

Coal Exports and Port Development

April 1981

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**COAL EXPORTS
AND
PORT DEVELOPMENT**

A TECHNICAL MEMORANDUM

APRIL 1981



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Preface

The Office of Technology Assessment has previously published reports on the subject of domestic coal production and use; it has prepared other assessments on marine transportation issues. Recognizing this background and the urgency of coal export issues now before Congress, Sen. Charles McC. Mathias, Jr., a member of the Technology Assessment Board, asked OTA to prepare an analysis of Federal policies affecting coal exports and port development. He asked that this analysis be a short-term effort of limited scope, focusing on major current issues of congressional concern since new legislation had been introduced and several hearings on the topic are pending.

The technical memorandum, prepared in response to that request, addresses four major issues which are important to Federal policy debates now before Congress:

- estimating the potential U.S. coal export market;
- development of foreign trade policy;
- the Federal role in dredging harbors; and
- the outlook for alternative technologies.

This analysis indicates that sizable increases in future U.S. coal exports are achievable if the Federal Government and the private sector complement the efforts of each in encouraging these exports and if present trends are not drastically altered by developments in other exporting and importing countries. Without a coherent, positive policy, the United States could lose a substantial share of the future coal export market.

In part, the development of adequate and efficient U.S. port capabilities to handle future exports depends on Federal dredging policies. OTA's analysis suggests general agreement about the case for some changes in current Federal dredging practices, particularly as they relate to allocating some of the costs to the beneficiaries of dredging.

Although the outlook for alternative or new technologies to transport export coal is promising, it does not appear that there is a direct role for the Federal Government in the development of these technologies. However, it is important that an understanding and analysis of the various alternative and new technologies should be a basic element of Federal policy consideration on future coal exports.



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