

moved and the surface would subside into the hole. Then the spent shale, the residues, would be put back into the hole, so that when you get through you would have replaced the oil shale with the spent shale. We have discussed this method, which I first suggested here, with several countries, and we find that there is considerable interest in it. We had been hopeful that the Secretary's leasing proposal would, perhaps, make available some of these lands on which this would be applicable for experimentation and if successful, development of such a method.

Senator HANSEN. Very exciting.

You said, and I think I quote you correctly:

In short I would like to see a vigorous competition for the energy market by all forms of energy, gaseous, liquid, electrical, or magnetic if Dick Tracy is right, and by all potential sources of energy, petroleum, natural gas, oil shale, tar sands, nuclear, solar, and hydro. Inter-fuel competition has one sure winner—the consumer.

That was very refreshing to me to hear you say that, because I think at times some of us tend to become obsessed with the specter of someone coming in and stealing a great national wealth.

I gather from this statement that you feel very vigorous competition within the various sources of energy will result in the consumer being the winner. Would you care to amplify that last statement?

Mr. CAMERON. Well, I do not think there is any question about that. This was in part of the statement that I did not read. I say that the cost of electric power has continued to decrease over the last two or three decades mainly because of competition, and the competition was from different sources of energy—nuclear, coal, natural gas, oil. Mr. Winger very nicely presented that and showed where oil has lost out in the electric power business almost entirely as a result of the competition.

I do not think this represented any disaster to have oil lose this market. I think the consumer benefited, which has definitely been shown by the decrease in his cost of electric power. If, in the liquid fuel market, we can bring in the competition that may be offered by oil from oil shale and other sources, we certainly will benefit from it as a nation and as consumers, and I think that the conventional petroleum industry will benefit from it because they are not going to give up easy. They are going to find more oil. They are going to find it cheaper, and with all due respect to my friends and customers in the petroleum industry, petroleum exploration needs competition, it really needs it.

Senator HANSEN. I could not agree more with you.

In discussing alternative sources of energy, do you believe that equal ground rules for development, leasing rentals, and royalties must be established in order best to promote our national interest?

Mr. CAMERON. Absolutely. This, I think, is the reason that oil shale—and Mr. Hartley said this yesterday—was not started when they completed their research project in the midfifties, that the ground rules are not the same for oil shale as they were for other sources of oil.

Senator HANSEN. One of the most exciting developments when we contemplate our reactions to a crisis such as the Mideast crisis earlier this year, is to look around and see what potentials we have in this country or in this hemisphere. In that search I think all of us have focused attention upon the Athabasca tar sands, and recognizing as