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RAHALL'S MINING PANEL MOVES ON ENERGY BILLS

WASHINGTON, D.C. -- The House Subcommittee on Mining and Natural Resources today approved several energy-related measures that may ultimately become part of the overall national energy legislation being considered by Congress, announced the chairman of the panel, U.S. Rep. Nick J. Rahall (D-WV).

"We are making strides to insure that coal, and the other energy extractive industries, are given due consideration in the development of national energy legislation," Rahall said.

In today's action, the Subcommittee approved legislation to promote the remining of abandoned coal mine lands; insure that market demand and competition in the coal industry are considered in the federal coal leasing program; and to mitigate impediments to the development of pipeline-quality methane gas from coalbeds.

The "Coal Remining and Reclamation Act of 1992" approved by the Subcommittee seeks to augment the work being done under the Abandoned Mine Reclamation Program with incentives for industry to remine and consequently, reclaim, abandoned coal mine sites. Rahall said that while a great deal of coal remains in previously mined lands, industry often bypasses these areas because of the potential for extensive liability.

"When entering a moonscape situation it is often difficult to fully ascertain all of the hidden environmental hazards that may be present," Rahall noted.

Because of the uncertainties coal operators face with mining abandoned coal mine lands, Rahall's bill would provide industry with an incentive to remine by waiving sanctions on any new permits sought by an operator who encountered an event or condition that was unanticipated in a remining operation. The operator would still be fully responsible for compliance with all other requirements of the law and the affected lands would remain eligible for reclamation under the Abandoned Mine Reclamation Program.

"The goal here is to obtain environmental restoration work while at the same time make coal available to meet our energy needs that would otherwise be bypassed," Rahall said.

A second measure approved by the Subcommittee addresses Rahall's concern with the government's refusal to consider whether there is any market demand for coal from public lands prior to approving federal coal leases.

"It is incredible, but true, that the Interior Department refuses to even consider whether there is a market for federal coal when approving new leases, or for that matter, the effect the production of this coal will have on competition in the industry," Rahall said.

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The federal government owns about one-third of the Nation's coal, the majority of which is located in the western states. Through the Bureau of Land Management, this coal is made available under a leasing program. Due primarily to the recently enacted Clean Air Act Amendments, demand for western low-sulfur federal coal has dramatically increased. Today, lease applications for 1 billion tons of recoverable coal, an amount equivalent to the annual U.S. production rate, are pending.

Rahall's bill would require that prior to the issuance of a federal coal lease the Interior Department consider whether there is a market for the coal, and the effects production of additional federal coal would have on existing mining operations.

"I hardly think it is appropriate for the Interior Department to contribute to the unemployment situation by displacing workers from existing coal mines. With this bill, I aim to make sure this will not be the case," Rahall stated.

The third measure approved by the Subcommittee, the "Coalbed Methane Development Act of 1992," would promote the development of methane gas in the Appalachian and Midwestern regions of the United States.

"For hundreds of years, coalbed methane has been considered an enemy of the mining industry," Rahall explained. "Today it is possible to turn this relationship around and harness coalbed methane's potential as an energy source."

The Department of Energy estimates that with existing technology, 90 trillion cubic feet of coalbed methane that is currently locked into coal seams is recoverable. According to West Virginia University, this amount represents five years of total natural gas production in the United States.

Under the bill, states like West Virginia which do not have laws on coalbed methane would be required to establish development programs that would include provisions should a conflict arise over coalbed methane ownership.

Other legislation approved by the Subcommittee today:

H.R. 3168 (by Mr. Campbell of Colorado), would open-up two oil shale reserves in western Colorado to federal oil and gas leasing. Natural gas in the oil shale reserves is being drained due to nearby development activities. Currently, the federal government is spending public funds to stop this loss. "I hardly see why the government needs to pay industry to drill for natural gas on federal lands, usually it's the other way around," Rahall noted.

H.R. 3856 (by Mr. Kostmayer of Pennsylvania), would require the Secretary of Agriculture to issue environmental protection regulations for oil and gas development activities on eastern Forest Service lands where the surface, but not the oil and gas, is owned by the federal government. At present, no regulations exist.

H.R. 3421 (by Mr. Applegate of Ohio), was approved that would allow small independent oil and gas operators with active wells on eastern Forest Service lands to enter into leases with the federal government rather than lose their wells. The situation has arisen due to a quirk in federal law.