

CARROLL LOUIS WILSON  
MC 29 BOX 22, F.973

Coal Industry Advisory Board, 1980

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F. R. Schwab & Associates, Inc.  
*management consultants*

① Copy to  
Allen Schled  
12/30/80  
② file  
ZACHARIAH ALLEN  
Senior Vice President

December 19, 1980

Mr. Guy Nichols  
Chairman, President and  
Chief Executive Officer  
New England Electric System  
20 Turnpike Road  
Westborough, Massachusetts 01581

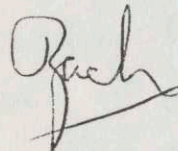
Dear Guy,

We were sorry you could not join us in Washington on November 25 when we made our three presentations. The Reagan Energy Transition Group asked us to send them a written report which we have done.

I am enclosing a copy of that report for your information. I would be interested in your comments on that report.

I wish you a Merry Christmas and a Happy New Year and look forward to seeing you early next year.

Sincerely,



ZA:st

Enclosure

DEC 29 1980

THE PITTSTON COMPANY

INCORPORATED IN 1930

ONE PICKWICK PLAZA

GREENWICH, CONNECTICUT 06830

(203) 622-0900

N. T. CAMICIA

CHAIRMAN AND PRESIDENT

December 17, 1980

Mr. Michel Halbouty  
Director, Energy Transition Team  
c/o U. S. Department of Energy  
Room 7B084  
Forrestal Building  
Washington, D.C.

Dear Mr. Halbouty:

Enclosed is the summary you requested of the conclusions and recommendations of the International Energy Agency's Coal Industry Advisory Board as they specifically relate to the United States. We hope that they will be useful to you and other members of the Reagan Transition Team as you develop your programs and policies.

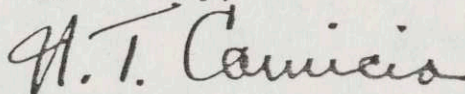
The U. S. members of the CIAB regard action on these recommendations as vital to the achievement of the OECD objective of reducing the dependence of OECD member countries on imported oil by increasing significantly coal production, trade, and use. The recommendations of the U. S. delegation were developed as part of a broader CIAB report (also included for your information) to the IEA energy ministers outlining steps we believe should be taken promptly if the OECD member countries are to achieve the target set at the Venice Economic Summit in June 1980. The target called for a doubling of coal use by 1990.

Bob Quenon has pointed out to me that many of our conclusions and recommendations are very similar to the points made in the Reagan Energy Policy Task Force Report. However, we especially urge your serious consideration of the delegation's recommendations pertaining to the removal of constraints on U. S. coal exports as this is an area that was not addressed in any great detail in the Task Force report. This area offers significant opportunities for domestic job creation, positive contributions to the U. S. balance of trade, and greater national security by reducing our dependence upon imported oil. It also is an important step for us to take in order to help our allies in the OECD attain stable energy supplies.

Mr. Michel Halbouty  
Energy Transition Team  
December 17, 1980  
Page Two

On behalf of the other U. S. members of the CIAB who accompanied me to our meetings in Washington on November 25 (Ralph E. Bailey\*, Chairman of Conoco; Robert Quenon, President and Chief Executive Officer of Peabody Coal Company; Richard S. Sommer, President of RS Industries, Inc.), I would like to thank you for the time you gave us on that day and your interest in our work. We stand ready to answer any questions you may have and frankly would welcome the opportunity to work with you further in converting these recommendations into specific proposals suitable for administrative and legislative action.

Sincerely,



N. T. Camicia

\*You may recall that Ralph Bailey was not present at our meeting with you on November 25. However, he was present earlier that day when we met with the incumbent administration and with the Senate Coal Caucus. Unfortunately, he had a 4:30 p.m. speaking engagement at MIT that compelled him to leave early. The enclosed paper, however, includes the comments he made at the earlier meetings.

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Televis

# \$1 trillion to meet 2000

NEW YORK (AP) — A program costing as much as \$1 trillion will be needed to meet the International Energy Agency's goal of doubling coal production by 1990 and tripling coal output by the year 2000, a panel of coal producers and users said yesterday.

Nicholas T. Camiscia, chairman of the Coal Industry Advisory Board, said the program could create "at least 200,000" new jobs in the United States by 1990, and could "reduce the amount of oil imported" by industrial countries of the non-Communist world.

Camiscia said "there is no restraint on physical reserves of coal" or capital needed to meet the energy agency's goals. But "nothing is being done to indicate we're going to get to the target" set for 1990, he said during a briefing for reporters last week.

Camiscia is president of Pittston Co., a large coal producer based in Greenwich, Conn. His panel was established by the

International Energy Agency and includes 34 representatives of coal, oil and steel producers, utilities, railroads and construction companies.

The energy agency, which comprises the United States, Canada, Japan and other industrial countries, is scheduled to receive the panel's report today in Paris. The report already has been presented to the Carter administration and to members of the transition team of President-elect Ronald Reagan, Camiscia said.

Many conclusions of the report are similar to ones reached earlier this year by the World Coal Study, a project conducted at Massachusetts Institute of Technology, which said a \$1-trillion coal program would absorb about 3 percent of all the money raised in the industrialized world by the year 2000.

By the end of the century, the panel said, coal production could total 2.4 billion metric tons. A metric ton is about 2,205 pounds.

LARE

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# CHRISTMAS

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GROSVENOR PLACE  
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SW1X 7AE

10th June, 1980

Professor Carroll L. Wilson,  
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USA.

Dear Professor Wilson,

On Sir Derek Ezra's behalf I thank you  
for your recent letter.

I am pleased to be able to say that we  
have received the blueprint for the second  
book of the WOCOL Report.

Yours sincerely,

*Margaret Cook*

Miss M.A. Cook  
Private Secretary

SUMMARY REPORT OF INTERNATIONAL ENERGY AGENCY

COAL INDUSTRY ADVISORY BOARD

WITH RESPECT TO SPECIFIC PROBLEMS IN THE UNITED STATES

December 17, 1980

## I. INTRODUCTION

1. The purpose of this paper is to summarize the specific conclusions and recommendations of the International Energy Agency's Coal Industry Advisory Board with respect to specific problems identified in the United States.
2. The Coal Industry Advisory Board was convened by the International Energy Agency following the Tokyo summit conference of the IEA countries. The membership of the CIAB consists of thirty-four senior level executives of companies in coal related industries from thirteen different countries including France (not a member of the International Energy Agency), which was invited to participate.
3. The CIAB had its first meeting in Paris in April 1980 at which time it established six working committees to identify and suggest solutions to the problems attendant to achieving the IEA's stated objective to double coal use by 1990 and triple it by 2000. These six working committees were:
  - Coal use,
  - Coal production,
  - International trade,
  - Infrastructure,
  - Research and development,
  - Environmental.

The membership of each of these committees contained a broad national representation. Thus, the conclusions and recommendations stemming from the work of these six committees are truly international in nature.



4. Conclusions and recommendations with respect to the United States stem from the work of these six committees. General conclusions and recommendations with respect to all countries involved are contained in the report of the CIAB presented to the IEA ministers on December 9, 1980. The findings of each of the six committees are summarized in Part II of that report.

5. The principal long-term conclusion of the CIAB is that there are adequate reserves and production capabilities to mine enough coal to meet the objectives of doubling coal use by 1990 and tripling coal use by 2000.

However, based on present plans for the construction or conversion from oil of coal use facilities (primarily electric utility generating plants), it appears highly unlikely that the goal of doubling coal use can be met by 1990.

This shortfall pertains generally throughout the IEA countries. Thus, the achievement of the goal to double coal use by 1990 will require concentrated and prompt action by the IEA countries acting both together and individually.

6. The principal short-range conclusion of the CIAB is that the major bottleneck confronting coal use at present is the coal transportation infrastructure, especially railroads and port facilities. This is an especially acute problem in the United States and will be discussed further in this memorandum.

7. It is clear from our CIAB experience that the other IEA countries are relying upon the United States to display leadership in the effective development of coal as a viable replacement for petroleum in the world energy picture. The other major coal producing countries (Australia, Poland, South Africa, and Canada) are more limited over the long term than we in terms of coal reserves and production capabilities. Therefore, the U. S. members of the CIAB conclude that it is extremely important that the U. S. government and industry demonstrate a strong commitment to solving the problems which have been identified specific to the U. S. and to working with the other IEA countries in developing solutions to the energy problem.

