

STATEMENT OF ANGUS DUNCAN, DIRECTOR OF ENERGY POLICY, U.S. DEPARTMENT
OF TRANSPORTATION, BEFORE THE SUBCOMMITTEE ON NATURAL RESOURCES AND
ENVIRONMENT OF THE HOUSE COMMITTEE ON SCIENCE AND TECHNOLOGY,
FEBRUARY 28, 1980.

Dear Mr. Chairman and Members of the Subcommittee:

The Department of Transportation is pleased to respond to your request for comments on the Department of Energy (DOE) proposal to mandate conversion of oil-burning generating plants to coal, with particular attention to the Northport plant of the Long Island Lighting Company. You have asked about our involvement in the DOE decision to order oil-burning generating plants to convert to coal; DOE studies of the transportation of coal to, and residues from, the Northport plant; and the criteria used by the Department of Transportation in evaluating options for coal and ash transportation.

With respect to your first question, concerning our involvement in the DOE decision, the Department of Energy initiated its proposed prohibition orders under authority of the Powerplant and Industrial Fuel Use Act of 1978. In issuing proposed prohibition orders, in accordance with the administrative provisions of Section 8411 of the Act, DOE sends its proposals to the Environmental Protection Agency and to the Federal Trade Commission, but the Department of Transportation is not one of the agencies directed to review orders.

While we are not required to, and have not, commented on specific proposed prohibition orders, we are prepared to assist in evaluation of specific orders at the invitation of the DOE. Our focus would be the availability and adequacy of transportation capacity to move coal and other materials to and from the plants. When the Department assesses coal transportation options, we employ such evaluation criteria as the cost of new transportation facilities required; the need for government financing; and social, environmental and safety impacts of increased coal transportation. Any dredging or filling or installation of structures in navigable waters are within the jurisdiction of the Army Corps of Engineers and the Corps, in conjunction with the Environmental Protection Agency and the Department of the Interior, reviews the environmental effects of such activities.

With respect to your question concerning DOE studies on the transportation of coal to, and ash and scrubber residues from plants proposed for conversion, it is our understanding that, at DOE's request, the Oak Ridge National Laboratory is currently analyzing the transportation alternatives for generating plants in the Northeast identified as candidates for conversion to coal. Oak Ridge will be examining the transportation situation at the Northport plant as part of that analysis. The Department of Energy is also preparing a draft environmental impact statement on the conversion of each plant affected by the proposed prohibition orders. That process is expected by DOE to take from one to two years.

As you know, Long Island Lighting Company has indicated that, in any conversion to coal use, it would expect to use low-sulfur coal from Southern Appalachia. The coal would probably be shipped by rail to Hampton Roads piers in Virginia, and transloaded to barges for movement to the plant. Other options for coal transportation to Long Island powerplant sites include rail transportation to Philadelphia or New Jersey ports, with barge movement from those ports to the powerplants.

We are currently completing a report, the National Energy Transportation Study, which makes a general assessment of the capability of the national transportation system to move increased quantities of coal in the next decade. This assessment primarily addresses linehaul transportation, and not transportation to specific sites. Our conclusion from review of the preliminary results of the National Energy Transportation Study is that, while the rail system from Appalachia to Long Island does have some congestion and capacity constraints, moving coal by a combination of rail and barge appears to present no linehaul capacity problems in the foreseeable future.

This completes my statement. I would be pleased to respond to any questions you may have.

