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**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

March 10, 1981

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The Honorable John D. Rockefeller, IV  
Governor, State of West Virginia  
State Capitol  
Charleston, WV 25305

Dear Governor Rockefeller:

I have enclosed, for your information, a copy of HR 2325, a bill which I and many of my colleagues in the Congressional Coal Group introduced on March 4. This bill, entitled, "The Coal Utilization Incentives Act of 1981", is similar in nature to the "Oil-Gas Backout" legislation of the 96th Congress.

As you are well aware, one of the principal recommendations of the President's Commission on Coal, which you so ably chaired, was the immediate conversion of all coal-capable utility boilers to coal. Based on this recommendation, the Carter Administration proposed the "Oil-Gas Backout" legislation. While I need not recap the events which led to the demise of this measure, I do believe our efforts were successful in laying the groundwork for this new initiative.

The bill we have introduced provides tax incentives, rather than direct subsidies to electric utilities wishing to convert their facilities from oil or natural gas to coal. Further, it provides authority for municipalities to issue industrial development bonds to assist utilities through the massive expense of converting. I believe this measure is more in line with the Reagan Administration's concept of spurring business through incentives.

As one of last year's leaders in the effort for coal conversion, and as Chairman of the Natural Resources and Environmental Management Committee of the National Governors Association, I am writing to enlist your support for this vital legislation. In this same regard, I am hopeful you will contact your fellow Governors to enlist their support as well.

As I am sure you will agree, inflation must be brought under control. To do this, our reliance on foreign oil must be dramatically reduced and coal production and utilization must increase. I believe HR 2325 can accomplish these goals.

I look forward to your response, and hope that you will join with us to see a viable coal conversion program enacted.

With warm regard, I am

Sincerely,

A handwritten signature in dark ink, appearing to read "Nick", with a large, sweeping initial stroke.

Nick J. Rahall, II  
Member of Congress