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MINE Update
MINING INDUSTRY NEWS E-COMM UPDATE

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This Week in The News

With Congress entering the home stretch before the scheduled August recess, pressure is mounting to reach agreements on major bi-partisan infrastructure and budget legislation – including whether those packages can or need to be passed along party lines using budget reconciliation rules. In this dynamic environment, 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

It's staying hot in here. So check out the safety advice from [Ready.gov](#) and the [American Red Cross](#).

Senate Energy Committee Infrastructure Bill Markup with Coal and Hardrock AML Provisions



Today the Senate Energy and Natural Resources Committee marked up Chairman Joe Manchin's (D-W.Va.) Energy Infrastructure Act. The legislation directs policy and authorizes funding in a number of areas including the electricity grid, carbon capture utilization and storage, mineral permitting and critical mineral financing, coal mining reclamation, hydrogen and nuclear research and development, cybersecurity, and commercial and residential building efficiencies, among other priorities. An updated copy of the legislation is available [here](#). A detailed memorandum on issues important to the [coal](#) and [hardrock](#) mining industries is included.

Abandoned Mine Land Reclamation and Fee Reauthorization

In advance of its expiration on September 30, the bill adds new language reauthorizing the Abandoned Mine Land (AML) fee at 20 percent below current levels. NMA member

companies have long established changes to the reauthorization of this fee as a legislative priority. Throughout the last Congress and again this Congress, the NMA has worked to provide drafting assistance and secured the House reintroduction of Congresswoman Cheney's (R-Wyo.) Abandoned Mine Land Reclamation Fee Reauthorization Act of 2021 earlier this year as [H.R. 24620](#). The NMA also provided drafting assistance and secured the Senate reintroduction of the same bill, as [S. 1600](#) by Senators John Barrasso (R-Wyo.), Cynthia Lummis (R-Wyo.), and Kevin Cramer (R-N.D.). Introduction of these bills worked to frame how a reauthorization of this program could pass by the September 30 deadline with changes. NMA staff has continued to work with Chairman Joe Manchin and Ranking Member John Barrasso to reach a compromise reauthorization of the program but at lower rates. Upon enactment, surface operation fees would immediately reduce from 28 cents to 22.4 cents per ton; underground operation fees would reduce from 12 cents to 9.6 cents per ton; and lignite operation fees would reduce from 8 cents to 6.4 cents per ton. The fee would be reauthorized until the end of fiscal year 2035.

In a change to the earlier draft, the revised language authorizes \$11.293 billion for general Treasury deposit into the coal Abandoned Mine Reclamation Fund. The funding is still subject to appropriations and is separate from annual appropriations from the AML program.

Carbon Capture, Utilization and Storage

The bill funds several programs to accelerate the large-scale deployment of carbon capture, removal, utilization, transport and storage. The bill includes language expanding the Department of Energy's (DOE) Carbon Capture Technology program to include front-end engineering and design (FEED) for carbon dioxide transport infrastructure and authorizes an additional \$500 million for FEED activities. It also authorizes \$310 million to establish a grant program for state and local governments to procure and use coal-based products. It expands DOE's Carbon Utilization program objectives to include the development of standards and certifications to support commercialization of carbon dioxide products.

Hardrock Abandoned Mine Land Reclamation

The bill also now contains a bipartisan amendment offered by Senator Martin Heinrich (D-N.M.) and Senator Steve Daines (R-Mont.) to create a new \$3 billion grant program within the U.S. Department of Interior for the reclamation of legacy hardrock mining sites. At a hearing on the Energy Infrastructure Act three weeks ago, Senator Heinrich raised the issue of a lack of funding in the bill for hardrock reclamation. NMA has been working with Senator Heinrich to reach an amendment both NMA and he could support, then broadened the bipartisan support for the amendment. Earlier this morning, the amendment was added to the Energy Infrastructure Act by a voice vote. Under the amendment, half of the funds of the grant program would be available for federal land clean up. Half of the funds of the grant program would be available upon application by states and tribes for clean up on state, tribal, and private land. President Biden announced earlier this year that his American Jobs Plan would provide funding for mining and oil and gas well reclamation. This amendment complemented authorizations in the bill for additional funding to the coal abandoned mine land program and a new grant program for orphaned oil and gas well reclamation.

