WEST VIRGINIA-4th DISTRICT

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RAHALL URGES ACTION ON RAIL RATES

Washington D.C. --- "If rail rates are allowed to increase, they will have far reaching consequences on the ability of the coal industry to supply the nation and the world with an economical source of energy," West Virginia's Fourth District Congressman Nick J. Rahall, said today in testimony before the House Subcommittee on Commerce and Transportation.

"At stake are jobs in the coal-fields, low-cost electricity and an improvement in our balance of payments with other nations," Rahall stressed.

Congressman Rahall, chairman of the Congressional Coal Group, urged the Committee to consider his legislation, HR 2584, which would provide protection to shippers of coal who have no other alternative than the railroads.

"The health and prosperity of the coal and railroad industries are intertwined," Rahall observed, "without economical rail transportation coal cannot reach its markets, and without coal demand many railroads would lose their profitability."

"Therefore, it is especially important in terms of both national energy and transportation goals, that my legislation be considered by this Committee and by the Congress," Rahall stated.

"Regulatory decisions by the Interstate Commerce Commission concerning rail rates, must be looked at in human terms," Congressman Rahall suggested. "Higher rail rates mean a lowering of coal demand with a subsequent lowering of coal production and most importantly the loss of coal miner jobs," Rahall pointed out.

"But not only those who produce this nation's coal are affected," Congressman Rahall explained, "for Americans use coal every time they flip on a light switch, turn on a television, or attempt to heat or cool their homes, since 52 percent of the electricity generated in this country comes from coal-fired powerplants."

In conclusion, Congressman Rahall stressed, "Any boom for both the coal and railroad industries, with its increases in employment, will never be achieved unless domestic rail rates are kept at reasonable levels to permit U.S. coal to compete in world markets."