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MINE Update
MINING INDUSTRY NEWS E-COMM UPDATE

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This Week in The News

As long-running negotiations over a potential bipartisan infrastructure package inched closer to an agreement, progressives pushed back harder seeking assurances that their broader social and climate agenda will be addressed in a subsequent partisan reconciliation bill. Meanwhile, energy-related proposals continued to proliferate on Capitol Hill and within executive branch agencies. 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

We're having a heat wave. The National Safety Council has advice on how to [avoid heat-related illnesses](#). The Humane Society of the United States has similar advice [for your animals](#).

Chairman Manchin Introduces Energy Infrastructure Act



Late last week, Senator Joe Manchin (D-W.Va.), chairman of the U.S. Senate Energy and Natural Resources Committee, introduced his *Energy Infrastructure Act*. This nearly [500-page bill](#) directs policy and authorizes funding in a number of areas including the electricity grid, carbon capture utilization and storage (CCUS), minerals permitting, critical mineral financing, coal mining reclamation, hydrogen and nuclear research and development, and other wide-ranging priorities. Please find a summary [here](#).

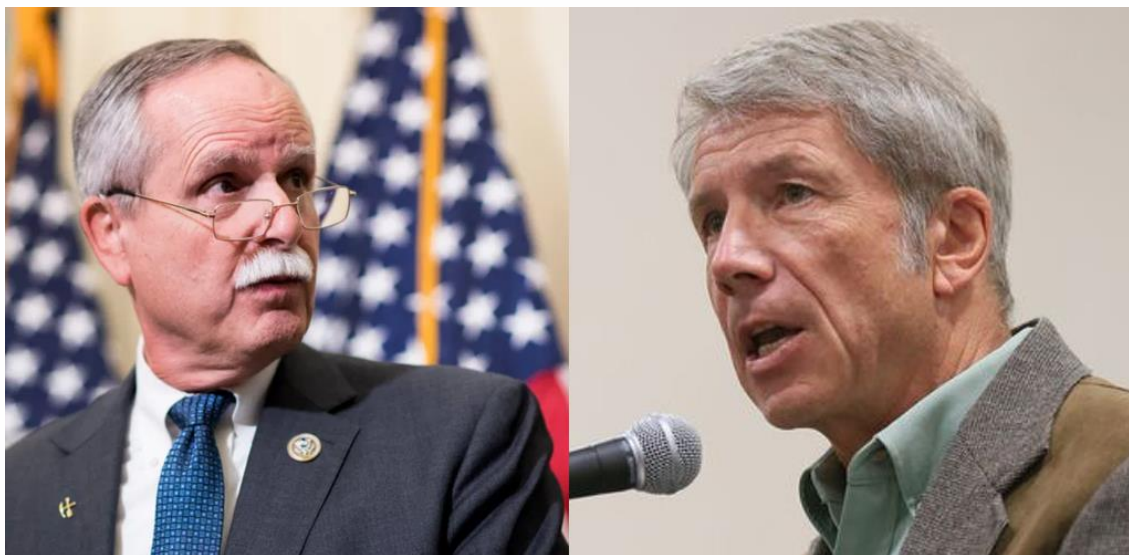
The bill directly appropriates \$11.2 billion for coal abandoned mine reclamation through state and tribal programs through 2036 and authorizes \$150 million annually for four years to award funds to manufacturers to build new manufacturing specifically in areas where coal mines have closed since the end of 1999 or where a coal-fueled electricity generating unit has closed since 2009. Senator Manchin has [introduced legislation to extend](#)

[manufacturing tax credits](#) to the same areas. The bill authorizes funding for states, local governments, and public utilities to use carbon oxide products and expands DOE's carbon capture technology programs to include front-end engineering and design.

The bill also contains minerals permitting streamlining language backed by the NMA from the bipartisan bill S. 1352 by Senators Manchin and Murkowski (R-Alaska.), and the NMA supported and bipartisan amendment from Senator Lankford (R-Okla.) and Senator King (I-Maine) increasing the Department of Energy's Title 17 financing eligibility to production, processing, and recycling of critical minerals enacting the DOE's Loan Programs Office December 2020 [guidance](#).

The Senate Energy and Natural Resources Committee will hold a [hearing on the bill](#) tomorrow morning. NMA will continue to look for additional opportunities to include provisions benefiting NMA members as the process advances.

House Bipartisan Clean Energy Standard Legislation



This week, Reps. David McKinley (R-W.Va.) and Kurt Schrader (D-Ore.) will reintroduce their “Clean Energy Future Through Innovation Act of 2021” to establish a framework for the modernization of the power sector by midcentury through investments in innovation and technology infrastructure. The bill provides tax incentives and enhanced research and development for advanced renewables and energy storage and transmission technologies. Their bill will extend the production tax credit for land-based wind and investment tax credit for solar for until 2031, among others. The 45Q tax credit for carbon storage would also be extended an additional eight years and will provide direct payment options.

The bill establishes a Clean Energy Standard (CES) for the electric power sector that would reduce sectoral carbon emissions by 80 percent by 2050, creating a sector that is 95 percent clean generation by 2050. The first compliance period would begin 10 years after enactment, providing a period of time for innovation and infrastructure investment to reduce the cost of compliance. It prevents the regulation of power sector carbon emissions under the Clean Air Act as long as the innovation and CES measures are implemented faithfully. The latest draft bill is available [here](#). A detailed memo detailing the legislation will be sent as soon as it is introduced.

