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MINE Update
MINING INDUSTRY NEWS E-COMM UPDATE

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This Week in the News

Potential government shutdown. A looming battle over extending the federal debt limit. A trillion dollars of infrastructure funding. Trillions more dollars in social program proposals. With all of these issues converging for Congress and the Biden-Harris administration, and no clear outcome in sight, 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

Last week was [Rail Safety Week](#). “Together we can stop track tragedies.”

House Democrats Engage to Defend Hardrock Mining



On Monday, three House Democratic members [lobbied](#) Speaker Nancy Pelosi (D-Calif.) against the punitive hardrock provisions found in the House Natural Resources Committee’s reconciliation legislation. With margins in the House so tight, three votes makes or breaks legislation. Over the weekend, the Speaker [announced](#) that work on the reconciliation legislation would be delayed somewhat, an acknowledgement that the size of the bill will need to be addressed. However, House leadership continues to work to develop a new framework for the reconciliation bill and its components.

Last weekend, the House Budget Committee marked up all of the reconciliation bills – although unfinished – into one piece of legislation, which is the next procedural step in the process pursuant to the Congressional Budget Act. However, the real next substantive step will be House leadership and the House Rules Committee consideration of what will remain in the House’s reconciliation bill. Outreach, similar to the letter sent by Reps.

Steven Horsford (D-Nev.), Henry Cuellar (D-Texas) and Susie Lee (D-Nev.), is critical at this point in the process and can still influence what makes the cut. Additionally, although these members have sent this public letter to the Speaker, any Democratic House member can still contribute. Any pro-mining Democratic House member with whom you work can still contact Congressman Horsford's office to add their name. Please contact your NMA government affairs team for more help with joining the letter.

NMA Hosts Congressional Budget Office Calls on Reconciliation Bill Provisions' Impacts on Coal and Hardrock Mining

The NMA has held two separate calls with representatives from the Congressional Budget Office (CBO) and interested NMA members to discuss the harmful financial impacts of the coal and hardrock provisions included in the House Natural Resources reconciliation bill. Although these provisions have already passed out of the committee and were included in the House Budget Committee's large reconciliation bill, the CBO has yet to fully assign a score to them. This is particularly important since House Natural Resources Chairman Raul Grijalva (D-Ariz.) used many of these provisions as revenue raisers to increase the size and scope of the Committee's bill. The CBO representatives acknowledged that they were unfamiliar with how these provisions would impact the mining industry and were appreciative of the information provided and industry's insights. The NMA is also using the information provided to CBO in our bipartisan outreach to Senate Energy and Natural Resources Committee staff to support calls to strip these provisions from the reconciliation bill.

Senate ENR to Hold Mining Law Hearing Next Week

On Tuesday, October 5, the Senate Energy and Natural Resources (ENR) Committee will hold an oversight [hearing](#) on the Mining Law of 1872. The NMA is working with committee leadership on both sides of the aisle including full committee Chairman Joe Manchin (D-W.Va.) and Mining Subcommittee Chairwoman Catherine Cortez Masto (D-Nev.) to prepare for this hearing with key witnesses and testimony from the mining industry. This hearing will contribute to legislative work, whether in reconciliation legislation this year, or legislation later this Congress addressing the Mining Law. The NMA will keep you informed about this important hearing and further work in Congress on the Mining Law.

Senate FERC Oversight Hearing Hits Affordability and Reliability of CEPP



On Tuesday, the U.S. Senate Energy and Natural Resources Committee held an oversight hearing to review the administration of laws under the jurisdiction of the Federal Energy Regulatory Commission (FERC). The hearing featured testimony from the four FERC Commissioners: Richard Glick, Mark Christie, Allison Clements and James Danly.

Chairman Joe Manchin stressed to the commissioners the need to keep electric services affordable and questioned them about increased consumer energy costs. Ranking Member

John Barrasso (R-Wyo.) called the Democrats' Clean Electricity Performance Program (CEPP) a "scheme" that is detrimental to energy affordability and reliability and will effectively end any new oil, natural gas, coal and hardrock mineral production on federal lands and waters. In advance of the hearing, the NMA worked with the committee and issued a [press release](#) hitting on the same themes.