8. The CIAB feels that there is a very real danger that the effect of this current recession and of energy conservation may remove the sense of urgency in developing coal supplies to substitute for oil. The primary objective must be to maintain an impetus towards reducing reliance on oil.

## II. CONCLUSIONS AND RECOMMENDATIONS SPECIFIC TO THE U. S.

### 1. PORT FACILITIES

The ability of U. S. coal companies to build new export terminals and upgrade existing terminals is of paramount importance to the U. S.' ability to export coal overseas. Because of the lack of adequate capacity at export terminals, the surge in demand in 1980 has created substantial congestion, ship delays, and high ship demurrage charges at U. S. ports. This has raised concern about U. S. coal companies' ability to deliver their products in a timely fashion. It is clear that expansion of capacity is needed if the U. S. is to handle throughput demand at current levels and to provide for significant growth that is likely.

With this in mind, the private sector with state and local support has already announced plans to more than double the existing 80 million short tons of coal export terminal capacity by 1990. In addition, the private sector is in the process of:

- (1) Establishing long-term supply contracts with European and Japanese customers,
- (2) Placing high quality reserves into production for export,
- (3) Building and upgrading rail lines,
- (4) Constructing new ships,
- (5) Actively seeking harmony with labor in the coal fields.

But the export terminals are probably the most important key to ensuring U. S. companies' ability to export coal overseas. Private industry needs the government's help and cooperation. Our recommended actions are:

- Move quickly to pass enabling and appropriations legislation to deepen navigation channels in U. S. ports. This dredging will enable larger, more economical ships to effectively use U. S. harbors and will ensure U. S. coal is competitively priced in international markets. This deepening is especially needed in the Chesapeake Bay area (Hampton Roads and Baltimore) and at the mouth of the Mississippi River.
- Work with federal and state environmental agencies to ensure that undue delays in issuing permits for expansion or new construction of export terminals are avoided. Environmental and commercial interests must be balanced to enable the growth of a healthy export market for coal while also maintaining the quality of the marine tidal environments in which export terminals will be located. Permitting delays could well stifle private sector efforts to place the U. S. in the forefront of the world coal market.
- Also work with federal and state agencies as appropriate to encourage the development of a major coal export terminal from the west coast of the U. S. to serve the Pacific Rim markets. This will probably require the development of an entirely new harbor facility for coal exports.

## 2. INLAND TRANSPORTATION

The movement of coal from the mines to the ports on an efficient and economical basis is extremely important to U. S. coal companies' ability to export coal overseas. Rail, truck, barge, and slurry pipelines all have important roles to play in transporting coal. The federal government can contribute to the soundness of the domestic transportation infrastructure by enabling that

infrastructure to act as much as possible like a market system. In the area of rail transportation, the government has already taken an extremely important step forward in the passage of the Staggers Rail Act of 1980.

At this time, recommended actions by the federal government are:

- Allow the Interstate Commerce Commission and the railroads to implement the Staggers Rail Act. Also, the government should continue to monitor the railroad industry to ensure its adherence to reasonable rate-making procedures and fair rates for all commodities and particularly for commodities such as coal where shippers often are "captive" to the railroad, and have no alternative but to ship by rail. Analysis by the National Coal Association has shown that more than 80 percent of the coal shipped by rail is "captive" in this sense.
- Take steps necessary to ensure the viability of Conrail.

Coal slurry pipelines should play an important role in transportation of coal for domestic use and perhaps for export. Especially in the west where distances from mine to market are extremely long, slurry pipelines could be economic and practical. There are also situations in the southeast where the same conditions apply. Although the private sector has taken important initiatives in this area, the federal government has a critical role to play. Recommended actions are:

- Work with Congress to pass legislation to allow coal slurry pipelines the right of eminent domain.
- Monitor rail and pipeline construction plans to help promote inter-modal competition.

3. RELIABILITY OF CONTRACT

The reliability of contracts between U. S. coal producers and foreign customers is critical to the domestic industry's ability to initiate long-term supply agreements and to export coal on a regular basis. European, Japanese, and other foreign buyers are, and will continue to be, hesitant about using the U. S. as a major supplier until there is more assurance that the U. S. government will not interfere in supply contracts.

The private sector is taking important steps to ensure that contract agreements can be met by:

- (1) Committing high quality reserves to production for the export market,
- (2) Building and upgrading rail lines,
- (3) Constructing new port facilities and ships,
- (4) Actively seeking harmony with labor from the coal fields.

But the federal government can be of immense help in alleviating the concern of foreign customers. Recommended actions are:

- Assure our allies that the federal government has no intention of cutting off or restricting the flow of U. S. coal overseas or otherwise altering contract terms.
- Impress upon members of the Congress and the public that:
  - First, U. S. coal reserves are plentiful enough to last a minimum of three hundred years at

present rate of production and that these reserves are sufficient to supply the U. S. and our allies;

- Second, export of U. S. coal is aiding our balance of payments position. In 1980 alone, U. S. exports of coal will total over four billion dollars.
- Urge states to consider the impact of legislation, such as severance taxes, that would force renegotiation of contracts, and by so doing, erode confidence of foreign customers and our ability to supply them at competitive prices.

#### 4. SYNTHETIC FUELS

It is the conclusion of the U. S. CIAB members that the U. S. Department of Energy and its predecessor, ERDA, have been singularly ineffective in their efforts to support the development of coal based synthetic fuel technology to a state of commercial availability, either by direct programs or through support of industry. Many of the problems can be corrected or their impact reduced. Our suggestions for improving the effectiveness of these programs are listed below in three categories:

- Organizational:
  - Reduce internal conflict between program managers and procurement officers. In many cases, exercise of discretionary authority afforded to procurement officers has impeded, rather than assisted, contract execution. Unnecessary and counterproductive, nonstatutory requirements should be revised or eliminated.
- Programatic:
  - The Advanced Fossil Energy Program is unbalanced in favor of low quality liquids production and should be revised in conformance with the nation's need for balanced eastern and western production

of high quality fuels recognizing present supply and use patterns and the substitute ability of fuels, both in stationary and mobile usage.

- The present program is heavily focused on primary conversion processes (gasifiers, liquefaction techniques, etc.) almost to the exclusion of work in downstream processes for product purification, by product recovery, pollution control, etc. The major targets for cost reduction are in these downstream, less glamorous areas.
- The Demonstration Plant concept is obsolete and should be reviewed immediately considering the following options, among others:
  - 1 Sharply reduced overall commitments focusing attention on a small number of selected projects. It is possible to reduce expenditures substantially by outright cancellation of some programs or by reduction in the scope of projects which are overly large or unnecessarily long.
  - 2 Replacement of joint DOE/industry funding and control with a coal sharing grant program under which industry conducts the work.

In general, we believe that too many small research projects are funded without enough industry cost sharing. This results in excessive administrative effort in proportion to technical output and yields projects of low average quality. It also may not lead to the most effective transfer of such projects to commercial implementation.

• Congressional:

- Single year funding of multiyear projects leads to too great uncertainty and inefficiency. This is particularly debilitating to major pilot plants and demonstration programs. A mechanism should be found to increase certainty.
- Lack of strong DOE leadership has created a policy vacuum into which Congress has moved too eagerly. Congress and Congressmen have forced program decisions to be made on political grounds, thus eroding the credibility of DOE. Strong leadership must be asserted by DOE.



The U. S. delegation believes that the general conclusion about adequate reserves and productive capability can be applied to the U. S. It was clear to the U. S. members of the CIAB that the most serious constraints on expansion of coal use exist in the coal use area itself rather than in the factors of production. These constraints are preventing the coal market from developing rapidly enough to achieve a doubling of OECD coal use by 1990 unless prompt and vigorous government action is taken. We recommend, with respect to the U. S., that the following actions be taken:

- Government controls on oil and natural gas prices have held those prices to artificially low levels and have reduced the incentive to use domestic coal. We recommend that the President maintain the schedule for ending oil price controls and that the Congress and the President together should accelerate the schedule for phasing out all price controls on new natural gas.
- Encourage state public utility commissions to modify regulatory policies which discourage capital investment in coal burning facilities. In most states, public utility commission policies discourage capital investments in coal burning facilities (either new or converted coal use facilities). The CIAB recommends that state and public utility commissions be encouraged to review these policies taking into account both the lower long-term cost to consumers of using coal and the national need to reduce dependency on imported energy sources and to conserve natural gas for higher value uses.
- Lease adequate quantities of federally owned coal. The federal government has control over most western coal reserves. The Interior Department's Federal Coal Management Plan does not provide for sufficient leasing of coal to meet future demands. Therefore, U. S. members of the CIAB recommend that the Interior Department should sharply increase the quantities of coal it offers for lease.