Bipartisan Bill to Extend the Federal Permitting Improvement Steering Council

Yesterday, Senators Rob Portman (R-Ohio), Kyrsten Sinema (D-Ariz.), Dan Sullivan (R-Ark.) and Manchin introduced the [Federal Permitting Reform and Jobs Act](#), a bill that would reauthorize the Federal Permitting Improvement Steering Council ([FPISC](#)). The Council was created in the most recent congressional infrastructure bill in 2015 in the FAST Act (FAST-41). A one page overview of the legislation may be found [here](#).

The goal of the Council is to create new efficiencies in federal environmental reviews and approval processes for eligible large and complex infrastructure programs by making timelines more transparent and increasing agency collaboration and accountability. To date, the FPISC program has reduced permitting timelines for large-scale infrastructure projects [on average 45 percent](#). Most notably, the new legislation would make FAST-41 permanent instead of the required seven-year reauthorization, encourage agencies to set a

two-year or less goal for permitting covered projects, and support adoption by agencies of a single, joint environment impact statement. The Senators intend to incorporate the language in a larger infrastructure package currently in development and based upon a \$579 billion infrastructure [framework](#) agreed to between the administration and a bipartisan group of 21 Senators.

Last year, FPISC not only voted to include mining as a new covered sector, but [finalized federal regulations](#) ensuring mining is a [new covered sector](#).

For additional detail, please see The U.S. Senate Committee on Homeland Security and Governmental Affairs [release](#) on the legislation.

House Spending Bills Moving



House appropriators this week will continue their work to advance funding bills before the end of the fiscal year.

Energy-Water Bill

On Sunday, appropriators unveiled a \$53.2 billion fiscal 2022 spending proposal to fund DOE, the Army Corps of Engineers (Corps), and Interior Department's Bureau of Reclamation. The [bill](#) represents a \$1.5 billion increase above the fiscal 2021 funding enacted into law.

Under the bill, DOE would receive \$45.1 billion, an increase of \$3.2 billion above fiscal 2021 but \$1 billion short of the Biden administration's request. The draft bill would also look to bolster clean energy technology programs across nuclear and carbon capture.

The bill calls for \$1.68 billion for nuclear energy, marking an increase of \$167 million above the fiscal 2021 level but short of the \$1.9 billion proposed by the administration. The bill would continue providing \$27.5 million for nuclear waste management, equal to last year and the request. Unfortunately, neither the House bill nor the President's DOE budget requested funding for the National Strategic Uranium Reserve, which the DOE is establishing this year. As a result, the NMA and several state mining associations – along with the Nuclear Energy Institute and Uranium Producers of America – lobbied and sent letters to House and Senate Appropriators urging full funding of \$150 million be provided for the reserve in the FY2022 Energy and Water Appropriations bills. Please find a link to the Senate letter [here](#) and the House letter [here](#).

The bill would also provide \$820 million for fossil energy and carbon management research and development activities in difficult to decarbonize sectors and applications, an increase of \$70 million. This funding includes carbon capture and storage, hydrogen and direct air capture, as well as funding for work under DOE's Division for Sustainable Minerals. Specific details of the funding allocations are not yet available. In advance of the bill introduction, NMA lobbied and sent a [letter](#) advocating for increased funding for fossil energy research, include the carbon utilization program for coal-to-products research.

