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MINE Update
MINING INDUSTRY NEWS E-COMM UPDATE

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Brought to you by the National Mining Association

This Week in The News

With the 2022 midterm election season drawing steadily closer and prospects for congressional bipartisan action on major legislation continue to dwindle, congressional leaders began strategizing courses for rapid consideration of aggressive spending and policy proposals without minority support. 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 the mining and energy markets are faring.

Safety Share

Trespassing along railroad rights-of-way is the leading cause of rail-related deaths in America with more than [400 trespass fatalities each year](#), the vast majority of which are preventable. Railroad crossing incidents are the second leading cause of rail-related deaths in America.

NMA-Supported AML Reauthorization Bill Introduced in the House



Representative Liz Cheney (R-Wyo.) yesterday introduced legislation to reduce fees levied under the Surface Mining Control and Reclamation Act of 1977 (SMCRA) on each ton of domestically produced coal by 40 percent for surface, underground, and lignite mining. Cosponsoring the legislation is Reps. Bill Johnson (R-Ohio), Carol Miller (R-W.Va.) and Steve Stivers (R-Ohio).

Originally created in 1977, the fee is set to expire on September 30, 2021. The bill reauthorizes fee collection for seven years, until September 30, 2028 to allow lawmakers and stakeholders to review and revise the program more frequently as industry conditions change. Since the fee was last reauthorized in 2006, U.S. coal production has fallen by 53 percent. The bill will reduce the per ton tax on surface-mined coal from 28 cents to 17

cents, underground coal from 12 cents to 7 cents, and lignite coal from 8 cents to 5 cents.

Similar to the legislation introduced last Congress by Sen. John Barrasso (R.-Wyo.), the bill is projected to accelerate reclamation grants to pay down the \$2.2 billion AML fund balance to uncertified states, exempts AML grants from sequestration and releases \$150 million in sequestered funds since fiscal year 2013 to certified and uncertified states, increases Mineral Leasing Act revenue sharing from 50 percent of the amount received to 60 percent, and provides for the delegation of emergency AML programs to states.

The bill includes language from “The Community Reclamation Partnerships Act” to expand protections to non-governmental organizations who participate in cleaning and re-purposing AML sites. It also requires the Department of Interior (DOI) to conduct three separate studies on technological innovations for use in the AML program to improve reclamation and reduce costs, identify opportunities to reduce costs within the AML program, and an additional audit of the Appalachian AML Economic Development Grants pilot program. Over the last six years, the pilot has received \$850 million to accelerate the reclamation of abandoned mine lands and other related activities for economic and community development in Appalachia and to federally recognized Indian Tribes.

The NMA worked with Rep. Cheney on the development and introduction of her bill, is working to gain more cosponsors, and will continue to support these key pieces of legislation this Congress.

Introduction of NMA-backed Minerals Permitting Legislation

On Friday, April 16, Representatives Michael Waltz (R-Fla.) and Paul A. Gosar (R-Ariz.) will introduce the American Critical Mineral Independence Act. The bill provides needed minerals permitting reforms, technology grants for academic and research projects related to critical minerals production, and places limitations and requirements for administrative mineral withdrawals without congressional approval. This legislation will allow for a greater

use of our domestic resources to not only strengthen our national and economic security but provide the foundation for further economic recovery and job creation.

On Thursday, April 15, Representative Pete Stauber (R-Minn.), ranking member of the House Natural Resources Subcommittee on Energy and Minerals, introduced the Accessing America's Critical Minerals Act, which would enact the minerals permitting reforms found in the American Critical Mineral Independence Act as stand-alone legislation. This bill provides an opportunity to have a nimble legislative provision to support permitting reforms that can be included in other pieces of legislation or easily offered as an amendment during committee and floor proceedings. Both bills are being introduced as part of a larger Republican Leadership climate initiative which will focus on support for clean energy infrastructure, innovation, and natural solutions and conservation. The NMA worked with these members of Congress on the development and introduction of these bills, is working to gain more cosponsors, and will continue to support these key pieces of legislation this Congress.

Legislative Hearing to Repeal Resolution Copper Land Exchange

On Tuesday, the House Natural Resources Subcommittee for Indigenous Peoples of the United States held a legislative hearing on Chairman Raul Grijalva's (D-Ariz.) Save Oak Flat Act (H.R. 1884). The legislation would repeal Section 3003 of the 2015 National Defense Authorization Act which authorized the exchange of U.S. Forest Service land for several parcels throughout Arizona to facilitate development of the Resolution Copper Project, owned by owned by Rio Tinto and BHP. Majority witnesses included Shan Lewis (President of the Inter Tribal Council of Arizona), Fawn Sharp (President of the National Congress of American Indians), Dr. James Wells, PhD (COO of L. Everett & Associates). The lone minority witness was Mila Besich, Mayor of the town of Superior, Ariz. The hearing, along with witness testimony, can be found [here](#).