- Revise existing "diligent development" and "continuous production" requirements for federally leased coal.

Existing diligent development regulations require production of federal coal irrespective of market conditions. The President should direct the Secretary of Energy to design and propose legislation containing alternative criteria which would ensure the diligent development of a federal coal lease but that will not result in the artificial development of excess productive capacity such as exists now.

- Land use planning and control requirements should more fully reflect the economic and energy components of land use trade-offs.

Some of the present programs for withdrawal of federal land, including the programs of the Bureau of Land Management to review roadless areas for inclusion in wilderness preservation systems and of the U. S. Forest Service for similar purposes, could preclude development of significant coal reserves. We recommend that the President and Congress assure that lands not be withdrawn prior to completion of mineral surveys sufficient to perform a balanced review of economic, energy, environmental, and quality of life objectives.

- Expedite permitting. Lengthening lead times caused by regulatory procedures delay development of coal mining facilities, the transportation infrastructure, and coal use installations as well as increase costs substantially across the entire coal chain. We recommend that both legislative and executive measures be adopted to streamline regulatory procedures for energy projects. We do not suggest this, of course, at the expense of valid protection of our environment, but rather to assure the taking of decisions within appropriate, but specific, review periods.

## 6. ENVIRONMENTAL CONSIDERATIONS

The CIAB recognizes that expanded use of coal will have an impact upon our environment that must be considered throughout the entire coal chain. However, all six working committees of the CIAB pointed out that many questions of an environmental nature are being raised and that a state of high uncertainty has been engendered. This state of

uncertainty is unnecessarily inhibiting investments throughout the coal chain.

The principal CIAB conclusion, which the U. S. members believe applies to the U. S. as well as the other CIAB countries, is that the environmental problems can be solved in most cases with presently available technology even though the costs of doing so may be high.

The major problem in the U. S., at present, lies in part in the regulations to protect the environment, but more so in the implementation of these regulations. This causes unnecessary confusion and delay.

The U. S. members of the CIAB, supported by the work of the six committees and, in particular, by the work of the environmental committee, make the following recommendations:

- Make immediate administrative changes as permitted within the existing Clean Air Act to streamline and coordinate administrative procedures at central and local levels.

State implementation plans and other implementation requirements that are more stringent than necessary to protect human health should be reviewed and revised. Further, the EPA should issue a regulatory revision to expedite the SIP approval and revision process vesting greater control in the states.

- Provide for less frequent review of the Clean Air Act regulations. At present, the Clean Air Act is being reviewed about every four years. CIAB suggests that a ten year general review consistent with the Clean Water Act would be more appropriate than the current schedule. This recommendation is not intended to interfere with changes in regulations when new scientific or technical information of major import for clean air maintenance becomes available. We ask that the administration implement legislation to bring such a review schedule about.

- Modify "Prevention of Significant Deterioration" (PSD) requirements. The CIAB members believe that the present PSD requirements go beyond protection needed for public health or reasonable protection of the environment in areas other than those designated as Class I. These requirements are likely to prevent the siting of new coal-fired power plants and other facilities in many parts of the U. S. and prevent conversions in some cases.
- Prepare the promulgate regulations which provide that new facilities meeting the New Source Performance Standards (NSPS) requirements are deemed to have met BACT.
- In general, we believe that U. S. regulations should be structured so as to allow industry sufficient flexibility to develop technical solutions for meeting environmental regulations whether they be by coal washing, fuel selection, stack gas cleaning, a combination of these items, or any new technology that may develop.

#### 7. OTHER ENVIRONMENTAL CONSIDERATIONS

The CIAB has recognized in its work that there is a substantial amount of uncertainty and lack of scientific agreement about the health and environmental impacts of pollutants. However, the CIAB also believes that there is a very real danger that we will fall short of achieving our objectives to substitute coal for oil if we postpone investment in coal use facilities until all the answers and all the facts are available. Therefore, the CIAB recommends that:

- While some studies find that the acidity of precipitation (acid rain) has apparently been increasing in some locations, the evidence to date on site specific causes and effects does not appear sufficiently conclusive to warrant the potential economic and social impact of further restricting coal and automobile emissions at this time. We do support, however, the acceleration of the schedule and an increase in the funding for research on acid rain.

- The U. S. government should stimulate research and development and a demonstration of new and more efficient environmentally acceptable systems for mining, transporting, and using coal. The U. S. members of the CIAB concur with the general feeling of the overall CIAB membership that new technologies can, and will, be developed so that coal can be used in an environmentally acceptable fashion and in an increasingly cost effective way. This conclusion applies not only to the conventional burning of coal, but also to processes for the manufacture of synthetic fuels (liquid and gas) as we use coal in other ways to substitute for coal.

One note of caution was expressed by the research and development committee of the CIAB and was echoed by the environmental committee that, although new technology and synthetic fuels look promising, we must also take account of the need for appropriately rapid development of U. S. energy supplies. Therefore, we cannot afford to delay such development based on promising seeming innovations which may never prove to be commercially viable.

JUN 17 1980



SIR DAVID STEEL

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BRITANNIC HOUSE,  
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10th June, 1980.

Dear Professor

Thank you for sending me a blueprint copy  
of FUTURE COAL PROSPECTS - Country and Regional  
Assessments. I shall read it with interest and  
I am sure it will be most helpful to me in my CIAB  
work.

Yours  
Sincerely

David Steel

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San Francisco, California 94105,  
United States

Dr. I. Leibson  
Bechtel Incorporated

\* Chairman

International Coal Trade

Sir David Steel,\*  
Chairman,  
British Petroleum,  
Britannic House,  
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Mr. R. Belgrave,  
British Petroleum

Mr. Richard A. Austen,  
Chairman and Managing Director,  
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GPO Box 705,  
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Mr. Ralph E. Bailey,  
Chairman and Chief Executive Officer,  
Continental Oil Company,  
High Ridge Park,  
Stamford, Connecticut 06904,  
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Mr. Enji Haseo,  
Executive Vice President,  
General Manager of Steel  
Domestic Sales Division,  
and General Manager  
of Ferrous Raw Materials Division,  
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Tokyo,  
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Mr. Ichiro Hiwasaki,  
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Mr. Katsushige Tanaka,  
General Manager,  
Fuel and Ferrous Materials Dept.,  
Nippon Steel Corporation,  
2-6-3 Ohte-machi,  
Chiyoda-ku,  
Tokyo,  
Japan

Mr. Nobuo Kobayashi,  
Mitsubishi Corporation,  
Bow Bells House,  
Bread Street,  
London  
England Tel: 01 2362060

X Mr. P. Fentener van Vlissingen,  
Steenkolen Handels Vereniging,  
Rijnkade 1,  
Utrecht,  
Netherlands Tel: 030 338833

Mr. Hideki Saito,  
Nippon Steel Corp.,  
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4 Düsseldorf,  
Germany Tel: 320791

Mr. W. Peek  
Managing Director,  
SSM Coal bv,  
Rochussenstraat 125,  
3015 EJ Rotterdam,  
Netherlands Tel: 010 364122

\* Chairman

Environmental Issues of Increased Coal Use

Mr. Arne S. Lundberg,\* ✓  
Director,  
Swedish State Company Limited,  
Hamngatan 6,  
Box 7827,  
10397 Stockholm,  
Sweden Tel: 08 242900

X Mr. Thornton F. Bradshaw,  
President,  
Atlantic Richfield Co.,  
515 South Flower Street,  
Los Angeles, California 90071,  
United States Tel: 213 486 3511/1738

Dr. D. Sternlight,  
Chief Economist,  
Atlantic Richfield Co.

Mr. Milan Nastich,  
Executive Vice President,  
Planning and Administration,  
Ontario Hydro,  
H19 E22,  
700 University Avenue,  
Toronto Ontario M5G 1X6,  
Canada Tlx: 06 217756

Mr. Richard S. Sommer,  
President,  
RS Industries,  
226 Indian Rock Road,  
New Canaan, Connecticut 06840,  
United States

Research and Development

Mr. James W. Wilcock,\* ✓  
Chairman, and President,  
Joy Manufacturing Company,  
Henry W. Oliver Building,  
Pittsburgh, Pennsylvania 15222,  
United States Tel: 412 562 4500

Mr. R.C. Gilmore,  
Vice President - Marketing and Sales,  
Canadian Pacific Ltd.,  
Room 208,  
Windsor Station,  
Montreal H3C 3E4,  
Canada Tlx: 05-25857

\* Chairman

Mr. Toshitsugu Ishihara,  
Director,  
General Manager of Energy and  
Mineral Resources Research Department,  
Mitsui Mining Company Ltd.,  
2-1-1 Nihonbashi-muromachi,  
Chuo-ku,  
Tokyo,  
Japan

Mr. Tamotsu Sato,  
Coal Division,  
Mitsui & Co.

