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MINE Update

MINING INDUSTRY NEWS E-COMM UPDATE

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This Week in The News



With the potential shape of the Biden administration's next big spending move leaking into the news, battle lines began to form over what could be a \$3 trillion infrastructure proposal that includes measures to address climate change, taxes and environmental justice. As the debate shapes up, the National Mining Association (NMA) remains focused on actively engaging to advance mining's interests at both ends of Pennsylvania Avenue. Plus we have updates on how mining and energy markets are faring.

Safety Share

Here are "10 things you should absolutely have in your [home emergency kit](#)."

Federal Agencies Begin Initiatives to Protect Worker Safety and Health

The Mine Safety and Health Administration (MSHA) recently issued new [guidance](#) entitled "Protecting Miners: MSHA Guidance on Mitigating and Preventing the Spread of COVID-19." Agency officials recently convened a stakeholder conference call to announce guidelines for mine operators and miners to follow in preventing spread of the virus that causes COVID-19. The official document notes that the policy "is not a standard or regulation, and it creates no new legal obligations. The recommendations are advisory in nature, informational in content, and are intended to assist operators in recognizing and abating hazards likely to cause death or serious physical harm from the spread of SARS-CoV-2 (COVID-19) as part of their obligation to provide a safe and healthful mine." NMA and several of its members assisted MSHA by providing best practices they've developed and implemented at their operations to protect miners at work during the pandemic. In addition, [NMA sent a letter](#) to Acting Assistant Secretary for Mine Safety and Health Jeannette Galanis and underscored the importance of cooperation among MSHA and NMA and its members to produce the guidance.

At the same time, the Occupational Safety and Health Administration (OSHA) announced its plan in an agency [directive](#) to begin a National Emphasis Program (NEP) that targets industries with a high potential for worker exposure to the virus. The NEP calls for additional unprogrammed inspections based on complaints, referrals or severe incident reports.

Both the MSHA and OSHA initiatives are in response to President Biden's [Executive Order](#) in January 2021 directing the agencies to consider whether any emergency temporary standards are necessary to protect worker and miner health and safety.

Energy and Commerce Hearings on the Clean Future Act

The House Energy and Commerce Subcommittee on Energy met today for another hearing on the Committee's climate legislation. Entitled the "[The CLEAN Future Act: Powering a Resilient and Prosperous America.](#)" the hearing's focus was H.R. 1512, the "Climate Leadership and Environmental Action for our Nation's Future Act" or the "CLEAN Future Act." The panel heard testimony on the reliability and resiliency of the nation's electric grid, energy efficiency and climate change. Witnesses included:

- Karen Wayland, Ph.D., Interim Chief Executive Officer, GridWise Alliance
- Yvonne McIntyre, Director, Federal Electricity & Utility Policy, Natural Resources Defense Council
- Alison Silverstein, Independent Energy Consultant
- Eric Hofmann, President, Utility Workers of America Local 132, Utility Workers of America AFL-CIO

This is the second committee hearing reviewing the proposals in the CLEAN Future Act. Last week the Subcommittee on Environment and Climate held a hearing on "The Clean Future Act: Industrial Climate Policies to Create Jobs and Support Working Communities." The majority said the legislation would create a coherent federal policy to help fossil fuel-reliant communities through the clean energy transition and strengthen domestic

manufacturing. The minority blasted the bill's major provisions, taking aim especially at claims about workforce development and a just transition away from fossil fuels.

Subcommittee Ranking Member David McKinley (R-W.Va.) expressed his concern over the goals of the CLEAN Future Act to decarbonize the economy by 2050 and to have net-zero emissions from powerplants by 2035. Rep. McKinley also raised concerns about how we can meet net-zero carbon emissions without carbon capture and new source review to apply the technologies when they are available.

