RAHALL CHARGES THAT HIGH RAIL COSTS INCREASE COAL IMPORTS

WASHINGTON, DC - U.S. Rep. Nick Rahall (D-W.Va.) today warned that the continued reluctance of America's coal hauling railroads to provide reasonable rates is contributing to increased levels of coal imports. Rahall, chairman of the Subcommittee on Mining and Natural Resources, announced that his subcommittee will conduct a hearing on coal import legislation on March 19, 1987.

"The level of imported coal entering the U.S. rose by 20% last year to over 2 million tons. Of that amount, 36% came from Columbia," Rahall said. "In fact, the amount of imported coal from Columbia rose by 42% between 1985 and 1986."

Rahall said the failure of domestic coal-hauling railroads to respond to the foreign coal challenge by providing reasonable rates for U.S. producers is enabling imported coal to make further inroads in the domestic market.

"It's time for the domestic railroads to wake up and read the writing on the wall," Rahall stated. "If they do not respond to this threat by providing reasonable coal transportation rates and unless other actions are taken, there will be nothing in place to prevent foreign coal producers from obtaining an ever increasing share of the U.S. coal market."

Rahall said his subcommittee will conduct a hearing on this situation as well as on three coal import bills pending before the panel.

All three bills are designed to combat the trend of increased levels of imported coal by inserting a measure of equity between domestic and foreign producers and complement efforts to amend the Staggers Rail Act of 1980.

The import bills would: Impose an $8 per ton duty on coal imports; prohibit the issuance of federal coal leases to companies engaged in the production and importation of foreign coal; and require electric utilities interested in purchasing imported coal to make the prices for that coal publically available so domestic producers have the opportunity to counteroffer.

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