IEA Secretariat Contacts

Mr. F. Gorbet,	Tel: 524 9890
Mr. E.T. Houston	Tel: 524 9481
Mr. Botta	Tel: 524 9481
Mr. R. Overt	Tel: 524 9465

International Energy Agency,  
OECD,  
2 rue Andre-Pascal,  
75016 Paris  
France Tel: 524 8200

Telex to:

Mr. R. E. Bailey  
Chairman & Chief Executive Officer  
Continental Oil  
High Ridge Park  
P.O. Box 1050  
Stamford, CT 06904

Mr. Guy W. Nichols  
Chairman and Chief Executive Officer  
New England Electric System  
25 Research Park  
Westboro, MA 01581

Mr. J. W. Wilcock  
Chairman & Chief Executive Officer  
Joy Manufacturing Co.  
1200 Henry W. Oliver Road  
Pittsburgh, PA 15222

Mr. Zachariah Allen  
F.R. Schwab & Assoc.  
645 Madison Ave  
New York, N.Y. 10022

Mr. N. T. Camicia  
Chairman & Chief Executive Officer  
Pittston Coal Co.  
1 Pickwich Plaza  
Greenwich, CT. 06830

Mr. R. H. Quenon  
President  
Peabody Coal Co.  
301 N. Memorial Drive  
St. Louis, MO 63102

**WOCOL** WORLD COAL STUDY

Carroll L. Wilson, Director  
MIT, 1-143  
Cambridge  
Massachusetts 02139

Telephone: (617) 253-3418  
Telex: 92-1473.

PERSONAL

April 27, 1980

Mr. R. E. Bailey  
Chairman and Chief Executive Officer  
Continental Oil  
High Ridge Park  
P.O. Box 1050  
Stamford, CT 06904

Dear Mr. Bailey:

Bill Martin tells me that the CIAB got off to a good start.

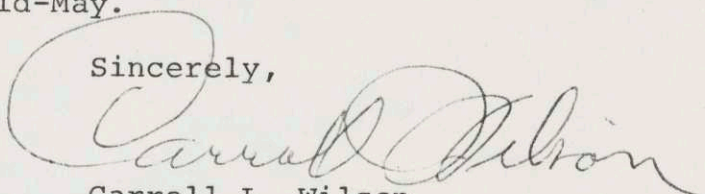
I'm sending enough copies of the WOCOL report to Paris for Dr. Lantzke to distribute from there to CIAB members in Europe.

Enclosed is a copy for you with our press release and accompanying visuals.

Arrangements are now moving ahead for our May 12 press conference in Washington and similar affairs on May 12-13 in the other 15 countries.

We are investigating when page proofs can be secured from Vol. II, which includes all country reports in full detail. It may be possible soon after mid-May.

Sincerely,



Carroll L. Wilson

CLW:ja

enclosures

cc: W. Martin, IEA

**WOCOL**

**WORLD COAL STUDY**

Carroll L. Wilson, Director  
MIT, 1-143  
Cambridge  
Massachusetts 02139

Telephone: (617) 253-3418  
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PERSONAL

April 27, 1980

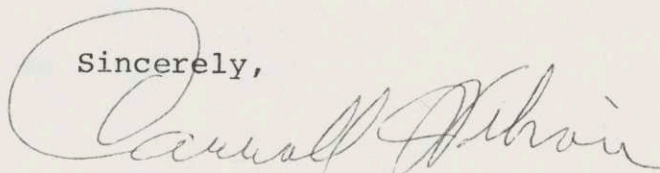
Mr. Zachariah Allen  
F.R. Schwab & Assoc.  
645 Madison Ave.  
N.Y., N.Y. 10022

Dear Mr. Allen:

Enclosed are copies of my letters to Messrs. Bailey, Nichols and Wilcock. Enclosed is also a copy of the WOCOL report and press release both embargoed until May 12.

We've sent copies to Paris to enable Dr. Lantzke to send copies to other CIAB members.

Sincerely,



Carroll L. Wilson

CLW:ja

enclosures

cc: W. Martin, IEA



AIE

IEA

AGENCE INTERNATIONALE DE L'ÉNERGIE

INTERNATIONAL ENERGY AGENCY

OCDE

OECD

ORGANISATION DE COOPÉRATION ET  
DE DÉVELOPPEMENT ÉCONOMIQUES

ORGANISATION FOR ECONOMIC  
CO-OPERATION AND DEVELOPMENT

Le Directeur Exécutif

The Executive Director

IEA/ED/80.23

Professor Carroll L. Wilson,  
Director,  
World Coal Study,  
MIT,  
1-143,  
Cambridge,  
Massachusetts 02139.

~~Bob~~  
Milce  
Files,

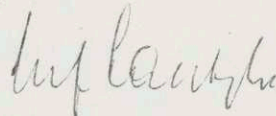
28th January, 1980

Dear Carroll,

Thank you very much for your letter of early January, which enclosed a copy of the WOCOL draft report. I also appreciated your kind words about the Foreign Affairs article and was pleased to see that you had distributed it to WOCOL participants.

I understand from Bill that you successfully concluded the report at Le Mas d'Artigny, and he has shared with me some of the major findings. I feel the study has effectively pointed out many of the obstacles and possible solutions in achieving greater worldwide coal use, production and trade. It should provide a valuable contribution to the Coal Industry Advisory Board, a first meeting of which we plan to convene on April 23rd and 24th. I enclose for your information a list of the Members approved by the last Governing Board meeting. As we get closer to the meeting we should explore together how the WOCOL results can most effectively be made available to CIAB Members.

Sincerely yours,



Ulf Lantzke

Decision of the Governing Board  
on the Appointment of Members  
of the IEA Coal Industry Advisory Board

The Governing Board

Considering that on 11th July 1979, the Governing Board decided to establish an IEA Coal Industry Advisory Board;

DECIDES:

29

to appoint the following individuals as members of the IEA Coal Industry Advisory Board for the period 1st January 1980 to 31st December 1982:

<u>Member</u>	<u>Affiliation</u>
H. JUVANCIC	Voest Alpina A.G., Austria.
R.A. AUSTEN	Chairman and Managing Director, Austen & Butta Ltd., Australia.
D. CARRUTHERS	General Manager Coal Group, Conzinc Riotinto of Australia Ltd., Australia.
N.B. HEALE	Manager of Fuels, Electricity Commission of New South Wales, Australia.
R.C. GILMORE	Vice-President, Marketing & Sales, Canadian Pacific Ltd., Canada.
J.H. MORRISH	President, Fording Coal Ltd., Canada.
M. NASTICH	Vice-President, Resources, Ontario Hydro, Canada.

<u>Member</u>	<u>Affiliation</u>
P. SACHMANN	Vice-President, Elsam, Denmark.
H. GRUNER	Member of the Board, Dyckerhoff Cementwerke A.G., Germany.
R. LENHARTZ	Chairman of the Board, Saarbergwerke A.G., Germany.
U. SEGATZ	Member of the Board, Preussische Elektrizitäts A.G., Germany.
G. WINKELMANN	Chairman of the Board, Stinnes A.G., Germany.
E. HASEO	Vice-President, General Manager of Steel Domestic Sales Division and General Manager of Ferrous Raw Materials Division, Mitsubishi Corporation, Japan.
T. ISHIHARA	Director, General Manager of Energy and Mineral Resources, Research Dept., Mitsui Mining Company Ltd., Japan.
Y. MOROZUMI	President, Electric Power Development Company, Japan.
M. TAJIRI	Managing Director, Tokyo Electric Power Company Inc., Japan.
K. TANAKA	General Manager of Ferrous Materials Department, Nippon Steel Corporation, Japan.
P. FENTENER van VLISSINGEN	Steenkolen Handels Vereniging, Netherlands.
L.C. van WACHEM	Shell Internationale Petroleum Maatschappij, Netherlands.

MemberAffiliation

M. PORTIS Y VALLS

Vice-President,  
Carbunion,  
Spain.

A. LUNDBERG

Director,  
Statsföretag AB,  
Sweden.*Schult*

R.E. BAILEY

Chairman and Chief Executive Officer,  
Continental Oil Company,  
United States.