More Congressional Oversight of Texas Power



The House Energy and Commerce Oversight and Investigation Subcommittee today is holding a separate [hearing on the Texas power outages](#) that left more than 4 million people without electricity. Despite widespread attention from Senate and House lawmakers to the crisis, the hearing marks the first time Texas energy officials will make their appearance on Capitol Hill. The majority will use the hearing to “examine the failures that led to the crisis, as well as what lessons must be learned to prevent history from repeating itself.” The panel is expected to discuss provisions in the CLEAN Future Act could help with electric resiliency with significant titles dedicated to revitalizing the grid for a 21st-

century electric mix. The minority argued [in a letter](#) last week that Congress' focus should be on wide-scale grid reliability problems—not just those in Texas. Witnesses include:

- James Robb, Chief Executive Officer, North American Electric Reliability Corporation
- Houston Mayor Sylvester Turner
- Bill Magness, Chief Executive Officer, Electric Reliability Council of Texas
- Christi Craddick, Chair, Texas Railroad Commission
- Michael Shellenberger, President, Environmental Progress

Natural Resources Coal AML Hearing

The House Natural Resources Energy and Mineral Resources Subcommittee last Thursday held a legislative [hearing on a series of mine reclamation bills](#) effecting the coal Abandoned Mine Land (AML) program. Originally created in 1977, lawmakers are intensifying efforts to reauthorize the tax before it expires on September 30, 2021.

The subcommittee heard testimony on [H.R. 1734](#), the “Abandoned Mine Land Reauthorization Act,” by Representatives Matt Cartwright (D-Pa.) and Glenn ‘GT’ Thompson (R-Pa.) to reauthorize the existing AML fee until 2036. The bill extends the fees levied under the Surface Mining Control and Reclamation Act of 1977 on each ton of domestically produced coal at current levels for 15 years.

Wyoming Department of Environmental Quality Director Todd Parfitt testified how the health of the Wyoming coal industry is important to the sustainability of all AML programs nationwide and called for a reduction of the reclamation fee. Director Parfitt stated, “It is important to recognize the value of AML reclamation but it is also important to recognize the significance of a healthy coal industry. The State of Wyoming supports reauthorization with a fee reduction to provide a measure of relief to the coal industry. This in turn provides support to coalfield communities that depend on the coal industry and AML fee collection that is so important to Wyoming and coalfield communities nationwide.” Rep. Liz Cheney

(R-Wyo.) echoed her support for reauthorization to include a fee reduction and is considering introducing legislation to reflect a 40 percent tax decrease.

Members of the majority argued a decline in production, and therefore AML fees collected, justifies an increase—not a decrease—in AML fees. They criticized the lack of a companion hardrock AML fee and called for inclusion of a hardrock mine fee in the next infrastructure bill.

Armed Services Committee Stands Up Supply Chain Task Force



Born out of supply chain concerns intensified by COVID-19, the House Armed Services Committee recently created the [Defense Critical Supply Chain Task Force](#) to develop targeted, legislative solutions for the upcoming National Defense Authorization Act (NDAA) that can be used to reduce U.S. import reliance for a variety of materials and products. The bipartisan task force, co-chaired by Rep. Elissa Slotkin (D-Mich.) and Rep. Mike Gallagher (R-Wis.), also includes Reps. Donald Norcross (D-N.J.), Don Bacon (R-Neb.), Chrissy Houlahan (D-Pa.), Michael Waltz (R-Fla.), Mikie Sherrill (D-N.J.), and Stephanie Bice (R-Okla.). The task force's efforts parallel ongoing activities, including the NMA-supported provisions in the last NDAA directing the Department of Defense (DOD) to review high priority goods, including strategic and critical materials and rare earth materials, as part of

efforts to strengthen defense supply chain resiliency and identify existing vulnerabilities. It also closely aligns with President Biden's recent Executive Order [14017](#) on America's Supply Chain, which tasks the DOD with conducting supply chain reviews including strategic materials and critical minerals. The NMA has engaged task force offices in order to be a resource and help identify legislative opportunities to reduce mineral supply chain vulnerabilities.

SEC Reviews Climate-related Disclosures

The U.S. Securities and Exchange Commission (SEC) has made several announcements related to corporate disclosures of climate-related risks, indicating an aggressive climate agenda within the commission to develop a comprehensive disclosure framework that ensures investors have access to material information. Among actions the commission is taking are: a review of the 2010 "[Commission Guidance Regarding Disclosure Related to Climate Change](#)" to enhance its focus on climate-related disclosure in public company filings; [an announcement from the SEC's Division of Examinations outlining](#) its 2021 examination priorities, including a greater focus on climate-related risks; the creation of a Climate and ESG Task Force in the Division of Enforcement; and a [90-day comment period](#) for stakeholders to provide input to the Commission on climate-related disclosures. On the last point, the NMA needs members to review the official request for comment, which provides 15 specific questions, and provide feedback by April 16 to inform the association's response. The NMA's full memo can be found [here](#).

