

Congressman Nick Rahall

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RAHALL RENEWS EFFORT TO PROTECT CONSUMERS FROM HIGH RAIL RATES

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) today reintroduced legislation he sponsored during the last Congress to amend the Staggers Rail Act of 1980 as a response to the "irresponsbile" manner in which the Interstate Commerce Commission has implemented provisions of the railroad deregulation law. These provisions affect shippers of bulk commodities, such as coal, who are captive to a single railroad and who do not ship in a competitive transportation environment.

"While it was our intention in the Staggers Act to provide the Nation's railroads with greater freedoms so that they may regain their financial health, this regulatory flexibility was not extended to traffic which is captive to the railroads," Rep. Rahall stated in reintroducing the bill. "Since such traffic is without competitive transportation alternatives, the Congress charged the ICC with the responsibility of insuring that rates on this traffic are maintained at reasonable levels and that such traffic is not made to bear an undue burden in the revitalization of the railroad industry. The ICC, however, has abdicated that responsibility," Rahall charged.

As part of it's implementation of these matters, the ICC developed the Coal Rate Guidelines Nationwide which have been the subject of great concern among both shippers and consumers. According to Rahall, "As proposed by the Commission, these guidelines will lead to higher electric utility rates for consumers as well as greater costs on just about every bulk commodity moved by the railroads since the guideliness will be applied to non-coal traffic as well.

"On that note, I believe what we must all realize is that this is not an issue of concern only to coal, or to the electric utility industry, or to grain or chemicals or to any of the other bulk commodities. This is a consumer issue," Rahall stressed, "for it will be the consumer who will pay the price in their electricity bills of unreasonable railroad coal rates. It will be the consumer who will pay the price in their agricultural products of increased railroad grain rates. And it will be the consumer who will ultimately pay the price of these railroad rates on all other bulk commodities as well."