

Remarks on the California Energy Shortage and an Exchange With Reporters  
May 3, 2001

*The President.* I want to thank you all for coming today. I've assembled a team within my administration, in particular, the Secretary of Energy, as well as the Deputy Secretary of Defense, to discuss energy.

As the country knows, we're in the process of developing a comprehensive energy plan that will work to increase supplies, as well as encourage conservation. This is a long-run solution to the energy problems we now face.

This administration is deeply concerned about California and its citizens. We're worried about blackouts that may occur this summer, and we want to be a part of any solutions. Since I became sworn in, we've been working with the State of California to provide regulatory relief to encourage an increase in the amount of supplies available for the consumers in that State.

Today I am instructing all agencies, Federal agencies, to reduce their peak hour electricity use in the State of California. And the Secretary of Energy will be traveling to the State today to consult with the Governor of the State of California, as well as work with our respective agencies in that State.

Secondly, I am pleased to report that the Secretary of Defense, after a careful review, believes that this Department, which has got a large presence in the State of California, can reduce peak hour usage by 10 percent and can do so without harming military readiness.

We're also—and the Secretary is going to make it clear to the officials in the State of California that should Governor Davis, or any other Governor, for that matter, request power generating units owned by the Federal Government, they'll be available to help in the case of an emergency.

As well, FEMA, under Joe Allbaugh, is developing plans to help States that do face

blackouts, to make sure the citizenry doesn't get harmed in any way.

This is a serious situation in the State of California. And as I said from the very beginning of my administration, we'll work to help California in any way we can. And the best way we can is to be good citizens. So I want to appreciate very much, Mr. Secretary, all your work, and I know you'd like to say a few words.

[*At this point, Secretary of Energy Spencer Abraham made brief remarks.*]

*The President.* And we have with us Deputy Secretary of Defense Paul Wolfowitz.

[*Deputy Secretary of Defense Paul Wolfowitz made brief remarks.*]

*Government Energy Policy Review*

*Q.* Mr. President, are you asking Federal agencies nationwide to cut back? And what will the White House do?

*The President.* Well, I think we ought to ask all agencies to review energy policy. We're focused right now on California because that's a State that's going to suffer blackouts. But we've always got to be mindful of being energy efficient.

And since I've asked other agencies to review their policy, I'm going to ask the White House to do the same. Chief of Staff Andy Card has done just that today. We want to be good, efficient users of energy here in the White House.

Stretch [Richard Keil, Bloomberg Radio].

*Energy Conservation*

*Q.* Mr. President, your energy team is preparing a long-term report, and the Vice President earlier this week gave a speech in Toronto that really, frankly, gave short shrift to the concept of conservation and concentrated instead on exploration, finding

new ways to get natural gas pipelines built. Will conservation be a primary focus of the long-term plan, or is this really just something that's for the here and now and the short term in California?

*The President.* Oh, I think conservation has got to be an integral part of making sure we've got a reasonable energy policy. But what the Vice President was saying is, we can't conserve our way to energy independence, nor can we conserve our way to having enough energy available. So we've got to do both. We must conserve, but we've also got to find new sources of energy.

I haven't seen the final report yet, but I suspect the American people will find a balanced approach. But what people need to hear, loud and clear, is that we're running out of energy in America. And it is so important for this Nation to improve its infrastructure so we can not only deliver supplies, but we need to go find new supply. And I strongly believe we can do so in an environmentally friendly way.

This Nation is confronted with a major problem. And this administration is going to be honest with the American people about the nature of the problem, and we're going to come up with some solutions. And it's going to take a lot of political will for people to buck some of the trends that somehow believe—who believe that without finding additional supplies of energy, this Nation is going to be okay.

Q. If I could follow up, sir? Will there be a more prominent role for nuclear power, as part of your plan?

*The President.* You must wait until the report comes out, because I'm going to have to, too, until I see the final copy. But I would suggest that what this Nation needs to do is review all options.