T.F. BRADSHAW

President & Director,  
Atlantic Richfield Co.,  
United States.

N.T. CAMICIA

Chairman, President & Chief Executive  
Officer,  
The Pittston Company,  
United States.

G.W. NICHOLS

Chairman, President & Chief Executive  
Officer,  
New England Electric System,  
United States.

R.H. QUENON

President,  
Peabody Coal Company,  
United States.

R.S. SOMMERS

President,  
RS Industries,  
United States.

J.W. WILCOCK

Chairman, President & Chief Executive  
Officer,  
Joy Manufacturing Co.,  
United States.

D. EZRA

Chairman,  
National Coal Board,  
United Kingdom.

D. STEEL

Chairman,  
British Petroleum,  
United Kingdom.

INTERNATIONAL ENERGY AGENCY

COAL INDUSTRY ADVISORY BOARD

The Governing Board DECIDES:

1. Establishment and Terms of Reference. To establish the IEA Coal Industry Advisory Board ("the CIAB") which shall, by providing the independent advice and suggestions of individuals of high standing active in coal related enterprises, assist the IEA in the practical implementation of the Principles for IEA Action on Coal adopted by the Governing Board meeting at Ministerial level on 21st-22nd May 1979. The CIAB shall be available to review developments and trends in coal production, trade and utilisation; and to provide advice and suggestions on methods, procedures, organisation and policies for implementing the Principles, including the following topics:

- (a) Opportunities for expanding coal production;
- (b) Requirements for coal transportation facilities, including railways, pipelines, inland waterways, port facilities and ocean shipping;
- (c) Means for expansion of international steam coal trade;
- (d) Methods for securing the expanded use of coal in electricity generation and in energy-intensive industries;
- (e) Adequacy of available investment capital for future coal development and identification of major means of increasing and accelerating coal investment;

INTERNATIONAL ENERGY AGENCY  
(f) Methods for ensuring that expanded coal production, use and transportation proceed under acceptable environmental conditions;

(g) Development and application of advanced technologies for coal production, transportation and use, including coal conversion;

(h) Assessment and forecasting of national and international coal developments and trends.

2. Functions. The CIAB shall provide advice and suggestions to the IEA. It may also consult with other entities such as the OECD and the European Communities.

3. Confidential or Proprietary Data. The CIAB shall carry out its functions on a broad, industry-wide basis without the disclosure of confidential or proprietary data of any company or other entity.

4. Composition. The CIAB shall consist of 24 to 36 individuals of high standing active in coal producer, user, trade, transportation or other energy related enterprises. CIAB members should be selected from the North American, European and Pacific regions. They shall contribute their views as independent individuals to the work of the CIAB.

5. Appointment and Term of Membership. Individuals shall be proposed for CIAB membership by their respective governments, or by the Executive Director. Proposed members shall be appointed by the Governing Board in consultation with the Executive Director. The term of membership shall normally be three years and may be renewed. The CIAB may also have members from non-IEA OECD countries.

6. The CIAB shall annually elect its Chairman and two Vice-Chairmen. They shall, together with 5 to 7 other members selected by the CIAB, form a Special Committee to co-ordinate the work of the CIAB. In addition, the Special Committee will

available to provide advice and suggestions to individual Governments at their request. In appropriate cases it may make its views known to the public. In both cases, this shall be done in co-ordination with the Executive Director. The Special Committee shall meet at its convenience. The Executive Director and the Secretariat shall attend meetings of the Special Committee.

7. Meetings and Agenda. The CIAB shall meet normally twice each year in plenary session and may meet in sub-groups as the occasion requires. Meetings of the CIAB, the Executive Committee and the sub-groups shall be normally convened in Paris. Meetings may be held elsewhere after consultation with the Executive Director. The Agenda of the CIAB and its sub-groups shall be fixed by the Chairman of the meeting in consultation with the Executive Director. Participation in CIAB meetings shall be limited to the individual CIAB members, the Executive Director, the Secretariat, members of Agency bodies as appropriate and other persons deemed necessary by the CIAB to participate in its work.

W/1434A

Decision of the Governing Board  
on the Appointment of Members  
of the IEA Coal Industry Advisory Board

The Governing Board

Considering that on 11th July 1979, the Governing Board decided to establish an IEA Coal Industry Advisory Board;

DECIDES:

29

to appoint the following individuals as members of the IEA Coal Industry Advisory Board for the period 1st January 1980 to 31st December 1982:

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H. JUVANCIC	Voest Alpina A.G., Austria.
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D. CARRUTHERS	General Manager Coal Group, Conzinc Riotinto of Australia Ltd., Australia.
N.B. HEALE	Manager of Fuels, Electricity Commission of New South Wales, Australia.
R.C. GILMORE	Vice-President, Marketing & Sales, Canadian Pacific Ltd., Canada.
J.H. MORRISH	President, Fording Coal Ltd., Canada.
M. NASTICH	Vice-President, Resources, Ontario Hydro, Canada.



MemberAffiliation

P. SACHMANN

Vice-President,  
Elsam,  
Denmark.

H. GRUNER

Member of the Board,  
Dyckerhoff Cementwerke A.G.,  
Germany.

R. LENHARTZ

Chairman of the Board,  
Saarbergwerke A.G.,  
Germany.

U. SEGATZ

Member of the Board,  
Preussische Elektrizitäts A.G.,  
Germany.

G. WINKELMANN

Chairman of the Board,  
Stinnes A.G.,  
Germany.

E. HASEO

Vice-President, General Manager of  
Steel Domestic Sales Division and  
General Manager of Ferrous Raw  
Materials Division,  
Mitsubishi Corporation,  
Japan.

T. ISHIHARA

Director, General Manager of Energy  
and Mineral Resources, Research Dept.,  
Mitsui Mining Company Ltd.,  
Japan.

Y. MOROZUMI

President,  
Electric Power Development Company,  
Japan.

M. TAJIRI

Managing Director,  
Tokyo Electric Power Company Inc.,  
Japan.

K. TANAKA

General Manager of Ferrous Materials  
Department,  
Nippon Steel Corporation,  
Japan.P. FENTENER  
van VLISSINGENSteenkolen Handels Vereniging,  
Netherlands.

L.C. van WACHEM

Shell Internationale Petroleum  
Maatschappij,  
Netherlands.

<u>Member</u>	<u>Affiliation</u>
M. PORTIS Y VALLS	Vice-President, Carbunion, Spain.
A. LUNDBERG	Director, Statsföretag AB, Sweden.
R.E. BAILEY	Chairman and Chief Executive Officer, Continental Oil Company, United States.
T.F. BRADSHAW	President & Director, Atlantic Richfield Co., United States.
N.T. CAMICIA	Chairman, President & Chief Executive Officer, The Pittston Company, United States.
G.W. NICHOLS	Chairman, President & Chief Executive Officer, New England Electric System, United States.
R.H. QUENON	President, Peabody Coal Company, United States.
R.S. SOMMERS	President, RS Industries, United States.
J.W. WILCOCK	Chairman, President & Chief Executive Officer, Joy Manufacturing Co., United States.
D. EZRA	Chairman, National Coal Board, United Kingdom.
D. STEEL	Chairman, British Petroleum, United Kingdom.

December 26, 1979

Mr. William Martin  
International Energy Agency, OECD  
2 rue Andre-Pascal  
75775 Paris, Cedex 16  
France

Dear Bill:

I read with excitement last night the Chairman's opening remarks for the Ministerial Dinner December 9th as recorded in a draft dated 2nd December. It's a very good statement and really puts the issues squarely before the Ministers. It plus the skillful steering by your Chairman and support by the Secretarial to draft the communique so that two thirds of the meeting was not occupied with that drafting exercise certainly paid off well.

It was just strong enough but not too strong. In fact, as you now look at the rather indecisive outcome of the OPEC meeting I think your Ministers did a lot better.

The real test is in what you can do next and I read the communique with much interest. By the way, you needed some footnotes on the table on page 3 because I couldn't really tell what those random columns were where it was put in mbdoe instead of mtoe unless indeed some countries provided the information in both forms and you converted them at the end.

The challenge facing you as you try to put things together for this next quarterly meeting of Ministers seems to me a mixture of various things.

One needs some principles but the principles are hard to understand unless you see examples of their application. For example, it seems to me relevant to consider in terms of the degree to which nations can reduce their oil import requirements by conservation to look at such things as a trend over time of the per capita use of energy, the uses including how much goes to residential and commercial as compared with transport as compared with industry and feedstocks.

