burying an amendment to

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20. *Dept. of Energy Organization Act, supra*, note 9, at 7-9. See sections 301 and 302 of the proposed act.

21. Daniel M. Ogden, Jr., *The Development of Federal Power Policy in the Pacific Northwest*, ch. 7 (unpublished doctoral dissertation, The University of Chicago, 1949).

the Rural Electrification Act of 1936 in section 712(h) of Title VI of the Department of Energy Organization Act. That section, entitled, "Transitional, Savings, and Conforming Sections" sounded routine and unimportant. It was not. Section 712(h) proposed to add a new section to Title I of the Rural Electrification Act:

Sec. 16. In order to insure coordination of electric generation and transmission financing under this Act with national energy policy, no loan for the construction, operation, or enlargement of any generating plant or electric transmission line or system shall be made or guaranteed under this Act except after consent by the Secretary of Energy or a determination by the Secretary of Energy that such consent is not necessary.

Section 712(h) was a major political intrusion into the Agriculture power cluster and it invited Agriculture alliance with the public power people to protect both the Rural Electrification Administration and Interior's power marketing agencies.

At the hearings, on March 24, 1977 Robert D. Partridge, Executive Vice President and General Manager of the National Rural Electric Cooperatives Association went right to the point:

First and foremost, we are opposed to section 712(h) . . . We do not feel that adding another layer of government bureaucracy through which the REA loan documents would have to pass for generation and transmission financing for electric cooperatives is a proper approach to . . . coordination.<sup>22</sup>

He was seconded by Alex Radin, Executive Director of the American Public Power Association.<sup>23</sup> Both men also supported the transfer of the power marketing *agencies*. As Partridge put it, "We would strongly recommend that the integrity of the power marketing agencies be maintained, that they not be abolished."<sup>24</sup>

Neither proposal really had a chance. The bills reported from both houses responded to the wishes of the publicly owned and cooperatively owned utilities. The Act transfers the *functions*, as the Carter administration wanted, but then adds two explicit paragraphs directing that each of the power marketing administrations "shall be preserved as separate and distinct organizational entities within the Department," that each shall keep its principal office within its region, that a separate administration shall be established to operate the power transmission and marketing functions of the Bureau of

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22. *Dept. of Energy Organization Act*, *supra* note 12, at 504.

23. *Id.* at 513.

24. *Dept. of Energy Organization Act*, *supra* note 9, at 505.

Reclamation, and that the new agency shall maintain regional offices in its huge service territory.<sup>25</sup>

The amendment to the REA Act mildly directs the administrator to "consider such general criteria consistent with the provisions of this Act as may be published by the Secretary of Energy."<sup>26</sup> Thus did the power marketing agencies and their constituencies on the Hill and in the interest groups unite to protect their turf.

The opposite fate of the Federal Power Commission is equally instructive. Since 1930, when a five-person independent regulatory commission was established to replace the interagency commission composed of the Secretaries of the Interior, War, and Agriculture, the Federal Power Commission had had a rather stormy career. Under the vigorous leadership of Leland Olds from 1939 to 1949, it had effectively implemented the Natural Gas Act and backed up the intent of the Public Utility Holding Company Act. Not only had the regulated electric utilities sought to avoid regulation by refraining from building inter-state interconnections, but also the oil and gas industry had led the charge to prevent Mr. Olds' reappointment to a third term.<sup>27</sup> In 1954 in the Phillips Petroleum Company case, the United States Supreme Court ruled that the Commission had authority to regulate the wellhead price of natural gas moving in interstate commerce.<sup>28</sup> This touched off a major effort to deregulate natural gas production which has had a stormy 24 year history. During the 1950's the Commission, dominated by Republican appointees, became much more industry-oriented,<sup>29</sup> and in particular generously issued or extended hydroelectric licenses to the outrage of public power groups.<sup>30</sup> Its subsequent record had not built a confident relationship with any of its clientele groups.

The Commission was therefore without friends to defend it from abolition and the transfer of its functions to Energy. But it did have long-time defenders who wanted to preserve the functions the Commission had performed, the commission system for decision-making, and the independence of the process.