John [John Cochran, ABC News].

Q. Sir, the Vice President seemed to be saying on Monday that Americans were already pretty energy efficient, so there's not much to be gained by conservation. Do you agree with that?

*The President.* Well, I agree that we've made great strides in energy efficiency; home building materials are more efficient. But we just found a place where we can reduce energy during peak hours by 10 percent. We must continue to find.

But what the Vice President and I understand is that you cannot conserve your way to energy independence. We can do a better job in conservation, but we darn sure have to do a better job of finding more supply. It is naive for the American people and its—and those who purport to speak for the American people, some of those, to say that we can be okay from an energy perspective by only focusing on conservation. We've got to find additional supplies of energy.

One thing this administration will do is, we're going to do our part when it comes to conservation in the State of California. But we will be honest with the American people. And the American people need to have an honest assessment of the issues this country faces, not only short term but long term. And that's exactly what the Vice President was saying the other day in Canada. And this report will be that way.

Steve, [Steve Holland, Reuters] final question.

#### *China-U.S. Relations*

Q. Sir, on the China policy, could you—could I ask you to explain what happened yesterday with the Rumsfeld order, and what will it take now to have military-to-military exchanges with the Chinese?

*The President.* In terms of what they call the ticktock, you need to talk to the folks at the Defense Department. But what the Secretary was rightly doing was saying that we're going to review all opportunities to interface with the Chinese. And if it enhances our relationship, it might make sense. If it's a useless exercise and it doesn't make the relationship any better, then we won't do that. But each opportunity will be reviewed on a case-by-case basis. That makes sense. We've only been

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in office for 104 days. We've got to review all policy that we inherited.

But what the Chinese must understand is that we'll be firm in our philosophy, consistent in our beliefs, and we want to work to have a relationship that is a positive relationship for both countries.

*Foreign Minister Shimon Peres of Israel*

Q. Do you feel better after seeing Foreign Minister Peres this morning?

*The President.* Had a good visit with him.

Q. [*Inaudible*—better after talking to him?

*The President.* Well, he's an optimistic person. And I was so pleased that Mr. Peres came by. I don't know what his state-

ments were like to the press, but he leaves knowing full well this administration is actively engaged at, first and foremost, trying to break the cycle of terrorism that grips that part of the world.

But he gave me a very good assessment of how he viewed the world. And he's always been an optimistic person, so I do feel better having talked to him. He's a fine statesman, as well.

NOTE: The President spoke at 1:55 p.m. in the Roosevelt Room at the White House following a meeting with energy advisers. In his remarks, he referred to Gov. Gray Davis of California. A tape was not available for verification of the content of these remarks.

## Memorandum on Energy Conservation at Federal Facilities

May 3, 2001

*Memorandum for the Heads of Executive Departments and Agencies*

*Subject:* Energy Conservation at Federal Facilities

A key component of my Administration's overall commitment to make the most economical use of public dollars and to protect the environment is to improve energy conservation at Federal facilities. Further, with possible electricity shortages in California and in the Northeast and Northwest this summer, the Federal Government should set a good example of conservation by reducing its own energy use, particularly in regions where electricity shortages may occur and during periods of peak electricity demand. Such conservation would save public money, protect the environment, and help to minimize shortages.

Therefore, I hereby direct the heads of executive departments and agencies (agen-

cies) to take appropriate actions to conserve energy use at their facilities to the maximum extent consistent with the effective discharge of public responsibilities. Agencies located in regions where electricity shortages are possible should conserve especially during periods of peak demand.

In addition, agencies should review their existing operating and administrative processes and conservation programs and identify and implement ways to reduce such use. Agencies should report to me, through the Secretary of Energy, within 30 days from the date of this memorandum on the conservation actions taken. The agencies shall take these and other appropriate energy conservation actions using existing budget authority.

GEORGE W. BUSH