EPA Ask Court to Vacate GHG Rule

On March 17, EPA filed a [motion](#) with the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) requesting that the court voluntarily remand and vacate a Trump administration rule that finalized a [significant contribution finding](#) (SCF) for greenhouse gas (GHG) emissions for electric generating units (EGUs) under section

111(b) of the Clean Air Act (CAA). EPA's publication of a SCF rule was a surprise given that it was merely addressed in a footnote of a [proposed rule](#) that was expected to provide more flexible emission standards for new, modified and reconstructed coal-fired EGUs, including the elimination of the Obama administration determination that partial carbon capture and storage (CCS) is the best system of emissions reductions from new plants. Instead, EPA's final rule took no action on the existing CAA section 111(b) standard and CCS requirement and solely articulated a numeric pollutant-specific SCF for EGUs. In doing so, EPA also established a framework for determining whether other source categories significantly contribute to climate change due to their GHG emissions.

In seeking voluntary remand and vacatur of the rule, EPA asserts that a procedural defect occurred because the "criteria promulgated in the [r]ule were never proposed or otherwise subject to public notice and comment in any respect," and the relief requested is appropriate because the agency "does not presently intend to cure the defect through additional rulemaking." If EPA decides that a pollutant-specific contribution finding is warranted, it will not proceed with a re-proposal of the SCF rule. According to EPA, "[g]iven the depth and breadth of the review to be conducted, and the substantial possibility that the review may change the [a]gency's approach to the questions presented in the [SCF rule], EPA does not plan to simply re-propose the existing [SCF]." The NMA will continue to monitor EPA's actions regarding this matter.

NMA and Third-Party Voices

The NMA is quoted in [S&P Global](#) coverage of North Dakota's plan to study whether the current insurance market is adequate for its coal industry and whether there is a need for a state-based insurance product for the sector that would insure against risk at an "appropriate cost."

[RealClearEnergy](#) picked up Count on Coal's recent blog on the need for dispatchable fuel diversity.

And from NMA third parties, the [Alaska Journal of Commerce](#) (Alaska), [Casper Star](#)

[Tribune](#) (Wyo.), [Johnstown Tribune Democrat](#) (Pa.), [Yahoo News](#) (USA), [The Bryan Times](#) (Ohio), [The Northwest Signal](#) (Ohio) and [MSN](#) (USA) all ran an op-ed by John Adams, retired Army brigadier general, in which he argues we must support domestic supply chains for essential minerals, including those used in electric vehicles.

Mining and Energy News

The Center for Strategic and International Studies' recently released [report](#) on the geopolitics of critical minerals supply chains noted that the fragility of global supply chains revealed by COVID-19 and rising competition from China have only heightened the importance of supply chain security for critical minerals.

[Reuters](#) reported that the U.S. is looking to Canada for minerals to build electric vehicles.

[Mining.com](#) reported nickel is receiving increasing attention in response to rising demand from electric vehicles.

[The Silver Institute](#) predicts that global silver demand will rise 11% this year, reaching 1.025 billion ounces.

[Mining.com](#) reported that the world will need 10 million tons more copper to meet demand.

[Mining.com](#) reported that investors are flocking back to lithium as the battery bust turns to boom.

[Forbes](#) reported increased lithium mining could lead to increased environmental concerns.

The Wall Street Journal published: "Uranium has that [healthy glow again](#)."

[EIA's Today in Energy reported](#) that less electricity was generated from coal than nuclear in 2020, although that is expected to be the reverse this year and next.

[S&P Global](#) reports that higher natural gas prices compared with year-ago levels are driving a wave of gas-to-coal switching in multiple Independent System Operator territories.

[Argus Media reported](#) that fossil fuel generation in Texas increased in February despite extreme weather that cut off power to large portions of the state in the middle of the month.



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