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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 President Biden departing for meetings overseas and an international climate summit right around the corner, a self-imposed October 31 deadline for negotiating a major infrastructure and social programs package looms ever larger for congressional leadership. With the situation evolving hourly, 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

“Bomb cyclones” are in the news out west and in the northeast this week. It seems like a good time to brush up on being [prepared for winter driving](#).

House Natural Resources Subcommittee Federal Coal Leasing Hearing

Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an oversight [hearing](#), entitled “The Federal Coal Program: A Bad Deal for Taxpayers and a Threat to Climate.” The hearing was in response to the Bureau of Land Management’s (BLM) review of the Federal Coal Leasing Program. 86 Fed. Reg. 46874. Due to the ongoing review, the committee did not invite an administration witness. Instead, witnesses included Mr. William Walksalong (Tribal Administrator for the Northern Cheyenne Tribe), Ms. Jeanie Alderson (Chair of the Northern Plains Resource Council), and Dr. Drew Shindell (Professor of Earth Science at Duke University).

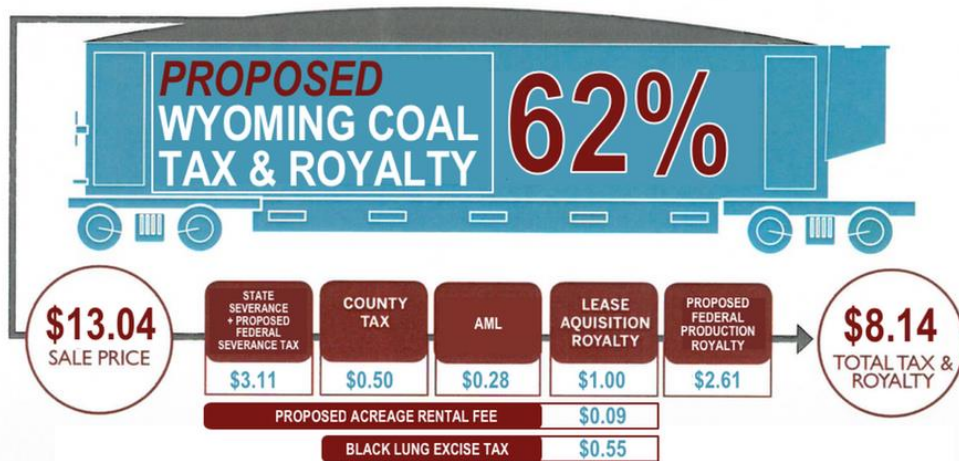
The NMA worked with minority committee staff to identify a minority witness, urging consideration of a state regulator from an impacted state. As a result, Mr. Randall Luthi (Chief Energy Advisor to Wyoming Governor Mark Gordon) testified in support of the federal coal leasing program. In addition, the NMA submitted written [testimony](#) to the committee that tracks closely with the comments submitted to the BLM’s review of the program.

In the run up to the hearing, the NMA worked with committee staff to provide additional information and data to support the current program and was able to share a [letter](#) sent by the Crow Tribe to Speaker Nancy Pelosi (D-Calif.) expressing concern over the federal coal provisions included in the Committee’s reconciliation bill. The NMA also provided committee members and staff with graphics (which were on full display at the hearing in the form of floor charts) showing that the government currently receives [\\$0.37](#) of every dollar of coal sales in Wyoming. A second graphic showed how much the government would receive if the harmful provisions from the reconciliation bill were to be in effect –

\$0.62 of every dollar of coal sales. The NMA will continue to track the BLM's ongoing review of the Federal Coal Leasing Program as well as any efforts in Congress to make changes to the program.



THE GOVERNMENT RECEIVES 37 CENTS ON EVERY DOLLAR OF COAL SALES IN WYOMING. NOW THE FEDERAL GOVERNMENT WANTS TO TAKE MORE, LEAVING LESS REVENUE FOR STATES AND COMMUNITIES, FEWER JOBS AND HIGHER ENERGY PRICES FOR FAMILIES AND SMALL BUSINESSES.



