

He Says Rationing Threat Gone

Houston

The lifting of the Arab oil embargo means the nation no longer faces the threat of compulsory gasoline rationing. President Nixon announced last night.

In a series of other actions related to the end of the embargo, the President said he has:

- Rescinded a government request that gasoline stations voluntarily close down on Sundays.
- Increased oil allocations to industry and agriculture, "so that they can have the necessary energy to operate at full capacity."
- Ordered additional allocations of gasoline "with the purpose of diminishing the lines (at filling stations) and we hope eventually eliminating them."

Mr. Nixon made the announcements in an appearance here before the National Association of Broadcasters.

He cautioned that, despite the end to the embargo, fuel shortages will persist in the United States and "the pressure on prices will continue."

The President said he was confident that enough progress would be made in American efforts toward a Middle East settlement to ensure that the Arab states did not reimpose their oil embargo.

But he said the nation still faces an anticipated shortage of from five to eight percent, and he said "it will be necessary to continue our voluntary program of car pooling and also of slower driving."

Price increases are expected in both gasoline and fuel oil as renewed supplies of higher-priced Arab oil begin to flow into the U. S.

One industry spokesman said yesterday that prices "will probably be at least a nickel or a dime higher by year's end." Other industry sources say the price in-

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creases could be even greater.

Mr. Nixon criticized Congress for a "lack of energy" of its own and urged it to approve 17 bills, "which have not been acted upon, which would deal with the problem of increasing the supply of energy."

Heading his list was administration-backed legislation to de-regulate natural gas prices "so that we can have additional supplies of natural gas, which we have in great abundance and which is the cleanest fuel we could possibly have."

He asked Congress to approve legislation to relax environmental restrictions on coal mining, to speed up the construction of nuclear power plants and to provide authority for the construction of deep-water ports.

"As I have said . . . the purpose of the United States is to develop our energy resources, which we have in abundance, so that by the year 1980 the United States will be completely independent of any foreign source for our energy. We can accomplish that goal," Mr. Nixon said.

The director and deputy director of the Federal Energy Office have been less optimistic than the president about achieving complete self-sufficiency by 1980. In January, energy chief William E. Simon said the Nation could become self-sufficient by 1985 or 1990. His deputy, John C. Sawhill, said in February that the U.S. will still have to import some oil in 1980.

Earlier yesterday, in an appearance before the National Association of Realtors, Simon predicted that the price of both gasoline and heating oil would go up as increased amounts of Arab oil flow into the country.

He said higher-priced Arab oil will be blended with lower-priced domestic oil, causing the prices on the to-

tal mix to go up.

Simon would not speculate on whether the energy office will move to draw down oil product inventories in anticipation of renewed flows of Middle East petroleum. But both he and Sawhill have previously said such a step might be taken after the embargo.

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