White House Releases Regulatory Plan

The administration recently released the much-anticipated Spring 2021 Unified Agenda of Regulatory Actions (Spring Agenda), identifying the policy priorities that the federal departments and agencies are expected to act on over the next 12 months. While the Spring Agenda is simply an estimated timeframe for planned rulemakings, and often the agencies and departments miss their deadlines, it is still a useful planning tool as we close out the year and identify priorities for next year.

The NMA has reviewed the Spring Agenda against the association’s 2021 strategic objectives and other association priorities. A summary of rulemakings that would impact the NMA’s membership and expected timing is available [here](#). As detailed in this

document, the administration has started its work to reverse regulatory actions taken during the last administration. We can expect that more items will be added over time as the administration works through its priorities.

States Weigh in on Coal AML Reauthorization



In the attached [letter](#), Governor Mark Gordon of Wyoming offered his perspective on the Abandoned Mine Lands (AML) debate taking place in the Senate Energy and Natural Resources Committee. Gordon believes reauthorization needs to happen but the fee should reflect the size of the industry and that government waste needs to be eliminated. Senator John Barrasso (R-Wyo.), ranking member of the Senate Committee on Energy and Natural Resources, and Sen. Cynthia Lummis (R-Wyo.) reintroduced NMA-backed legislation to reauthorize and modernize the collection of the AML Reclamation fee. The AML fee collection authority is set to expire in September of this year.

NMA and Third-Party Voices

[Morning Consult](#) ran an op-ed by Rich Nolan in which he argues the Biden agenda rests on foundation provided by domestic mining and that now is the moment to ensure made-in-America begins with mined-in-America.

The NMA [launched a video from Rich Nolan](#) in which he discusses the role met coal can play in the current infrastructure push.

[Inside EPA](#) quotes the NMA in a report on environmentalists' call for a series of measures to strengthen environmental rules for the mining sector in response to the Biden administration efforts to bolster the domestic supply chain for rare earth minerals and other crucial materials needed for electric vehicle batteries and other low-carbon energy technologies.

The NMA is mentioned in a [National Law Review](#) report on the debate over how the Securities Exchange Commission should regulate environmental, social, and governance disclosures.

Mining and Energy News

[Financial Times](#) reported that Goldman Sachs is ramping up on cobalt trading.

[The Wall Street Journal](#) reported that “Western governments face challenges as they ramp up efforts to counter China’s dominance in rare earths.”

[Utility Dive reported](#) that “There’s no shortage of rare earth minerals needed to transition to a clean energy economy, experts say. The problem is getting them out of the ground — and out of China.”

[The International Copper Study Group’s preliminary data](#) for March 2021 indicates that world copper mine production increased 3.7 percent in the first quarter of 2021, with concentrate production increasing 5.5 percent and solvent extraction-electrowinning

decreasing by about 3.5 percent. World production began to recover in June 2020 when lockdown measures eased and stricter health protocols were put in place.

[Mining.com reported](#) that Europe is taking steps to cut its reliance on China for raw materials such as rare earths, from which 98 percent of its supply comes from China.

[The U.S. Geological Survey's production report](#) for selected mineral commodities in the first quarter of 2021 shows an increase in most base metals except zinc compared to the fourth quarter 2020. Precious metals production was down, with an 11 percent decrease in gold production and a slight drop in silver production. Construction-related materials production was down 23 percent.

[Argus Media reported](#) that coal has become more profitable than natural gas for winter generation dispatch in parts of the U.S. amid higher power and natural gas prices, which could increase coal buying activity after the summer cooling season.

[Argus Media](#) reported that coal-based power generation in the Southwest Power Pool (SPP) climbed to a four-month high last week as warm weather boosted overall power demand and renewable generation fell.

[Argus Media reported](#) that international coal prices may continue to rise in the coming months - but there are limits, analysts at Bank of America said.

[Argus Media reported](#) that the recent European coal price rally could trigger a U.S. export supply response (subscription, June 18). Argus Media also reported that Northern Appalachian coal producers are producing as much export coal as possible for the spot market while also trying to meet fresh domestic demand.

World crude steel production for countries reporting to the [World Steel Association](#) was 174.4 million metric tons in May 2021, a 16.5 percent increase compared to May 2020.

U.S. Energy Information Administration reported February's increase in coal-fueled electric generation [reduced coal stockpiles](#).

EIA also forecasted natural gas exports and non-power sector demand will continue to [drive higher prices](#) through 2022.

Wall Street Journal published: “The [natural gas glut has evaporated](#), driving prices higher.”

Electricity grid authorities issued urgent pleas for energy conservation in [California](#) and [Texas](#).

Bloomberg opined: “California and Texas [fail the power test](#) together.”

Bloomberg published: “Gas is so scarce in Europe that coal is [making a comeback](#).”

“[Energy veterans](#)” is the term adopted by environmental groups and a pair of U.S. Senators proposing measures to ensure a “just transition” for coal workers losing jobs to policies that require shifts to other energy sources.



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