THE GOVERNMENT RECEIVES 62 CENTS ON EVERY DOLLAR OF COAL SALES IN WYOMING.

SOURCE: NATIONAL MINING ASSOCIATION

Biden Administration Proposes Rescinding Critical Habitat Regulations; Western Caucus Pushes Back

This week the Biden administration proposed to rescind two critical habitat regulations finalized in December 2020. The proposed actions would rescind the joint regulatory definition of “habitat” and Fish and Wildlife Service’s (FWS) regulations that govern critical habitat exclusions under 4(b)(2) of the Endangered Species Act (ESA). See the FWS announcement [here](#). Recall the NMA previously submitted [comments](#) in support of the Trump administration changes.

At the same time, House Western Caucus Members introduced five pieces of legislation to codify the Trump administration’s 2019 and 2020 regulations to modernize and improve the ESA. They include, as described in the Western Caucus press release:

- Chairman Dan Newhouse (Wash.-04) introduced [legislation](#) to maintain the Trump administration’s Section 4 regulations that require the economic impact of an ESA listing decision to be considered.
- Rep. Paul Gosar (Ariz.-04) introduced [legislation](#) to maintain the Trump administration’s Section 7 regulations to ensure a timely, comprehensive consultation process for listing decisions.
- Rep. Yvette Herrell (N.M.-02) introduced [legislation](#) to codify the Trump administration’s regulations on critical habitat exclusions, which provide the Secretary of the Interior the authority to exclude an area from critical habitat designation if all relevant impacts outweigh the benefits of inclusion.
- Rep. Cliff Bentz (Ore.-02) introduced [legislation](#) to maintain the commonsense regulation requiring any critical habitat designation to only include habitat that is

critical to the survival of a listed species.

- Rep. Ken Buck (Colo.-04) introduced [legislation](#) to codify the Trump administration's elimination of blanket 4(d) rule, maintaining different levels of protection for endangered vs. threatened species and incentivizing voluntary and private conservation efforts.

The NMA has worked with the House Western Caucus to support ESA modernization efforts in past congresses and will continue to support ESA reforms that improve species outcomes while respecting the views of parties with a direct interest in the land in which the relevant species is believed to occur.

NMA Presents on WOTUS to Republican Attorneys General Association

The NMA's Katie Sweeney briefed 18 attorneys general on the future of the waters of the U.S. (WOTUS) issue in San Diego earlier today. Her presentation was a part of the Republican Attorneys General Association Fall National Meeting, which was also attended by Jerry Mullins.



NMA and Third Party Voices

[Utility Dive](#) quotes Rich Nolan in a report that electricity generated by coal-fired plants is expected to rise by 22 percent in 2021, according to the U.S. Energy Information Administration (EIA).

[The Washington Post](#) quotes the NMA in a story on insurance companies that are restricting coverage of coal projects.

[Politico Pro](#) quotes the NMA in a report on steps taken by the Biden administration to withdraw land in Minnesota from mining.

The [Greeley Tribune](#) (Colo.) carries an op-ed by NMA's Katie Sweeney in which she argues proposed legislation will hurt the mining industry just as demand is expanding and mining is critically needed.

[MarketWatch](#) (USA) ran an op-ed by NMA's Conor Bernstein in which he argues policies designed to incentivize the premature closing of well-operating coal plants before replacement capacity is in place are endangering America's energy transition by sacrificing affordability and reliability.

The NMA is mentioned in an [E&E Daily](#) story on lobbying efforts as debates over President Biden and congressional Democrats' climate change agenda heated up.

[MarketScreener](#), [World Coal](#) and [Global Mining Review](#) all covered NMA's press release on MINExpo INTERNATIONAL® 2021.

From our third parties, [The Deseret News](#) (Utah) carries an op-ed from Gary Sandquist, a professor emeritus at the Mechanical Engineering Department at the University of Utah, in which he argues the global energy crisis shows early retirements of coal and nuclear power plants threaten the reliability and affordability of the nation's energy supplies.