Let us think of the U.K. and Japan as two rather strikingly different examples. They have an economic growth rate and an energy

Mr. William Martin  
Page 2  
December 26, 1979

growth rate history which is very different. The amount of energy use for residential and commercial in Japan seems to me under 15 percent and more nearly 35 to 40 percent in the U.K. Looking back almost all of the increase in energy use in the U.K. in the last 20 years (from Leach) has been in transportation. On the other hand, in the last 20 years in Japan almost all of it has probably been or a lot in industry and feedstocks which again are a part of the manufacturing export life of Japan.

One could even imagine some weighting system for these factors in terms of what various countries can do. Even looking at your table on page 3 of course Japan sticks out although Italy does too whereas Germany and the U.S. just don't increase at all, at least on paper. My hunch is that a lot of what they can do is by better use of energy and a steadily dropping energy growth to economic growth ratio.

The way we succeeded in WOCOL in getting our teams all to go back and see how they would cope with a world with maybe only 22 million barrels a day of oil available from OPEC in the year 2000 was to ask them each to look at a 20 percent reduction in their projected oil use (not imports) in year 2000. This made the United States go back and look at a 3 1/2 million barrel a day reduction while Japan riding from 5 1/2 and aiming for 9 in the year 2000 had a million eight hundred thousand barrels a day to cut out.

As I'm studying it I see one error in your table--Canada goes from 7.4 to 29 and I suspect it's 9.4, not 29.4.

It is, of course, important to keep the system from getting too complicated; otherwise nobody can understand or evaluate. Nonetheless perhaps if you approached it by saying "What would be the review procedure and analysis that would be done in assessing the targets which nations agree to aim for and how they're getting along in doing it?" If, for example, the review process had some historical curves going with it so you could see what the slopes of these various lines are one would have some sense of whether targets and the progress towards those targets was at least tolerable for the nations concerned.

Back some paragraphs ago I referred to the U.K. and Japan. You can think of really indexy kinds of curves like energy per capita use and energy per capita use for industry or transportation, for residential, commercial and so on over, let's say, the period 1960-79 and then the 1980-85.

I guess what is behind many of these remarks is that I believe that if the member countries or most of them consider that the

Mr. William Martin  
Page 3  
December 26, 1979

particular circumstances of their country are taken into account on some objective and reasonably fair basis they will go to work at the job and they will be much more likely to develop a monitoring and enforcement process than if they think the scheme is biased, let's say, against importers or on some uniform basis which ignores economic growth rate history, etc.

Looking at page 4 of the communique, paragraph 6, I see quite a lot of the kinds of things I've been speaking of in this letter. Certainly the items under 9, 10 and 11 on stocks are extremely important and again unless this is done reasonably well the signals may be quite erroneous as to what is really happening. You probably can develop a scheme which shows graphically the scale of stocks in the whole flow system, let's say, of 30 or 40 million barrels a day, the places along the line from tankers in transit to tank farms at terminals to ground storage at user points to stuff in process which will illuminate this. As I remember it amounts to 20 or 30 days production that is just tied up in the inventory in process if you consider inventory to be crude in transit in tankers and tank trucks running to gas stations and gas station tanks in the ground and people's gas tanks in cars. In other words, the working stock is a large number and somehow this is part of the noise in the system and you need to find a way of distinguishing the level of that noise in order to see the signal which attention should be given to.

In our old habit of WAES and WOCOL some good visuals may do a lot to educate the total group to be talking about the same subject at the same time.

This is rather a long, rambling letter but I wanted to get it off my mind right on the heels of having read your excellent Chairman's statement and communique. I expect you and Jill are at the Mill and I hope you had nice weather and a fine relaxed time for a week or so.

I do not now plan to stop in Paris after the WOCOL meetings. You will remember that it is a somewhat strenuous session so I am coming directly back here and Mary and I (who will not be with me at St. Paul this time) are going to Portugal for a two-week holiday in February from the 9th to the 23rd. In this connection it might be interesting if I knew the name of the Portuguese representative in IEA. I recall in the past when I visited Lisbon I met with the OECD Environment Committee person and it made it much more interesting because I met quite a few Portuguese and got a quite different picture of what goes on than I would have as a tourist.

If Portugal is a member of IEA and if you know the participant or the delegation head perhaps you might wish to tell him that I

Mr. William Martin  
Page 4  
December 26, 1979

will be visiting Portugal staying at the Hotel Palacio dos Seteais at Sintra near Lisbon from the 10th to the 23rd of February. Under separate cover we're sending some extra copies of the World Coal Study and the SBS WAES summary which might be worth sending along.

I will be back in Paris late in March before or after the Tri-lateral Commission meetings in London. I've agreed with our WOCOL French team to meet with the President of Electricite de France who gave us that superb and staggering luncheon at EDF in November 1974. When I come then I'm thinking of taking two or three days and driving down into Brittany and Normandy and I remember that you and Jill did that and I'll need your consultation when I do. My friend, le Marquis de Boisgelin, is remodelling his two chateaux in Brittany into hotels and I might go with him to see how this is coming along and stop and see Mont St. Michel which I have never seen.

Doubtless we'll be talking on the phone again before long but I hope you and Jill have a fine holiday and at least one meal at Pereb.

With best wishes for 1980.

Sincerely,

Carroll L. Wilson

CLW:F



5/8  
EXECUTIVE OFFICE

JOY MANUFACTURING COMPANY  
HENRY W. OLIVER BUILDING  
PITTSBURGH, PENNSYLVANIA 15222  
(412) 562-4500

May 2, 1980

Mr. Carroll L. Wilson  
Director  
World Coal Study  
MIT, 1-143  
Cambridge, Massachusetts 02139

Dear Mr. Wilson:

I arrived back in the office this morning and found the copy of the WOCOL Report on my desk. I had already made out an order form because I did not realize you would be kind enough to send me a copy.

I have given this to one of our key individuals in the coal machinery operations. He is going to decide how many additional copies we need and will forward the order form that I had to you.

I think our CIAB meeting got off pretty well and some of us have quite a bit of work to do. I am going to rely on a lot of information in the WOCOL Report to help me.

Obviously, as soon as Volume II is available, we will be most anxious to see it.

Thanks again for sending me the advance copy and we will be forwarding a quantity order very shortly.

Yours very truly,

James W. Wilcock  
Chairman and President

jww/rc

Notes - CIAA

CIAA

Terms Ref - Studie / 2x/yr etc

Hopes - mix Prod / users / Transp

- How to move ahead

Priv Sec / Pub / Int

Doubts - Record of OECD Studie Cases

- Staff - Last

- Downhill spiral - alternatives

- Key actions in countries

How to overcome?

- WBS/Work - Structure, Process,

① - No alternatives! only Part in dialog

Pressure on P to attend

Resources  
P's

② - P's clear Assoc - finance work & org

Track - keep role in work no Assoc

③ - Quickly acquire good staff - b

④ - Assoc - always at Plenaries

- make Present / Report where all

⑤ - Assoc - meet 2-3d after Part to

block out mtg, set schedule, linkages

⑥ - Leader for Assoc - Chairs - directs,

Chief link with Ex Dir & Part - annual mtg

(R Belgrave - Record - Retire - 1/2 time

Chair - Role espce Free Com - Shultz - Gallagher



INTERNATIONAL ENERGY AGENCY

COAL INDUSTRY ADVISORY BOARD

Irv -

This is the IEA Board  
Charter and a  
membership list current  
as of Feb 1, 1980  
Mike

The Governing Board DECIDES:

1. Establishment and Terms of Reference. To establish the IEA Coal Industry Advisory Board ("the CIAB") which shall, by providing the independent advice and suggestions of individuals of high standing active in coal related enterprises, assist the IEA in the practical implementation of the Principles for IEA Action on Coal adopted by the Governing Board meeting at Ministerial level on 21st-22nd May 1979. The CIAB shall be available to review developments and trends in coal production, trade and utilisation; and to provide advice and suggestions on methods, procedures, organisation and policies for implementing the Principles, including the following topics:

- (a) Opportunities for expanding coal production;
- (b) Requirements for coal transportation facilities, including railways, pipelines, inland waterways, port facilities and ocean shipping;
- (c) Means for expansion of international steam coal trade;
- (d) Methods for securing the expanded use of coal in electricity generation and in energy-intensive industries;
- (e) Adequacy of available investment capital for future coal development and identification of major means of increasing and accelerating coal investment;

INTERNATIONAL ENERGY AGENCY  
(f) Methods for ensuring that expanded coal production, use and transportation proceed under acceptable environmental conditions;

(g) Development and application of advanced technologies for coal production, transportation and use, including coal conversion;

(h) Assessment and forecasting of national and international coal developments and trends.