House appropriators are proposing \$8.6 billion for the Corps, an amount that is \$1.9 billion above President Biden's budget request, with increases spread across the agency's primary budget lines for construction, investigations, operations and maintenance, and Harbor Maintenance Trust Fund projects. House appropriators are proposing for the agency to receive more than \$2 billion from the Harbor Maintenance Trust Fund. That

request reflects a \$370 million increase from existing spending levels, and a \$424 million boost from President Biden's request. The bill also seeks \$1.95 billion for Reclamation, a \$276 million boost from current spending levels and \$413 million above the White House's request for fiscal 2022.

Following Monday's procedure subcommittee markup, the House Appropriations full committee will markup the measure on Friday, July 16 at 9:00 a.m.

DOL Funding Bill

The House Labor, Health and Human Services, and Education Appropriations Subcommittee on Monday advanced their fiscal 2022 [spending bill](#) to provide \$253.8 billion in total, a \$55.2 billion increase compared with last year's levels.

The measure would provide \$14.7 billion in discretionary appropriations for the Department of Labor (DOL), including \$11.6 billion for the Employment and Training Administration and \$2.1 billion for Worker Protection Agencies. It includes \$692 million for the Occupational Safety and Health Administration, \$100 million more than last year's enacted level and \$27 million more than the White House requested.

The Mine Safety and Health Administration would receive \$405 million, a \$25 million increase compared with fiscal-2021-enacted levels but \$42 million below President Biden's plan. The bill would also reduce funding for special benefits for disabled coal miners to \$44 million, about \$11 million less than last year's enacted level.

The legislation now heads to the full House Appropriations Committee for a markup on Thursday, July 15 at 10:00 a.m.

House Leadership plan to begin consideration of the spending measures in the coming weeks before the August recess. Senate appropriators have yet to introduce a single bill. Therefore, Congress is widely expected to pass a continuing resolution to fund the federal government and avert a shutdown before the new fiscal year.

WOTUS Revisions Coming from EPA



Last week EPA's Assistant Administrator for Water Radhika Fox confirmed in an [interview](#) with E&E News that the agency plans to undergo a two-step rulemaking process to repeal and replace the 2020 Navigable Waters Protection Rule (NWPR). She noted that the agency is moving quickly and will be announcing its framework for this two-step process "very imminently." She also explained that first, the agency intends to repeal the NWPR and return to the pre-2015 regulatory regime "because we think it's important to get the [NWPR] off the books." Next, EPA will promulgate a second rule that "will learn from the pre-2015 regime, the 2015 Clean Water Rule, [and] the 2020 rule" to develop a new definition of WOTUS. When asked about timing for this two-step process, Fox responded "this summer." It is unclear whether that timeline refers to her announcement to share the "framework" or whether an actual proposal to repeal the NWPR could be published for comment this summer. Importantly, however, the NWPR remains in effect in all states across the country until a court determines otherwise or until the agency completes a notice and comment rulemaking process to repeal the existing rule.

MINExpo INTERNATIONAL® 2021

September 13-15



The NMA's MINExpo International, the largest mining show of its kind, will be held this September 13-15 in Las Vegas. Attendees [must register online in advance](#), registration is free to NMA producer members and there is still time to [reserve space as an exhibitor](#).

As a reminder, the show follows the NMA's September 12, Fall Board of Directors and Members meeting, which will also be held in Las Vegas. Additional detail about the Board Meeting will be sent as we get closer to the date.

We look forward to seeing you in Las Vegas this fall.

NMA and Third-Party Voices

The [Elko Daily Free Press](#) reports that the NMA's MINExpo International® 2021 is happening Sept. 13-15 in Las Vegas, and the NMA is still accepting exhibitors and

registrations for the event that is usually held every four years but was delayed a year because of COVID-19.

The NMA is quoted in an [E&E Greenwire](#) piece reporting that the Interior Department has signaled it will remove uranium from its roster of critical minerals when it releases a draft of the updated list this fall.

[Bloomberg Law](#) quotes the NMA in a piece on claims that the price tag for cleaning up modern coal mines in Appalachia is between \$7.5 billion and \$9.8 billion—more than the \$3.8 billion known to be set aside for the job in bonds, an environmental group estimates in a new report.