The Majority and its witnesses focused largely on the religious freedoms of tribes to use the area known as Oak Flats, treaty trust obligations, the potential for environmental and

cultural heritage site damage, anticipated water usage of the project, and what they contend to be the lack of legislative due process for approving the land exchange. During his opening statement, Chairman Grijalva also brought up the issue of royalties and that mining operations on private lands do not pay royalties. Conversely, the Minority and its witness discussed the need to find a middle ground enabling projects like Resolution Copper to move forward, the significant jobs and economic benefits of the mine, community investment, the need for copper and other mined materials for green energy technologies and infrastructure, our nation's increasing reliance on foreign sources of metals and minerals, as well as the thorough environmental review and extensive tribal consultation conducted by the U.S. Forest Service and Resolution Copper.

The NMA worked with the House Natural Resources Committee minority staff, in coordination with Rio Tinto, to provide relevant information and background items in opposition to H.R. 1884. The NMA also [live-tweeted](#) the hearing to address items discussed in real-time. In addition, the Women's Mining Coalition provided written testimony for the hearing in opposition to the Grijalva legislation and described the decade-long process Resolution Copper has engaged in with local communities, the 11 area tribes, as well as with state and federal agencies to reach a full review process for the mine. Please find a link to their testimony [here](#).

NMA-DOE Virtual Meeting on Critical Minerals Loan Guarantees for Minerals Projects



DOE Loan Authorities for Critical Minerals

On April 8, the NMA hosted a video conference call with John Lushetsky, Senior Advisor in the Department of Energy's (DOE) Loan Programs Office (LPO), for interested members to further discuss loan guarantee and lending opportunities for qualifying critical minerals projects. On the call, Mr. Lushetsky discussed how Title XVII Innovative Energy Loan Guarantee and the Advanced Technology Vehicles Manufacturing Loan Programs, which have provided nearly \$35 billion in loan guarantees to a variety of projects, could support critical minerals projects. Please find the LPO PowerPoint presentation from the call [here](#). The NMA plans to have similar sessions with the LPO in the future. In order to ensure those conversations continue to be useful, please provide any feedback you may have on the value of the information from LPO to [Justin Prosser](#).

Labor Department Office of Inspector General Publishes Audit Report of MSHA Citations

The Department of Labor's (DOL) Office of Inspector General (OIG) recently published its audit of the citation and order writing process of the Mine Safety and Health Administration (MSHA). OIG reviewed 730,000 enforcement actions issued by the agency over a six-year period and found generally that MSHA gave operators too much time to abate citations, did not verify corrections timely, and failed to make inspectors comply with formal guidelines

for administering MSHA's standards. MSHA pushed back on portions of the audit and noted that OIG failed to meet its responsibilities to issue objective audits in a timely manner. Broadly stated, OIG found significant problems in MSHA's administrative enforcement framework which have developed over many years. The full audit report may be accessed [here](#).

Wyoming Moves Bills to Defend Reliable Power from Coal



The Wyoming legislature has sent a trio of bills to the governor that, pending approval, aim to prolong the use of coal-fired generation by requiring an expanded economic analysis of any proposed coal plant closures, and creating a \$1.2 million fund to litigate coal-related legislation in other states. The bills are intended to prevent economic harm caused by the premature closure of coal-fired power plants in Wyoming and other states using Wyoming coal.

Gov. Mark Gordon, is expected to sign the three coal-related bills. [House Bill 166](#) requires Wyoming utilities planning to close coal-fired power plants to prove to the state's Public Service Commission (PSC) that the closure will not impact reliability and will result in a

cost savings to customers, while [Senate File 136](#) authorizes the PSC to take the potential economic impact of coal plant closures into account while making that analysis. The third bill, [House Bill 207](#), creates a \$1.2 million fund the Wyoming Office of the Governor may use to litigate coal plant closures or laws accelerating the closure of coal plants, such as renewable portfolio requirements, in other states.

Two Key Nominees for DOI



President Biden is expected to nominate individuals for two key roles at the Department of Interior which directly affect the mining industry. He is expected to announce the nomination of Tommy Beaudreau to be deputy secretary of the Interior Department and Tracy Stone-Manning to be director of the Bureau of Land Management.

Beaudreau served for six years at the Department of the Interior in the Obama Administration. During that time he served as chief of staff for DOI, Acting Assistant Secretary for Land and Minerals Management, and served as the first Director for the Bureau of Ocean and Energy Management. One of his key initiatives in that position was to impose additional financial assurance requirements on the offshore oil and gas industry and limit the use of self-bonding to cover remediation activities. Beaudreau is currently a partner in the Washington, D.C. office of Latham & Watkins. He is expected to receive bipartisan support for his confirmation to the role of deputy secretary and is strongly supported by former Energy and Natural Resources Committee Chairman Lisa Murkowski (R-Alaska) for the job.

