



U.S. Congressman  
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*WORKING FOR WEST VIRGINIANS*

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## **A BOLD STROKE FOR COAL**

### **Rahall Introduces National Energy Strategy Initiative**

**WASHINGTON, D.C. --** A seven-point legislative initiative based on the development of fossil fuels in a socially and environmentally responsible manner was introduced today by U.S. Rep. Nick J. Rahall (D-WV), the chairman of the House Subcommittee on Mining and Natural Resources.

"Now is the time to make a bold stroke for coal. For energy independence. For our national security," Rahall declared in light of what he termed the Bush Administration's failure to include necessary legislative proposals relating to the coal and extractive energy industries in its plan.

"The Administration's highly-touted-years-in-the-making National Energy Strategy is turning out to be nothing but a paper tiger.....or actually, an Exxon tiger in your tank judging from the reliance the alleged Strategy places on drilling for oil in the Arctic National Wildlife Refuge to address the Nation's pressing energy problems," Rahall charged in remarks made on the House Floor today. "In my view, drilling for oil in sensitive areas, promoting nuclear power and cutting corners by fast-tracking the federal permitting process for natural gas pipelines and hydroelectric powerplant projects alone simply isn't going to cut it."

Rahall's bill, the "National Coal and Extractive Energy Strategy Act of 1991," would promote the remining of abandoned coal mine lands and refuse piles, develop techniques to allow electric utilities to burn low-sulfur metallurgical grade coals, tap the vast energy potential of coalbed methane, provide for the orderly development of federal coal leases with safeguards against federal intervention in eastern coal markets, provide for the more equitable distribution of federal mineral revenues to eastern states, authorize grants to states for the purpose of addressing community impacts resulting from energy development, and provide for increased competition for federal onshore oil and gas leases.

In explaining the benefits of the legislation, Rahall pointed to the vast deposits of coal being ignored in previously mined areas that can be remined. He also noted the "incredible amount of pipeline quality methane trapped in coalbeds in the Appalachian Region and elsewhere just waiting to be extracted." In addition, according to Rahall: "Low-sulfur metallurgical coal resources, also prevalent in the Central Appalachian coalfields, while traditionally used in steelmaking, can serve to assist the electric utility industry comply with more stringent clean air requirements."

A basic premise of the legislation, Rahall said, is to balance energy development with social considerations. "The demands placed on local communities and the adverse impacts on roads and facilities from energy development cannot be ignored. This measure would establish a new trust fund to provide for some compensation to these communities," he stated.

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Noting that word "coal" hardly appears in the legislative changes the Administration supports as part of its National Energy Strategy, Rahall said: "While I find it hard to believe that the Bush Administration really believes that the Nation's most abundant energy resource has no role in our country's future energy security, I can assure my colleagues that if we simply rubber stamp its proposal we will continue down the same path the Nation has traveled since the dismantlement by the Reagan Administration of the Carter coal-based national energy policy of the late 1970s."

## **"National Coal and Extractive Energy Strategy Act of 1991"**

**Title I. Coal Remining** -- This proposal seeks to make coal available that otherwise would be bypassed by providing incentives for industry to extract and reprocess, in an environmentally sound manner, coal that remains in abandoned mine lands and refuse piles. Throughout the Appalachian and Midwestern coalfields, previously mined and now abandoned coal mine lands and refuse piles exist. Current law reclamation performance standards, however, were devised to address surface coal mining on undisturbed, virgin, lands and the unintended result of this situation is to discourage remining. Remining would also serve to mitigate the health, safety and environmental threats posed to coalfield residents from abandoned coal mine lands by augmenting the work done under the Abandoned Mine Reclamation Program.

**Title II. Metallurgical Coal Development** -- The legislation would establish a program to develop techniques that will lead to the greater and more efficient utilization of the Nation's vast low-sulfur metallurgical coal resources. Demand for metallurgical grade coal, traditionally used in steelmaking, has declined due to increased efficiencies in steelmaking and stringent coke oven emission standards. While often low in sulfur content, technical constraints have served to impede the use of metallurgical coals in electric utility boilers even though recently enacted air quality requirements place a premium on low-sulfur fuels.

**Title III. Coalbed Methane Development** -- The bill would mitigate impediments to the extraction and utilization of pipeline-quality methane from coalbeds. Conventional natural gas sources will not be capable of meeting future demand without supply shortages and dramatic price increases. Vast deposits of unconventional sources of pipeline-quality methane (estimates range up to 90 Tcf), however, lay trapped within coalbeds. A major impediment to the development of coalbed methane is the legal quandary over ownership.

**Title IV. Federal Coal Leasing Amendments** -- The legislation would provide for the orderly development of federal coal leases by modifying diligent development criteria in a fashion consistent with the fair and proper management of public resources, including public interest safeguards relating to coal market competition.

**Title V. Federal Mineral Receipts Management** -- The purpose of the legislation is to provide for the more equitable and efficient disbursement of the state share of federal mineral lease revenues. Revenues collected by the Interior Department from mineral leases on federal lands are shared with the states where the leases are located. While western states receive payments on a monthly basis, this requirement has been interpreted as not applying to money collected from mineral leases on acquired federal lands located largely in the eastern states which are distributed annually.

**Title VI. Coalfield Assistance, Restoration and Enhancement** -- The measure would authorize grants to states for the purpose of addressing community impacts resulting from energy development. Communities are impacted by energy development in a variety of ways. Roads rapidly deteriorate due to coal hauls by trucks. Water supplies, in particular, are often adversely impacted. Compensation to these communities is appropriate if they are to shoulder the burden of increased energy development.

**Title VII. Federal Onshore Oil and Gas Leasing Amendments** -- The legislation would provide for increased competition for, and diligent development of, federal onshore oil and gas leases.