

JUN 9 1971

THE WHITE HOUSE

WASHINGTON

June 9, 1971

THE PRESIDENT HAS SEEN...>

MEMORANDUM FOR JOHN D. EHRLICHMAN

FROM: John C. Whitaker

SUBJECT: Secretary Stans, Secretary Morton, President exchange at Tuesday Cabinet meeting on getting final environment impact statement for Alaska pipeline

Secretary Stans charged that agencies were slow in getting their comments back in response to Interior's 102 draft statement.

Secretary Morton's reply that several agencies -- Coast Guard, Corps of Engineers and mainly industry (Alyeska Pipeline Company) -- were delinquent. He made the further point that if the final 102 statement, with industry inputs, wasn't well prepared, we would lose in court and delays could take years. Secretary Morton later said privately to me that NOAA at Commerce was also delinquent, but he didn't want to embarrass Secretary Stans in front of the President.

The facts after checking with Jack Horton of Interior, who is in charge of preparing the 102 final impact statement, are:

1. Only one agency, HEW, is delinquent in getting in their response to the Interior draft 102 statement. It is on Secretary Richardson's desk for approval now. Conclusion -- both Stans and Morton had their facts wrong.

2. Alyeska Pipeline Company is the key problem. By June 1, they agreed to deliver to Interior a detailed project description. This statement was due June 1 and Jack Horton hopes to get them in another week. Horton's comment was that the key holdup all along was Alyeska's basic failure to recognize, until about four months ago at the top management level, that if they didn't deliver on this statement with their homework well done, the Government would never win the case in court, releasing us from the temporary injunction against the Secretary of the Interior, granting the pipeline permit. I can attest that this is totally the truth. Conclusion: Stans was wrong.

3. Secretary Morton was wrong in saying privately to me that NOAA had not responded to Interior's draft 102 statement -- NOAA did respond April 16, ahead of the June 1 deadline. Jack Horton thinks Morton had this confused with the "Description of the Environment" a study group of about 50 Government scientists that are due to have their report completed mid-July. Horton says NOAA is performing well.

On the President's overall point that the 102 process is slowing down the economy -- could be -- it has only been raised once before by Turner with regard to roads, but he has no figures. Even if the President were right, I don't know what he could do about it because you correctly pointed out at the meeting that we must follow the National Environmental Policy Act (signed January 1, 1970) which specifies the 102 statement procedure of an initial draft environmental impact statement with 30 days for the agencies to reply, followed by publication of the final environmental statement. In the case of the Alaska Pipeline, the procedure is taking many months, not 30 days because the matter is so complicated (12,500 pages of public hearing transcript alone). The pipeline company has lagged badly and the whole process has really only gotten under control since Hickel left and Morton took over. Morton's flowchart leading to a September 25, 1971 deadline is on schedule. You'll recall you, Flanigan and I agreed with Morton on this schedule and Flanigan, Morton and I later met with Alyeska who agreed to the schedule. On that date, the final 102 environmental impact statement (it will be a very large volume) goes to Train to comply with the law, and the same day, Morton announces to the plaintiff that he intends to grant the pipeline permit in 10 days -- the action will force the court case.

E. + W. Hitcher
This is a good statement
defending the process -
I urge - don't always
assume we can't do better -
most important - in any future
decisions - until further notice
when the ~~gov~~ choice is jobs &
environment - jobs will
be #1