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**MINE** Update  
MINING INDUSTRY NEWS E-COMM UPDATE

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## **This Week in The News**

With less than two weeks until Election Day, discussions between the White House and Democratic leaders of the U.S. House of Representatives regarding another round of pandemic relief legislation continue in fits and starts. The U.S. Senate continues to drive ahead with the confirmation of U.S. Supreme Court nominee Amy Coney Barrett.

With high-profile, high stakes news all around, the National Mining Association (NMA) remains focused on efforts to advance mining's interests with congressional committees and federal agencies. Plus we have updates on how energy and mining markets are faring.

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## **Safety Share**

Winter is coming. The Occupational Safety and Health Administration [can help you prepare](#).

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## New China Task Force Legislation

On October 20, 2020, House Republican Leader Kevin McCarthy (CA-23), Foreign Affairs Committee Ranking Member Michael McCaul (TX-10), and members of the China Task Force (CTF) introduced the [China Task Force Act](#), which would enact many of the legislative recommendations made in the recent China Task Force [report](#), including H.R. 7061, the “American Critical Mineral Exploration and Innovation Act,” which NMA helped to draft. Recall that NMA worked closely with CTF members to provide input and recommendations to ensure the report included provisions to address our nation’s mineral supply chain vulnerabilities.

In addition to the legislative recommendations, the report stated that “Congress and the Administration must remove regulatory barriers to domestic mining, in part to ensure a sufficient domestic supply of critical minerals and rare earth elements for multiple applications, including renewable energy infrastructure, electric vehicles, and telecommunications equipment.” The report also supported efforts to strengthen our nation’s supply chain security by urging the overhaul of “the federal permitting process for mineral development and prioritizing advancements in mineral refining.” NMA will continue to work with congressional allies to advocate for the recommendations made in the CTF report and urge consideration and passage of the China Task Force Act.

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## Senate Votes on COVID-19 Relief Legislation Retaining Minerals Provisions

While the Trump administration and Speaker Pelosi continue to work to reach an agreement on a COVID-19 relief bill, the U.S. Senate will consider two pieces of relief legislation. One of the measures, the [“Continuing the Paycheck Protection Program](#)

[Act,”](#) would approve more than \$250 billion in funds to be made available through the Paycheck Protection Program (PPP) with additional program streamlining changes and re-lending through the program. Senator McConnell’s office released a [short summary](#) and [section-by-section of the legislation](#). The other measure, the [“Delivering Immediate Relief to America’s Families, Schools and Small Businesses Act”](#) includes liability limitations for businesses resuming operations from certain COVID-19 personal injury claims, extended federal unemployment insurance of \$300 per week through the end of 2020, the extension of \$250 billion in PPP funds, \$105 billion for primary and secondary schools, \$16 billion for COVID-19 testing and \$31 billion for COVID-19 vaccine development and distribution, among other funding. Senator McConnell’s office released a [section-by-section of the legislation](#).

Importantly, the “Delivering Immediate Relief to American’s Families, Schools and Small Business Act” retains minerals production related provisions from earlier versions of COVID-19 relief legislation considered in the U.S. Senate. The bill includes the bipartisan [“American Mineral Security Act”](#) to implement new permitting reforms at the U.S. Department of the Interior (DOI) and U.S. Department of Agriculture Forest Service and new research and development for mineral production. The bill also retains [bipartisan legislation](#) directing the U.S. Department of Energy to develop programs for extraction and recovery of rare earths elements and minerals from coal and coal byproducts.

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## SBA Launches Simplified PPP Forgiveness Application

The U.S. Small Business Administration (SBA) and the Treasury Department on October 8, 2020, announced a [simplified version of its forgiveness application](#) for PPP loans of \$50,000 or less. SBA began approving PPP forgiveness applications and remitting forgiveness payments to PPP lenders on October 2, 2020. SBA said it will continue to process all PPP forgiveness applications in an expeditious manner.

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## New FERC Order in MOPR Proceeding

Last week, the Federal Energy Regulatory Commission (FERC) issued an [order](#) accepting in part and denying in part PJM's compliance filing related to implementing the minimum offer price rule (MOPR) in PJM's capacity market. Recall that in December 2019, the Commission ordered PJM to "extend the MOPR to include both new and existing resources, internal and external, that receive, or are entitled to receive, state subsidies, subject to certain exemptions." Per last week's order, PJM is required to submit a supplemental compliance filing within 30 days.

The NMA continues to strongly support the 2019 order, as it addressed the price suppressive effects of state subsidies on the market and would help level the playing field for coal resources. NMA filed comments supporting PJM's compliance filings and specifically supported the broad definition of state subsidy.

Highlights of the latest order for the mining industry include FERC's acceptance of PJM's: proposed tariff revisions to apply the MOPR to any capacity resource that receives or is entitled to receive a state subsidy; proposed definition of "state subsidy;" proposal to exclude "independently evaluated, non-discriminatory, fuel-neutral, [and] competitive" state-directed default service auctions from the MOPR; and proposed auction schedule as it "balances the need for accurate price signals with the need for market participants to make decisions in the auction." However, the Commission declined from confirming a date for the auction. Instead, the date of the next auction will be determined once FERC issues another order on PJM's energy and ancillary service markets that must be resolved first.

