WASHINGTON BY-LINE VOLUME I, PART IV

COAL'S FUTURE

CONGRESSMAN NICK J. RAHALL, (D-WV)

ON MARCH 5 AND 6. THE ENERGY AND ENVIRONMENT SUBCOMMITTEE, ON WHICH I SERVE, WILL BE HOLDING OVERSIGHT HEARINGS ON THE PRO-POSED PERMANENT REGULATIONS PUBLISHED BY THE OFFICE OF SURFACE MINING (OSM). THESE REGULATIONS ARE TO IMPLEMENT THE SURFACE MINING CONTROL AND RECLAMATION ACT OF 1977.

THESE HEARINGS CAN HAVE A MAJOR IMPACT ON THE ROLE COAL WILL PLAY RELATIVE TO OUR NATION'S FUTURE ENERGY NEEDS.

IN A RECENT STUDY, IT HAS BEEN LEARNED THAT THE OFFICE OF SUR-FACE MINING ESTIMATES THAT THE IMPLEMENTATION OF THE PROPOSED REGU-LATIONS IN APPA; ACHIA WILL COST \$2.09/A TON FOR SURFACE MINING, AND \$0.16/A TON FOR DEEP MINING.

HOWEVER. THE DEPARTMENT OF ENERGY ESTIMATES THAT THE IMPLEMENTA-TION OF THE SAME REGUALTIONS WILL COST; \$5.44/A TON FOR SURFACE MINING AND \$2.25/A TON FOR DEEP MINING.

THESE DIFFERENCES FROM THE TWO MAJOR BRANCHES OF OUR FEDERAL GOVERNMENT THAT HANDLES OUR ENERGY AND COAL POLICY, IS VERY CONCERNING.

RECENTLY, INCREASING COST OF REGULATION FOR THE COAL INDUSTRY IN THE UNITED STATES HAS CAUSED A SLOW IN PRODUCTION AND CREATED A COMPETITIVE DISADVANTAGE WITH FOREIGN ENERGY SOURCES IN THE WORLD MARKET. WITHIN THE BOUNDS OF ENVIRONMENTAL REASON, THE TIME FOR ACTION TO REVERSE THIS TREND IS NOW.

THE FIRST STEP IN THIS REGARD IS FOR THE FEDERAL GOVERNMENT TO AGREE ON THE COST OF IMPLEMENTATION OF ITS REGULATIONS. INDEED, WITHOUT THE HELP OF A CLEARLY DEFINED ROLE FOR COAL IN THE FUTURE RELATIVE TO OUR ENERGY NEEDS, DISAGREEMENT WITHIN THE FEDERAL GOVERN-MENT REGARDING THE COST OF IMPLEMENTATION ADDS INSULT TO INJURY.

PAGE 2

MOST OF ALL, WE NEED TO CREATE AN ATMOSPHERE OF CERTAINTY --CERTAINTY THAT THE COMMITMENTS TO COAL IS GENUINE AND LONG-STANDING; AND CERTAINTY THAT AS THE INDUSTRY GEARS UP TO MEET THE DIRECTIVE OF THREE PRESIDENTS TO DOUBLE COAL PRODUCTION BY 1985, THE INDUSTRY WILL NOT RUN INTO OBSTACLES OF INACTION, UNCERTAINTY, COMPLEXITY, OR MARKETS DRIED UP BY AMGIUITY.

WITH THE WORLD OIL SITUATION WHAT IT IS TODAY, AND WITH OUR PRESIDENT CALLING OUR ENERGY CRISIS "THE MORAL EQUIVALENT OF WAR", IT IS INDEED TIME FOR THE ADMINISTRATION TO RETURN TO ITS STRONG COMMITMENT TO DEVELOP OUR ENERGY RESOURCES WITHIN THIS COUNTRY, DEFINE THE ROLE FOR COAL, AND CLEARLY DEFINE A TOTAL ENERGY POLICY.