From our third parties, [KNOX News](#) (Tenn.) carries an op-ed by Ivan Maldonado, professor in the Department of Nuclear Engineering at the University of Tennessee at Knoxville, in which he argues we need minerals and metals for advanced energy technologies.

[Duluth News Tribune](#) (Minn.) carries an op-ed by Dan Ervin, a finance professor at Salisbury University, in which he argues environmental opposition to reshoring mineral production is proving counterproductive to efforts to address climate change.

Mining and Energy News

[Reuters](#) reported that General Motors Co. is investing in a U.S. lithium project that could become the country's largest by 2024, making the automaker one of the first to develop its own source of a battery metal crucial for the electrification of cars and trucks. And [E&E News](#) reported that if all goes to plan, General Motors Co.'s future electric cars will rely on batteries made from a broiling-hot, brownish fluid that gushes from the California desert.

[Mining.com](#) reported that a group backed by German car-making giants Daimler AG and Volkswagen AG has started a study into the environmental impact of lithium mining in Chile, the second-largest supplier of the key ingredient in rechargeable batteries.

[Mining.com](#) reported that geopolitical risks and U.S.-China tensions pose threats to the global lithium supply chain, according to a new report by Fitch Solutions Country Risk & Industry Research.

[S&P Global reported](#) that USGS concluded that, because it is a fuel, uranium is not qualified for inclusion on the federal list of commodities essential to national and economic security, though the agency did not state whether it should be removed from that list.

[Mining.com](#) reported that easing COVID-19 risks and improved uranium fundamentals have prompted Western Uranium & Vanadium to pull the trigger on a restart of uranium exploration development and mining at the Sunday mine complex in western San Miguel County, Colorado.

[Mining.com](#) reported that Energy Fuels and Neo Performance Materials created a new United States-to-Europe rare earth supply chain last week when the first container – with 20 metric tons of product – of an expected 15 containers of mixed rare earth carbonate [produced at Energy Fuels' White Mesa Mill in Utah](#) was shipped to Neo's rare earth separations facility in Estonia.

Financial Times published: "Biden faces [green dilemma](#) in push to build U.S. rare earths capacity."

According to a recent [Silver Institute newsletter](#), almost 34 percent of the global silver supply in 2020 was used in electronic devices.

[The Wall Street Journal](#) reported that [coal use is surging](#) in some of the world's largest economies as electricity demand rebounds from the pandemic. In the U.S., [Argus Media reported](#) that coal-based generation in the Electric Reliability Council of Texas ([ERCOT](#)) [grew 32 percent](#) in June as overall power demand grew and renewable generation fell. And in California, [The Wall Street Journal reported](#) that "California's power-grid manager is [taking emergency steps](#) to secure extra electricity as a hot, dry summer increases the risk of blackouts."

[Argus Media](#) and [S&P Global](#) both reported that the Energy Information Administration raised its 2021 coal consumption and production outlook by nearly 3 percent this month amid growing demand from U.S. power plants and higher natural gas prices.

[Argus Media](#) reported that U.S. thermal coal exports more than [doubled in May](#) due to the tight global market and strong prices that created an arbitrage opportunity for U.S. coal in Asia and Europe.

[E&E News reported](#) that “Concerns about climate change have led to a consolidation of thermal coal mines by firms with shaky finances and by privately held mining companies that are less responsive to investor pressure, according to new research.”

Bloomberg published: “Coal output in U.S. seen [rising most since 1990](#) on global demand.”

BTU Analytics published a list of the 10 “[least threatened](#)” coal plants.

The White House Council on Environmental Quality published a [Report to Congress](#) supporting carbon capture, utilization, and sequestration.

U.S. Department of Energy's Office of Fossil Energy officially became the "Office of Fossil Energy and [Carbon Management](#)." Also, IEA Clean Coal Centre recently rebranded as the "International [Centre for Sustainable Carbon](#)."



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