If the Commission wished to resist a change which would end its independence, it needed the support of leading liberals to be convincing to a Democratic Congress. The people it needed most, however, defended its functions but were willing to see the Commission

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25. The Act, *supra* note 1, § 302(2)(3).

26. The Act, *supra* note 1, § 709(f).

27. See, ROBERT ENGLER, *THE POLITICS OF OIL*, 319-322 (1961).

28. *Phillips Petroleum Co. v. Wisconsin*, 347 U.S. 672 (1954).

29. Engler, *supra* note 27, at 322.

30. U.S. Congress, Senate Committee on Interstate and Foreign Commerce, *Nomination of Jerome K. Kuykendall* (G.P.O. 1957).

abolished as an Independent entity in favor of a new agency within the Department of Energy.

"Two former Democratic Chairmen of the Commission, Joseph C. Swidler and Lee C. White, endorsed transfer of the functions of the Commission to the new Department, but urged careful preservation of its powers and duties. They both characterized the Administration's proposal as "not carefully thought through."<sup>31</sup>

Alex Radin and Robert Partridge for the public and cooperative electric power systems took the same position. Mr. Radin, for example, started off his testimony, "The Federal Power Commission has justifiably been criticized in recent years, and our organization has joined in such criticism," but he similarly was dissatisfied with the Administration's alternative.<sup>32</sup> Stewart L. Udall, Secretary of the Interior for Presidents Kennedy and Johnson, simply said, "I think it has served its main purpose, I think its functions can be folded into the proposed Cabinet department."<sup>33</sup>

Throughout the hearings, markup, and debate on the floor of both houses, the fate of the Federal Power Commission as an agency was treated as decided: the agency was to be abolished. Attention focused on how the new Department would be organized and empowered to carry out the Commission's essential functions.

The Administration's proposals contained two administrative features which created suspicion and distrust across the political spectrum. An Economic Regulatory Administration would be established in the Department with a single administrator appointed by the President with Senate confirmation. The Secretary would delegate to it any function under the Emergency Petroleum Allocation Act of 1973 and any function of the Federal Power Commission "which relates to establishment of rates and charges." A separate Board of Hearings and Appeals was also proposed to hear any matter which required an agency hearing on the record or any other matter the Secretary might decide.<sup>34</sup>

This arrangement was much too loose and vague to suit the affected parties, liberal and conservative alike. George H. Lawrence, President of the American Gas Association, supported abolition of the Federal Power Commission, transfer of its functions to the Department of Energy, and, of course, deregulation of production of new natural gas. Yet, he pointedly wished to keep utility regulation

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31. *Dept. of Energy Organization Act*, *supra* note 12, at 203-213.

32. *Id.* at 513.

33. *Id.* at 369.

34. *Id.* at 7.

35. *Id.* at 12.

of interstate gas pipelines "in accordance with longstanding, workable utility type regulatory procedures for which the Natural Gas Act of 1938 was designed."<sup>36</sup> His views were echoed by Willis A. Strauss, Chairman of the Interstate Natural Gas Association,<sup>37</sup> and Frank N. Ikard, President of the American Petroleum Institute, who labeled "counterproductive" the lumping of several regulatory functions which "are fundamentally different in what they seek to accomplish."<sup>38</sup> They were joined by Charles F. Wheatley, Jr., General Counsel of the American Public Gas Association, normally an opponent of the private gas companies, who said the administration bill "would deprive consumers of long-established safeguards under the Natural Gas Act and the Federal Power Act." "The net result, I fear, is the establishment of a new procedural system which could facilitate future de facto administrative deregulation of gas and electric rates to the detriment of the American consumer."<sup>39</sup> Charles F. Luce was almost alone in saying, "I do not see the advantages of merging the FPC into the new Energy Department."<sup>40</sup>

The Congress responded by transferring the functions but establishing a new "independent" Federal Energy Regulatory Commission in the Department to which it specifically assigned the regulatory functions of the Federal Power Commission. Like its predecessor, the new Commission has five members, but they serve four-year overlapping terms.<sup>41</sup>