Responding to questioning from Senator Barrasso that FERC commissioners have the opportunity as well as the obligation to speak the truth about the potential impacts of these policies on all Americans, commissioners blasted the CEPP saying they're concerned the pace of the transition to clean energy will be too fast and hamper reliability while raising costs to consumers. Commissioner James Danly said the plan would be like an "H-bomb" for America's electricity markets and that cost increases and reliability issues are "inevitable" if Congress passes the proposal. Commissioner Mark Christie warned reliability and affordability are at risk because of the national standards Democrats want to impose, adding consumers in states like Virginia and West Virginia could see huge rate spikes.

Chairman Manchin echoed some of those concerns, saying reliability would be "the big loser" if Congress hands out grants to utilities to transition to clean energy by 2030. He also expressed worry some policies could leave taxpayers on the hook for utility transmission build-outs. "I guarantee you the utilities will take every dime you want to give them, but they will not commit and basically be held accountable for reliability," Manchin said. "And then they're going to have to buy it somewhere, and the consumers are going to pay. That's my problem." Manchin reiterated his concern that a quick transition could hurt his state's massive portfolio of coal-fired generation without further development of carbon capture and storage technology. Other Democrats and clean energy advocates argue that utilities need to move at a faster pace.

The Majority continues to negotiate a deal on reconciliation. In a follow-up interview after the hearing, Chairman Manchin said talks remain ongoing on finding common ground for clean energy incentives he could support.

Chairman Manchin also committed to advancing the White House's nominee to fill the fifth

FERC seat, Willie Phillips, a D.C. utility regulator, as soon as the committee has the necessary paperwork.

EPA Moves Forward on Particulate Matter NAAQS Reconsideration

On Sept. 22, the Environmental Protection Agency (EPA) published [notice](#) of two public meetings of the Clean Air Scientific Advisory Committee (CASAC) Particulate Matter (PM) panel. During the first meeting, scheduled for Oct. 14, 2021, the CASAC PM panel will receive a briefing from EPA on updates to the Integrated Science Assessment (ISA) and Policy Assessment (PA) that support the agency's reconsideration of the 2020 PM National Ambient Air Quality Standards (NAAQS). During the second meeting, scheduled across several days starting on **Nov. 17, 2021**, the CASAC PM panel will peer review the updates. EPA will post an agenda and other materials on the CASAC [website](#) prior to the meeting. With the CASAC PM panel meetings now scheduled, EPA is on track to meet its target of **issuing a proposed rule in summer 2022**. Under the Trump administration, EPA resisted significant pressure from environmental and public health organizations to lower the level of the annual primary (health-based) standard. The draft supplemental ISA and PA will be the first glimpse of the science and policy leanings that will affect EPA's decision to reduce the standard.

SEC Climate Disclosures Update



Last week, the U.S. Securities Exchange Commission’s (SEC) Division of Corporation Finance released new guidance on climate-related disclosures by public companies in the form of a “[sample letter](#)” to an issuer. The letter provides sample comments the SEC might raise regarding a company’s climate-related disclosures (or lack thereof). The sample letter does not represent a SEC-mandated reporting framework or alter applicable law. However, the letter details the kind of supplemental disclosure the SEC may ask a company to provide, as well as previews what the SEC might want to require in the future. NMA’s summary of this guidance may be accessed [here](#). The SEC was expected to issue a proposed rule on mandatory climate disclosures as early as next month. However, SEC Chair Gary Gensler has indicated that a proposed rule might not be released until December or early next year.

NMA and Third Party Voices

[MarketScreener](#) highlighted Rich Nolan’s comments on the Senate FERC hearing.

[Northern Nevada Business Weekly](#) reported that MINExpo was back in full force following a COVID-19 delay last year.

