

News
From _____

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RAHALL INTRODUCES BILL TO RELEASE REMAINING CLEAN COAL FUNDS

Washington, D.C. -- U.S. Rep. Nick Rahall (D-WV) has introduced legislation which will authorize the release of the remaining \$350 million of the \$750 million Congress appropriated for clean coal technology programs, as well as to establish a policy framework for administration of the clean coal program.

Congress has so far authorized \$400 million of the \$750 million it originally appropriated upon establishment of the Clean Coal Technology Reserve in Public Law 98-473.

"I introduced this bill, along with my colleague, Rep. Ralph Regula (R-OH) because I feel there will be a need for additional electric generating capacity in the U.S. before the turn of the century, and new clean coal technologies that ensure efficient, cost-effective generation of electric power while also enabling electric utilities to achieve the greatest economic benefits from such units, can be used to modernize or retrofit existing powerplants," Rep. Rahall explained.

"Clean coal technologies may enable major domestic industries, including steel and aluminum, that are reliant upon coal as a primary energy source, to use coal more efficiently, thereby allowing such industries to achieve greater competitive advantage in world trade," Rahall added.

"The Electric Generation and Industrial Energy Development Act" will also establish a Clean Coal Advisory Committee appointed by the Secretary of Energy to counsel the Secretary on the clean coal program, among the many other provisions of the bill.

"I am hopeful that this bipartisan legislation will help the U.S. fight an anticipated electric power capacity shortfall in the mid-1990's, while at the same time making West Virginia coal even more attractive as a cost-efficient, domestic energy source," Rep. Rahall said.

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ELECTRIC GENERATION AND INDUSTRIAL
ENERGY DEVELOPMENT ACT OF 1986

I. FINDINGS

- A. There will be a need for additional electric generating capacity in the United States before the turn of the century.
- B. Current utility construction schedules, and anticipated levels of demand suggest that the United States may face an electric power capacity shortfall as early as the mid-1990's.
- C. New clean coal technologies that ensure efficient, cost-effective generation of electric power while also enabling electric utilities to achieve the greatest economic benefit from such units can be used to modernize or retrofit existing powerplants.
- D. Clean coal technologies may enable major domestic industries, including steel and aluminum, that are reliant upon coal as a primary energy source, to use coal more efficiently, thereby allowing such industries to achieve greater competitive advantage in world trade.
- E. America has abundant coal resources which can be used to ensure adequate supplies of energy in an environmentally acceptable manner.
- F. Congress has enacted a new \$400 million program within the Department of Energy to demonstrate emerging technologies for the clean use of coal.
- G. Congress has authorized a Clean Coal Technology Reserve pursuant to Public Law 98-473 and the current amount of funds still deposited and retained in that Reserve is \$350,000,000.
- H. Special envoys from the United States and Canada have recommended a multi-year, \$5 billion clean coal technology program as a means of demonstrating technologies and reducing emissions associated with electric power generation.
- I. There is a need for coordinated development and application of regulatory, financial, and other incentives, at the Federal and non-federal levels of government, to facilitate the widespread commercial application of clean coal technologies.

II. PURPOSE OF THE LEGISLATION

- A. To direct the Secretary of Energy to consider and recommend the most appropriate means by which the marketplace could be encouraged to use clean coal technologies for generating electric power and providing energy for major industrial uses.
- B. To establish a policy framework to facilitate utilization of clean coal technologies on a broad scale to meet future electrical generating capacity requirements and other energy needs, while also reducing overall emissions from such facilities.
- C. To require the Secretary of Energy to solicit statements of interest in, and proposals for projects employing emerging clean coal technologies that may be utilized to modernize, repower or retrofit existing powerplants.

III. MAJOR PROVISIONS

- A. Directs the Secretary of Energy, in consultation with the Secretary of the Interior, the Chairman of the Federal Energy Regulatory Commission, the Administrator of the Environmental Protection Agency, and the Clean Coal Advisory Committee, to consider and recommend actions which would facilitate:
 - 1. Adoption of clean coal technologies in new electric generating facilities to meet increased electricity demand in the future;
 - 2. Use of clean coal technologies for retrofit, repower or modernization of existing facilities where such application can achieve emission reductions in a cost effective manner; and
 - 3. Use of cost-effective coal technologies in major domestic basic industries, such as steel and aluminum, consistent with environmental requirements.
- B. Directs the Secretary to make recommendations that include proposals for administrative and regulatory actions, including financial assistance, to enhance the prospects for the application of clean coal technologies for generating electric power, and for using coal in major industrial applications in an environmentally acceptable manner.
- C. Directs the Secretary to submit his recommendations to the President and the Congress within 180 days from enactment of this Act.

- D. Establishes a Clean Coal Advisory Committee appointed by the Secretary of Energy. The purpose of the Committee is to provide the Secretary with advice and counsel so that he might better fulfill his obligations as set forth in the bill. The life of the Committee will be 6 months from the date of the appointment of the members. The Secretary shall designate an officer or employee of the Federal government to serve as the chairman of the Committee.
- E. Directs the Secretary of Energy to solicit, within 90 days after enactment of the Act, statements of interest in, and proposals for projects employing emerging clean coal technologies which are capable of retrofitting, repowering, or modernizing existing facilities. Such statements and proposals are to be submitted within ninety days after notice of the solicitation appears in the Federal Register. The notice is to provide that:
1. Cost-sharing of projects or proposals is required;
 2. Unless additional revenues are to be obtained from the facility or powerplant proposed for retrofitting, repowering or modernization, no repayment of the government's cost-sharing is required; and,
 3. Requirements for market analysis and environmental impact shall be minimal in view of the project and/or site specific nature of the statements of interest or projects proposed.
- F. The Secretary is further required to submit to Congress, no later than 30 days after the submittal of statements of interest or proposed projects, a report that analyzes the information contained in such statements of interest and proposals, assesses the potential usefulness of each emerging clean coal technology for which a statement of interest or proposal has been received, and identifies the extent to which utilization of the \$350,000,000 in funds that are currently deposited and retained in the Clean Coal Technology Reserve will accelerate the commercial availability of these technologies.