Major debate took place on the floor of both houses over the manner of handling the Federal Power Commission's functions. The Senate Committee had leaned toward the Administration's proposal by accepting a three-person Energy Regulatory Board to which it had assigned pricing authority.<sup>42</sup> The House, adopting an amendment from the floor by Congressman John E. Moss of California, empowered a five-member Federal Energy Regulatory Commission to set the wellhead price of natural gas and to exercise the regulatory functions of the Federal Power Commission.<sup>43</sup> Fear was expressed in both Houses that too much power was being assigned to the Secretary of Energy.

Thus the Federal Power Commission, as such, was abolished as an independent regulatory commission. But it was, for all practical pur-

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36. *Id.* at 320.

37. *Id.* at 330-338.

38. *Id.* at 315-318.

39. *Id.* at 388.

40. *Id.* at 720.

41. *See*, The Act, *supra* note 1, §401 and 402.

42. CONGRESSIONAL QUARTERLY WEEKLY REPT., 952-3 (May 21, 1977).

43. CONGRESSIONAL QUARTERLY WEEKLY REPT., 1009 (June 4, 1977).

poses, recreated under a new name as an "independent" regulatory commission within the Department of Energy.

The leasing of federal fossil fuel resources reflected still another form of agency ability to resist change. While the administration was drafting the bill, elaborate negotiations were undertaken between Mr. Schlesinger, whom everyone expected would become Secretary of Energy, and Secretary of the Interior Cecil D. Andrus. Schlesinger had attempted to acquire control over leasing of fossil fuels on public lands. Andrus had insisted that management of the public lands could not be divided. One agency had to be in charge. The upshot was the division of responsibility which was finally proposed and enacted. Energy would set down policy guidelines for the leasing of fossil fuel resources, but Interior would continue to do the leasing and supervise execution. A special Leasing Liaison Committee would insure coordination. In the struggle, Interior found strong allies in the environmentalist groups, which trusted Andrus and his strongly pro-environmental staff, but distrusted Schlesinger. Marc Messing, a director of the Environmental Policy Institute, was quoted as saying, "If Interior is going to have any integrity at all, it's got to have control over public lands."<sup>44</sup>

Thus the Department of Energy emerges as a paper tiger to wrestle with the foremost problem besetting the United States today. It has virtually no authority to conserve energy, but instead must depend on the work of other departments, state and local governments, and private industry, and voluntary efforts by consumers. Moreover, the Department is also virtually powerless to expand the nation's production of domestic energy to meet rising demand by digging more coal, producing more oil and natural gas, or building more nuclear fueled steam-electric plants. The Department of Energy can only encourage these efforts by others.

To compound its weakness, several other agencies have the authority to check or stall energy development. The Environmental Protection Agency can impose reviews and delays from its point of view. The Nuclear Regulatory Commission can refuse to grant licenses. The Department of the Interior can view other uses of the public lands as more important, and can lock up large areas for wilderness or other special uses. These agencies march to different drums and seek different goals than the Department of Energy.

Reconciliation of these differences unavoidably will fall on the White House and probably on the President himself. But even if such reconciliation can be achieved, any dissatisfied party can still take a

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44. CONGRESSIONAL QUARTERLY WEEKLY REPT., 403 (March 5, 1977).

particular case through the federal courts. An effective and coherent energy policy can emerge from this system of divided authority and conflicting purposes only through the most effective and diligent presidential leadership.

Thus the energy act demonstrates one of the principal corollary conclusions from observation of the nation's power cluster system. Power clusters often try to resolve major inter-cluster problems by themselves by using organizational structures and procedures appropriate for simple, intra-cluster problems. Energy, clearly, is chief among the nation's current major inter-cluster problems which cannot be left to single-cluster decision making. The President, therefore, must himself provide dynamic leadership in the energy field to develop new sources of energy, to expand the supplies of traditional sources, to reduce dependence upon the Arabian oil cartel, and to promote efficient use of energy among our people by using all of the instruments of government which he commands.