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## NMA's Rich Nolan Interviews EPA Administrator Andrew Wheeler

Last week, NMA president and CEO Rich Nolan sat down with Environmental Protection Agency (EPA) Administrator Andrew Wheeler to discuss a variety of topics related to our

industry. The two talked about the President's new mining executive order; EPA's new, Colorado-based Office of Mountains, Deserts and Plains; EPA's efforts to replace the Waters of the U.S. rule with the Navigable Waters Protection; groundwater challenges; the agency's reviews of the National Ambient Air Quality Standards; the Affordable Clean Energy rule; and priorities for a second term under the Trump administration. During their discussion, Administrator Wheeler said the agency's priorities for a second term would include additional work on water and air permitting, and tearing down the silos at EPA. Excerpts from the interview will be available in next week's newsletter.



## NMA and Third-Party Voices

[The Steve Gruber Show](#) featured NMA president and CEO Rich Nolan in a radio episode concerning America's supply chains.

[S&P Global](#) reports various observers find that a Biden win could be a net positive for the mining industry. Rich Nolan is quoted throughout the piece.

[Lima Ohio](#) carries an op-ed by Robert Chase, former professor and chair of the Department of Petroleum Engineering and Geology at Marietta College and former

Department of Energy employee, in which he argues that the U.S. should invest in mining and other critical industries to combat China's aggressive industrial policy.

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## Mine the Vote

The NMA is providing Mine the Vote materials to all our members. We know that employees look to their employers for credible information, and Mine the Vote makes it easy for you to engage your employees, vendors and community partners with information about voter registration, early voting, absentee ballots, and polling locations. NMA has prepared a brief message you can customize and send to your employees, vendors and partners explaining the Mine the Vote platform, how to get on the site and get your folks involved. NMA is also offering Mine the Vote posters that can be displayed on bulletin boards at headquarters and operations sites, flyers that can be handed out at company and community events, and even hard hat stickers. Should you have questions, please contact your NMA Government Affairs team and send us the location, address, and contact information where you want the materials shipped.

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## Energy and Mining News

[Northern Miner reported](#) on analysis by Haywood Research indicating that global gold and silver prices, up 26% and 41% respectively in the third quarter, have outperformed the S&P 500.

[Mining.com reported](#) that copper was trading at its highest since June 2018 on Tuesday in hopes of a U.S. stimulus package, worries about supply from top producer Chile and robust Chinese economic growth.

[The International Energy Agency's recent World Energy Outlook 2020](#) analysis forecasts that "after a near-term rebound, coal-fired output remains broadly stable to 2030: coal use in power generation is cut by 40% in advanced economies, but it is more than

offset by continued growth in emerging market and developing economies.” Global coal retirements are expected to be nearly offset by new additions through to 2025, with 130 GW of capacity under construction, mostly in China, India and Southeast Asia, with China continuing to build an average of 17 GW of new coal-fired plant per year through to 2025. IEA acknowledges that coal remains the largest single source of electricity.

The Energy Information Administration ([EIA](#)) [released its second global energy outlook](#) in the two-year forecast cycle. This year’s International Energy Outlook 2020 (IEO2020) analysis is based on the International Energy Outlook 2019 (IEO2019) and therefore excludes impacts from coronavirus. The main focus in this year’s release was on 2025 and beyond with various potential outlook scenarios for the power generation fuel mix in Asia, India and Africa where the greatest demand growth is expected. World energy consumption rises nearly 50% by 2050, with renewable energy becoming the leading source.

Coal train loadings [rose to a seven-week high](#) in the week ended October 9, as loadings from all four major basins increased

U.S. Secretary of Energy Dan Brouillette toured Norfolk Southern’s [Lambert’s Point Coal Terminal](#) and authored an editorial supporting [coal exports from Hampton Roads](#).

*The Roanoke Times* editorialized [in favor of coal exports](#).

Energy Secretary Brouillette appeared on *Fox Business* and declared coal has a “[very bright future](#).”

Wyoming Public Service Commission criticized PacifiCorp’s renewables-heavy [Integrated Resource Plan](#).

[The South China Morning Post](#) reported that China is banning Australian coal imports, and that the ban is “likely to remain in place indefinitely amid deteriorating trade ties between the two nations.”

[The World Steel Association’s 2020-2021 short-term steel](#) outlook update forecasts

that “steel demand will contract by -2.4%, dropping to 1,725.1 Mt due to the COVID-19 pandemic.” Steel demand is expected to recover to 1,795.1 metric tons in 2021, an increase of 4.1 % over 2020, driven by strong economic recovery in China. For the rest of the world, the association expects the steep reduction in global steel demand this year to be followed by only a partial recovery in 2021. However, the post- lockdown recovery in steel demand in the rest of the world has been stronger than was earlier expected.



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