2. Functions. The CIAB shall provide advice and suggestions to the IEA. It may also consult with other entities such as the OECD and the European Communities.

3. Confidential or Proprietary Data. The CIAB shall carry out its functions on a broad, industry-wide basis without the disclosure of confidential or proprietary data of any company or other entity.

4. Composition. The CIAB shall consist of 24 to 36 individuals of high standing active in coal producer, user, trade, transportation or other energy related enterprises. CIAB members should be selected from the North American, European and Pacific regions. They shall contribute their views as independent individuals to the work of the CIAB.

5. Appointment and Term of Membership. Individuals shall be proposed for CIAB membership by their respective governments, or by the Executive Director. Proposed members shall be appointed by the Governing Board in consultation with the Executive Director. The term of membership shall normally be three years and may be renewed. The CIAB may also have members from non-IEA OECD countries.

6. The CIAB shall annually elect its Chairman and two Vice-Chairmen. They shall, together with 5 to 7 other members selected by the CIAB, form a Special Committee to co-ordinate the work of the CIAB. In addition, the Special Committee will

available to provide advice and suggestions to individual Governments at their request. In appropriate cases it may make its views known to the public. In both cases, this shall be done in co-ordination with the Executive Director. The Special Committee shall meet at its convenience. The Executive Director and the Secretariat shall attend meetings of the Special Committee.

7. Meetings and Agenda. The CIAB shall meet normally twice each year in plenary session and may meet in sub-groups as the occasion requires. Meetings of the CIAB, the Executive Committee and the sub-groups shall be normally convened in Paris. Meetings may be held elsewhere after consultation with the Executive Director. The Agenda of the CIAB and its sub-groups shall be fixed by the Chairman of the meeting in consultation with the Executive Director. Participation in CIAB meetings shall be limited to the individual CIAB members, the Executive Director, the Secretariat, members of Agency bodies as appropriate, and other persons deemed necessary by the CIAB to participate in its work.

W/1434A

Decision of the Governing Board  
on the Appointment of Members  
of the IEA Coal Industry Advisory Board

P = Producer  
U = User  
Tr = Transport

The Governing Board

Considering that on 11th July 1979, the Governing Board decided to establish an IEA Coal Industry Advisory Board;

DECIDES:

29

to appoint the following individuals as members of the IEA Coal Industry Advisory Board for the period 1st January 1980 to 31st December 1982:

<u>Member</u>	<u>Affiliation</u>
H. JUVANCIC	Voest Alpina A.G., Austria.
P R.A. AUSTEN	Chairman and Managing Director, Austen & Butta Ltd., Australia.
P D. CARRUTHERS	General Manager Coal Group, Conzinc Riotinto of Australia Ltd., Australia.
U N.B. HEALE	Manager of Fuels, Electricity Commission of New South Wales, Australia.
P/T R.C. GILMORE	Vice-President, Marketing & Sales, Canadian Pacific Ltd., Canada.
J.H. MORRISH	President, Fording Coal Ltd., Canada.
U M. NASTICH	Vice-President, Resources, Ontario Hydro, Canada.

MemberAffiliation

U	P. SACHMANN	Vice-President, Elsam, Denmark.
U	H. GRUNER	Member of the Board, Dyckerhoff Cementwerke A.G., Germany.
P	R. LENHARTZ	Chairman of the Board, Saarbergwerke A.G., Germany.
U	U. SEGATZ	Member of the Board, Preussische Elektrizitäts A.G., Germany.
P	G. WINKELMANN	Chairman of the Board, Stinnes A.G., Germany.
P/U	E. HASEO	Vice-President, General Manager of Steel Domestic Sales Division and General Manager of Ferrous Raw Materials Division, Mitsubishi Corporation, Japan.
P/U	T. ISHIHARA	Director, General Manager of Energy and Mineral Resources, Research Dept., Mitsui Mining Company Ltd., Japan.
U	Y. MOROZUMI	President, Electric Power Development Company, Japan.
U	M. TAJIRI	Managing Director, Tokyo Electric Power Company Inc., Japan.
U	K. TANAKA	General Manager of Ferrous Materials Department, Nippon Steel Corporation, Japan.
U	P. FENTENER van VLISSINGEN	Steenkolen Handels Vereniging, Netherlands.
P/H	L.C. van WACHEM	Shell Internationale Petroleum Maatschappij, Netherlands.

MemberAffiliation

P

M. PORTIS Y VALLS

Vice-President,  
Carbunion,  
Spain.

U

A. LUNDBERG

Director,  
Statsföretag AB,  
Sweden.

P

R.E. BAILEY

Chairman and Chief Executive Officer,  
Continental Oil Company,  
United States.

P

T.F. BRADSHAW

President & Director,  
Atlantic Richfield Co.,  
United States.

A

N.T. CAMICIA

Chairman, President & Chief Executive  
Officer,  
The Pittston Company,  
United States.

U

G.W. NICHOLS

Chairman, President & Chief Executive  
Officer,  
New England Electric System,  
United States.

P

R.H. QUENON

President,  
Peabody Coal Company,  
United States.

R.S. SOMMERS

President,  
RS Industries,  
United States.

Eq

J.W. WILCOCK

Chairman, President & Chief Executive  
Officer,  
Joy Manufacturing Co.,  
United States.

P

D. EZRA

Chairman,  
National Coal Board,  
United Kingdom.

P/UIT

D. STEEL

Chairman,  
British Petroleum,  
United Kingdom.

## WORLD COAL STUDY

7/1/78 - 7/31/80

EXPENSES/INCOMEEXPENSES:

Salaries	\$195,719
Employee Benefits	48,565
Indirect Expense	<u>127,807</u>
Total Salaries, E.B., I.E.	\$372,091
Travel/Meetings	146,091
Xerox/Graphic Arts/Audio-Visual	53,800
Communications (telephone, telex, postage, shipping)	37,714
Materials & Services (supplies, temporary services)	42,164
Consultants	47,155
Subcontracts	82,324
Final Publications/Promotion	<u>62,500</u>
TOTAL Actual/Projected Expenses	<u>\$843,839</u>

INCOME:

Income Received:		
MIT (Mitsui)	\$ 53,744	
Conference Registration Fees	21,840	
Sponsored*	<u>688,735</u>	
TOTAL Income Received		<u>-764,319</u>
TOTAL Unsupported Expenses		<u>\$ 79,520</u>

\*List Attached

JUN 5 1980



EXECUTIVE OFFICE

JOY MANUFACTURING COMPANY  
HENRY W. OLIVER BUILDING  
PITTSBURGH, PENNSYLVANIA 15222  
(412) 562-4500

June 2, 1980

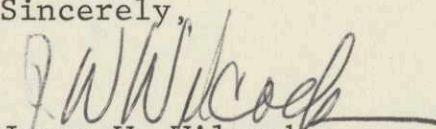
Mr. Carroll L. Wilson  
Director  
World Coal Study  
MIT, 1-143  
Cambridge, MA 02139

Dear Mr. Wilson:

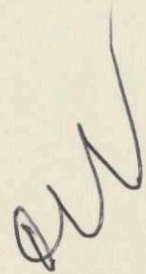
I want to thank you and let you know that I have received the advance copy of the blueprint for FUTURE COAL PROSPECTS - Country and Regional Assessment, which is your second report.

I am very pleased to have this advance copy and, of course, will treat it with confidence.

Sincerely,

  
James W. Wilcock  
Chairman and President

jww/rc





# WOCOL WORLD COAL STUDY

Carroll L. Wilson, Director  
MIT, 1-143  
Cambridge  
Massachusetts 02139

Telephone: (617) 253-3418  
Telex: 92-1473.

March 18, 1980

Mr. William F. Martin  
International Energy Agency, OECD  
2, rue Andre-Pascal  
75775 Paris, Cedex 16  
France

Dear Bill:

Acceptance by Shultz and approval by Steve Bechtel might be influenced favorably if the task and time commitment of the Chairman were to be reduced substantially by adoption of the WAES/WOCOL system, including:

- Participants - (no alternates)
- Associates - (staff)
- A "Whip" - a person at ease with Participants, commanding respect of Associates, who would apply perhaps 1/3 time to serving as "Special Advisor" to the Ex Dir, or some other title, and provide leadership for IEA secretariat staff.

Such a scheme would reduce the chairman's job to policy initiatives and presiding officer duties. These are both extremely important and Schultz seems eminently qualified, but they need not take a great deal of his time.