[WLUC](#) reports Eagle Mine continues to be recognized for dedication to a safe working

environment and, earlier this month, accepted a 'Sentinels of Safety Award' from the NMA.

From our third parties, [The Washington Times](#) (D.C.) carries an op-ed by Terry Jarrett, an energy attorney and consultant who has served on the board of the National Association of Regulatory Utility Commissioners and the Missouri Public Service Commission, in which he argues reliance on coal and nuclear is necessary to ensure grid reliability.

The [Erie Times News](#) (Pa.) and [MSN.com](#) (USA) carry an op-ed by Matthew Kandrach, president of Consumer Action for a Strong Economy, in which he argues we need a balanced electricity mix for reliability and affordability.

Mining and Energy News

The [global mining equipment market](#) is expected to grow from 32,000 units in 2020 to 46,000 units by 2026, growing at a CAGR of 6.89 percent through 2026 due to surging demand for coal and metals, globally, according to a recent report from Research and Markets.

[S&P Global](#) reported that as electric vehicle sales ramp up around the globe, key battery metals such as lithium, cobalt and nickel are already facing supply chain constraints.

[Politico Pro](#) reported that nickel, once considered an undesirable metal by mining companies, is having a moment as miners look to ramp up production to meet the skyrocketing demand for electric vehicle batteries.

[Bloomberg reported](#) that there is a fortune to be made by investors for a range of obscure metals and materials needed for clean power.

[Reuters](#) reported that the unexpected surge in global demand for silicon is fueling deficits and a price rally.

[Bloomberg](#) reported that "Investors are flocking to a new uranium fund that's amassed a

huge stockpile equal to about 16 percent of annual global demand.”

[The Minerals Education Coalition \(MEC\) recent “minerals baby” analysis](#) shows that every American born will need almost 3 million pounds of minerals, metals and fuels in their lifetime.

[Mining.com reported](#) that China is planning to create two rare earth mining giants to gain better pricing power in global markets.

[Argus](#) reported on EIA electricity data showing that US coal-based generation climbed to a nearly 3-year high in July as generators switched to coal from natural gas amid higher natural gas prices.

[Argus](#) also reported that US coal supply likely will remain tight through the end of this year, with demand continuing to outpace availability due to higher coal demand (domestic and export), lower coal stockpiles and higher natural gas prices, according to the Navajo Transitional Energy Company (NTEC). Supply response has been tempered by labor, equipment and materials shortages.

EIA’s recent [Electricity Monthly Update](#) data shows that total U.S. coal stockpiles had a month-over-month decrease of 12.6 percent, reaching 97 million tons in July 2021. According to EIA, this month-over-month decrease in total U.S. coal stocks follows the normal seasonal pattern whereby coal generators build up coal stocks during the spring months for use in the summer when demand for electricity is higher.

The [NY Times](#) and others reported that Xi Jinping, China’s top leader, said that his country would stop building coal-based power plants overseas, a major shift by the world’s second-biggest economy.

[EIA’s recent Today in Energy](#) analysis shows that “In 2020, the U.S. net merchandise trade value of energy products—the value of petroleum, natural gas, coal, and electricity exports less the value of their imports—was a surplus of \$27 billion. This amount marks the first time the value of U.S. energy exports exceeded imports since at least 1974.”

[Argus Media reported](#) that western U.S. coal exports have recovered from last year's steep declines, but growth has been less substantial than from most eastern and U.S. Gulf ports.

Coal prices in Europe [hit a 13-year high](#).

E&E News reported on Ameren's use of Bitcoin mining to [reduce ramping](#) at coal-fueled power plants.

Bloomberg reported power rationing and forced cuts to factory production in China are widening amid [electricity supply issues](#) and a push to enforce environmental regulations. *Reuters* published: "China energy crunch triggers shutdowns, [pleas for more coal](#)."

Supply Chain Brain published: "Europe faces [winter energy crisis](#) years in the making."
Bloomberg published: "Europe's energy crisis is coming for [the rest of the world](#), too."



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