

# RAHALL Weekly Report

## Key for Coal is Competition

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The Congressional Coal Group is an informal, bipartisan organization of House members who are interested in making coal a more dominant force in our energy mix. At the onset of the new 98th Congress, I place special emphasis on the group because of the grave situation facing the coal industry.

The rash of mine closings and eroding export markets show that coal is losing its competitive posture. From a legislative standpoint, inherent in any attempt to reauthorize the Clean Air Act, rehabilitate the nation's coal transportation infrastructure and create an overall energy policy, lies the ability of coal to be, and remain, competitive.

Competition is the key: Competition with other forms of energy, competition in transportation, competition with other coal exporting nations. Without a doubt, the agenda of the Congressional Coal Group during the 98th Congress will center around coal's competitiveness.

Enhancing coal's competitiveness with other forms of energy involves, in part, eliminating roadblocks in the Clean Air Act. During any attempt to reauthorize this law the issue of acid rain will play a major role. I will again advocate further study of this phenomenon before even considering whether new controls should be placed on coal-fired power plants. Since this is a highly emotional issue, the battle is all that much harder and our major problem has been injecting a measure of fact, based on scientific evidence, into the acid rain debate. Over the past few years I have examined various studies conducted on the causes and effects of acid rain and have come to one conclusion: At this time the scientific community does not know enough in the areas of atmospheric chemistry and long-range pollutant transport to support a program which presumes that emissions from coal-fired power plants are the sole cause of acid rain in New England. If enacted into law, such a program would create a policy fiasco that would have cost consumers billions of wasted dollars, displaced thousands of coal miners from their jobs and wracked havoc on whole industries and economies. My efforts with respect to the Clean Air Act reauthorization will also center around streamlining provisions of the law which create a more costly compliance procedure.

### More Coal Funds Needed

The best indicator of which energy source is currently favored by the administration can be found in the Department of Energy's budget. In this fiscal year, nuclear fission and fusion programs will receive \$1.5 billion. Coal research and development programs will receive a paltry \$237.7 million. Far

from a balanced energy policy, these figures symbolize the administration's naive approach toward promulgating energy security. Clearly, federal government funding at the tune of over \$1 billion per year for nuclear programs will stimulate that energy form's utilization. Without a doubt, the Coal Group will work toward creating a more equal distribution of DOE funds; monies which will further research into technologies such as fluidized bed combustion which burn coal more efficiently and cleanly than current processes and further its direct use far into the future.

Coal's competitiveness in our future energy mix may also be determined by its indirect use as synthetic fuels.

Wallowing in a worldwide oil glut, interest in synthetics has subsided in both the private and governmental sectors. While the economies of synthetics may not be right for many companies, I believe it is the responsibility of the federal government to pursue coal liquefaction and gasification in order to ensure energy security in the future. To this end, I intend to prod the Synthetic Fuels Corp. toward funding viable projects based on coal.

One further problem area dictating coal's competitiveness with other fuels involves its availability on federal lands primarily in the West. The Department of Interior has issued final regulations under the Federal Coal Management Program; however, some changes in the Federal Coal Leasing Act Amendments of 1976 may be warranted. Program workability and flexibility will be our rule in this matter.

Perhaps the greatest roadblock to coal's competitiveness today involves its transportation. Back in 1980 when the Staggers Rail Act was enacted the railroads promised they would never kill the "goose that lays the golden egg." Yet, the Great Black Hope of the railroads looks like its getting knocked out before the first round. The Interstate Commerce Commission, I believe, is not implementing the provisions of the Act within the intent of Congress. As such, I will continue to push for vigorous oversight and amendments may be in order.

### Inland Waterways Deteriorate

The deterioration of the inland waterways system is, in my view, a national crime. Coal's movement on the waterways is being stymied by inadequate locks and dams, many built over 50 years ago. The Congress will again face the cost recovery issue within the context of waterway project rehabilitation and I will make every effort to gain authorizations for a number of key projects which facilitate barge transportation of coal.

While rail and inland waterway viability serve both domestic and export traffic, coal port improvement will promote coal's competitiveness in the world market. Again, cost recovery will play a role in congressional deliberations on authorizations for deeper port channels which serve the larger coal "supercolliers." Without a doubt, coal exports will be a priority item on the Coal Group's agenda.