Without such a system I can see that the load on the chairman to make the CIAB a meaningful and effective body could take a lot of time.

I'm sure that you and Dr. Lantzke have these points well in mind, and perhaps he hopes at his meeting in San Francisco on April 4 to change the situation.

Sincerely,

*Carroll*

*P.S. I'm meeting Robert Belgrave at 9 am March 27th. Without authorization or commitments by anyone I'll explore.*

*@*

PITTSTON GRC

MIT CAM

MAY 5, 1980

TO: MR. N. T. CAMICIA  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
PITTSTON COAL CO.

AN ADVANCE COPY OF THE WOCOL REPORT WAS GIVEN TO YOU OR SENT  
TO YOU AT THE REQUEST OF DR. LANTZKE FOR YOUR PERSONAL USE AS  
A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR OBSERVANCE  
OF THIS RESTRICTION UNTIL MONDAY, MAY 12.

CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY

MIT

TELEX 921473 MIT CAM

OR

TWX 71032000458 MIT CAM

PITTSTON GRC

@

PEABODY ST L

MIT CAM

MAY 5, 1980

TO: MR. R. H. QUENON  
PRESIDENT  
PEABODY COAL CO.

AN ADVANCE COPY OF THE WOCOL REPORT WAS GIVEN TO YOU OR SENT TO YOU AT THE REQUEST OF DR. LANTZKE FOR YOUR PERSONAL USE AS A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR OBSERVANCE OF THIS RESTRICTION UNTIL MONDAY, MAY 12.

CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY

MIT

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PEABODY ST L

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MIT CAM

MAY 5, 1980

TO: MR. GUY W. NICHOLS  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
NEW ENGLAND ELECTRIC SYSTEM

AN ADVANCE COPY OF THE WOCOL REPORT WAS GIVEN TO YOU OR SENT  
TO YOU AT THE REQUEST OF DR. LANTZKE FOR YOUR PERSONAL USE AS  
A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR OBSERVANCE  
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CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY

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MIT CAM

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Ø1 CAMBRIDGE, MA MAY 5, 198Ø  
PMS MR. ZACHARIAH ALLEN  
F. R. SCHWAB AND ASSOCIATES  
645 MADISON AVE  
NEW YORK, NEW YORK 1ØØ22

AN ADVANCE COPY OF THE WOCOL REPORT WAS GIVEN TO YOU OR SENT  
TO YOU AT THE REQUEST OF DR. LANTZKE FOR YOUR PERSONAL USE AS  
A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR OBSERVANCE  
OF THIS RESTRICTION UNTIL MONDAY, MAY 12.

CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY  
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ACCEPTED  
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CONOCO STD B

MIT CAM

MAY 5, 1980

TO: MR. R.E. BAILEY  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
CONTINENTAL OIL  
HIGH RIDGE PARK  
P.O. BOX 1050  
STAMFORD, CT 06904

AN ADVANCE COPY OF THE WOCOL REPORT WAS GIVEN TO YOU OR SENT  
TO YOU AT THE REQUEST OF DR. LANTZKE FOR YOUR PERSONAL USE AS  
A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR OBSERVANCE  
OF THIS RESTRICTION UNTIL MONDAY, MAY 12.

CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY  
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HOW RECEIVED??

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FMS MR. R. S. SOMMERS  
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228 INDIAN ROCK ROAD  
NEW CANAAN, CT. 06840

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TO YOU AT THE REQUEST OF DR. LANTZKE FOR YOUR PERSONAL USE  
AS A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR  
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CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY  
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JOYMFG CO PGH

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MAY 5, 1980

TO: MR. J. W. MILCOCK  
CHAIRMAN AND CHIEF EXECUTIVE OFFICER  
JOY MANUFACTURING CO.

AN ADVANCE COPY OF THE WOCOL REPORT WAS GIVEN TO YOU OR SENT  
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AS A MEMBER OF THE CIAB. I WOULD GREATLY APPRECIATE YOUR  
OBSERVANCE OF THIS RESTRICTION UNTIL MONDAY, MAY 12.

CARROLL L. WILSON  
DIRECTOR, WORLD COAL STUDY

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JOYMFG CO PGH



Martin

CIA B  
File

H/25

Copies by  
May 12

(1)

National  
Studies  
- Page Proofs

Working groups

- Prod (WM) - Kennan / Espa
- Dem - Segatz
- Supr - Sachmann p5
- W C Tr - Steele vch
- Eur - Lundb / Brad,
- B & D - Jas Welcox  
Joy

Met & Reported  
back to Plenary

- ✓ Kennan -
- ✓ Caniche -
- ✓ German - Segatz

In reporting back  
- base further on Wood  
any more if needed.

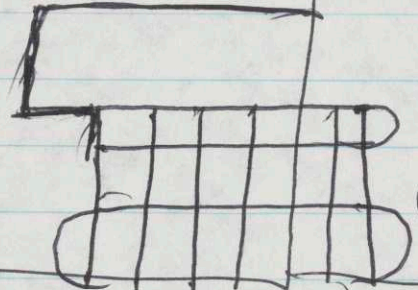
Report early Oct - Demand - covered,  
Assigned David's

Prod - Review by met. June  
- met August

Box to 4/25

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25



French team

Lautzke

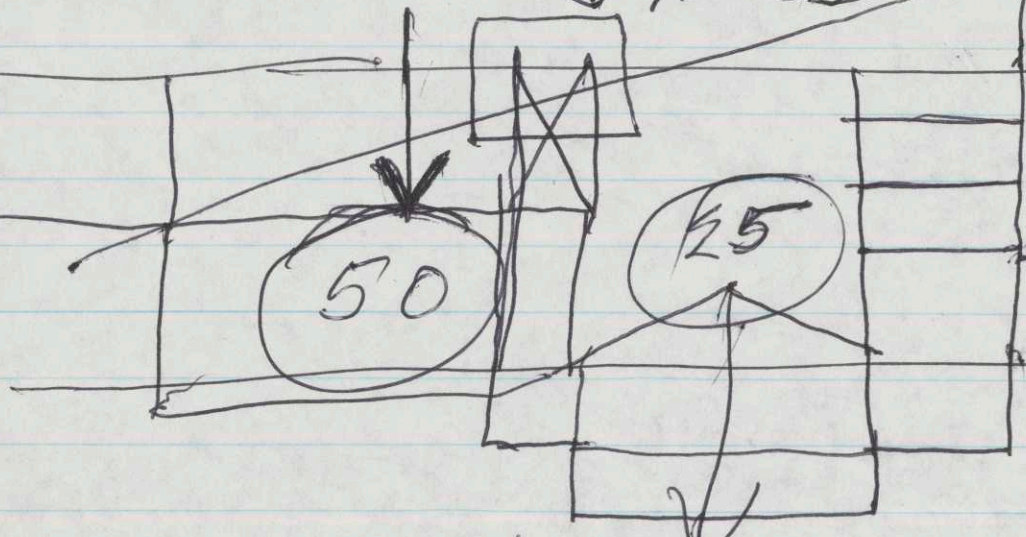
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Guy Nickals → also  
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Prod Group

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- Associates 7 of 8

↳ Liebson, Peckhole Belg  
Steel Kenashita  
Zachary Allen (Amicki)

↳ Couple hands - Ref to Wood  
Ezra Gapanek  
Steel Cameron

[Build upon WACOL]

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- Env,

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~~Carriker~~

Pittston -

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[On VP School]

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(all others - WACOL cancelled)

Bill Martin April 24

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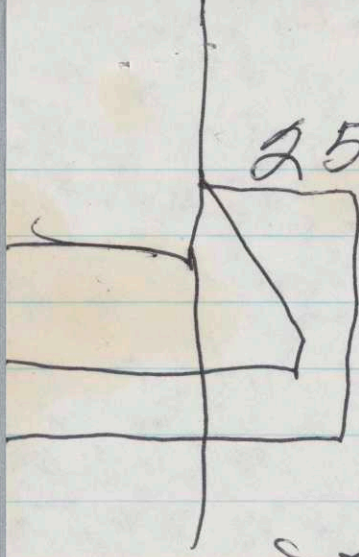
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Double coal 1990

Triple 2000

Relates more closely to Gaults.

25th Octest. — page proofs <sup>(3)</sup>



Get fast off mark

— Tanaka — Japanese

English & Japanese version

Cambridge Ch. E. O.

Greenwich,

Pitt. Stan

203 - 622 - 0900

— Steele — Coal Trade —

Bannerod circuits

act 22 —