Stone-Manning, a native Montanan, served a chief of staff for former Montana Governor

Steve Bullock (D-Mont.) and director of Montana’s Department of Environmental Quality, overseeing the state’s water, air, mining and remediation programs. She also previously worked as a legislative assistant to Senator Jon Tester (D-Mont.) for natural resources. She currently is a senior advisor for conservation policy at the National Wildlife Federation. Nada Culver is currently the acting director of the BLM and serves as senior adviser to Interior Secretary Haaland. The announcement of Stone-Manning is somewhat of a surprise as many expected Culver to be nominated for the permanent position.

NMA continues to conduct outreach to DOI on NMA priorities. In fact, NMA staff will meet with acting director Culver Monday on a number of permitting and American Mineral Security Act implementation issues.

NMA Board of Directors Meeting is Next Week



The National Mining Association’s spring Board of Directors meeting will be held virtually next week, **April 20 – 21, 2021**. Speakers will include Secretary of Energy Jennifer M. Granholm, Senator Joe Manchin (D-W.Va.) Senator Shelley Moore Capito (R-W.Va.), and Congressman Bruce Westerman (R-Ark.), Ranking Member of the House Natural Resources Committee.

Tuesday, April 20 (all times are EDT)

1:00 p.m. – 2:30 p.m. General Session

2:45 p.m. – 3:45 p.m. Mineral CEO Meeting

4:00 p.m. – 5:00 p.m. Coal CEO Meeting

5:15 p.m. – 6:15 p.m. Executive Committee (Invitation only)

Wednesday, April 21

1:00 p.m. – 1:30 p.m. Keynote Senator Joe Manchin (D-W.Va.) Chair, Senate Energy and Natural Resources Committee

1:45 p.m. – 3:15 p.m. Board of Directors and Annual Members Meeting

Registration is required for each meeting. After registration, emails with meeting links and calendar options will be distributed. [Register now](#) to participate.

Atlantic Council Electric Vehicle Minerals Supply Chain Rountbale is Tomorrow

The NMA is supporting work by the Atlantic Council's Global Energy Center as it examines the electrification of the U.S. automotive industry. The Atlantic Council's work kicks off **Thursday, April 15, from 2:00 – 3:30 p.m. EDT**. A private workshop to explore the mineral needs of a rapidly electrifying transportation sector in the United States will begin a discussion about where policies related to mineral supply chains can best support electric vehicle deployment goals. This workshop will initiate a body of work from the Atlantic Council Global Energy Center on the role of mineral supply chains in U.S. electric vehicle deployment, culminating in the public release of a policy paper this fall. While the workshop is not public, and all comments will be off the record, NMA members are invited to participate. To receive Zoom access details and view the full workshop agenda, [please register here](#).

NMA and Third-Party Voices

The [Rome News Tribune](#) (Ga.), [Cherokee Tribune and Ledger News](#) (Ga.), [Johnstown Tribune Democrat](#) (Pa.) and [Yahoo! News](#) (USA) all ran an op-ed by Michael Stumo, the CEO of the Coalition for a Prosperous America, in which he writes that a semiconductor

shortage highlights the need to reshore U.S. production and the mineral supply chains that support critical U.S. industries.

[Inside Sources](#) (D.C.) ran an op-ed by Thomas Madison, an infrastructure consultant and former federal highway administrator, in which he argues rebuilding America's infrastructure must include support for the minerals supply chains that underpin infrastructure projects.

[The Washington Times](#) (D.C.) ran an op-ed by Dan Ervin, professor of finance at Perdue School of Business, Salisbury University, in which he argues reshoring America's industrial base must begin with reshoring mineral production and processing in order to compete with China.

Mining and Energy News

[Mining.com](#) reported on its latest quarterly survey showing that the value of the top 50 global mining companies surged \$600 billion from COVID-19 lows to \$1.35 trillion in the first quarter of the year.

[The Wall Street Journal](#) reported on China's dominance of the rare earths magnet supply chain, beginning with its 70 percent share of the global rare earths mining market.

[Mining Technology reported](#) on its profiling of the most prominent rare earth mining and processing projects outside China's dominant market.

A report on [energy industry wages](#) showed that they are far above the national median and more likely to provide healthcare and retirement benefits, but average hourly compensation in wind and solar sectors is well below fossil fuels and nuclear.

Argus Media (subscription, 4-5-21) reported that coal generation in the Southwest Power Pool region [increased 15.8 percent](#) in March for the fourth month in a row, while natural gas generation fell amid higher prices and renewables growth. In similar news, *Argus* reported that PJM Interconnection region coal power [rose in the first quarter](#) of the year.

[S&P Global reported](#) on U.S. Energy Information Administration's [Short Term Energy Outlook](#) for April showing a projected increase in coal production, coal exports and coal-based power sector consumption this year.

[Argus Media reported](#) that total U.S. coal exports increased in February for only the second time in two years, reflecting improved market conditions in late 2020 and into early 2021.



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