[American Greatness](#) (USA) carries an op-ed from Mackubin Owens, a retired marine and

professor, who argues confronting China's industrial ambitions will require ambitious policy with the reinvigoration of U.S. mining and material supply chains at the top of the agenda.

[The Nashville Tennessean](#) (Tenn.) carries an op-ed by Dr. G. Ivan Maldonado, a professor in the Department of Nuclear Engineering at the University of Tennessee, Knoxville, in which he argues rising electricity demand driven by electrification calls for a balanced mix of electricity sources, including coal, to meet it.

[The Detroit News](#) (Mich.) carries an op-ed by Mark J. Perry, a professor emeritus at the University of Michigan and a senior fellow at the American Enterprise Institute, in which he argues the U.S. desperately needs to ramp up investments in domestic mining and processing of essential minerals while making mine permitting reform a priority.

[Fort Myers News Press](#) (Fla.), [MSN.com](#) (USA), [Salem News](#) (Ohio), [Lisbon Morning Journal](#) (Ohio) and [East Liverpool Review](#) (Ohio) carry 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 an energy transition must be carefully planned to safeguard electricity reliability and affordability.

Mining and Energy News

[The International Copper Study Group \(ICSG\) monthly report for October](#) indicates that world copper mine production increased by 3.6 percent over the first seven months of 2021, with concentrate production increasing by around 5.5 percent and solvent extraction-electrowinning (SX-EW) declining by about 4.3 percent.

[The International Lead Zinc Study Group \(ILZSG\)](#) October forecast predicts world zinc mine production will increase by 4.7 percent to 12.85 million metric tons in 2021, and by a further 4.2 percent to 13.39 million tons in 2022.

[CNBC](#) reported that new Tesla auto batteries will use a lithium-iron-phosphate (LFP)

chemistry rather than nickel-cobalt-aluminum which Tesla will continue to use in its longer-range vehicles.

Reuters reported on the [Pentagon's interest](#) in developing more U.S. rare earths mining capacity.

The Wall Street Journal reported on Rio Tinto's efforts to [increase critical minerals production](#) at its Kennecott mine in Utah.

AZO Materials reported on research using food-grade solvents to [extract rare earth metals](#) from coal ash.

National Energy Technology Laboratory's Carbon Ore Processing Program announced nearly [\\$7 million in funding](#) for projects to create laboratory- and pilot-scale research and development for coal waste-derived products.

AZO Build reported on the potential for [using mining waste](#) in concrete production.

The [Washington Examiner](#) reported on EIA data indicating that U.S. coal-fueled electricity generation is projected to rise by 22 percent over last year, marking the first increase since 2014.

[NPR](#) reported that U.S. coal production is up sharply after hitting a 50-year low last year.

[Bloomberg](#) reported that never in human history has a ton of coal cost more.

The New York Times reported on the [increase in stock prices](#) for coal mining companies.

[Argus](#) reported that coal-based generation in the Electric Reliability Council of Texas (ERCOT) lost market share to renewables and natural gas in September.

PJM Interconnection revised rules to [conserve coal](#) for possible winter use.

[Reuters](#) and others reported that most OECD countries have agreed to stop providing

export credits for coal-fueled power plants.

The [Wall Street Journal](#) reported that Britain went all in on renewables and natural gas, leaving it vulnerable when winds died down and global gas supplies ran low.

Vietnam drafted plans to [double coal production](#) by 2030.

[Wall Street Journal](#), [Bloomberg](#), and [Channel News Asia](#) all profiled China's actions to rapidly ramp up coal production.

BBC News published: "Why Australia [refuses to give up coal](#)" and New York Times published: "In Australia, It's '[Long Live King Coal](#).'"

International Energy Agency published a report entitled: "[Phasing out unabated coal](#): Current status and three case studies."

Bloomberg reported Group of 20 diplomats are [scaling back](#) their expectations regarding how quickly coal can be phased out.

The Wall Street Journal published: "[Behind the energy crisis](#): Fossil fuel investment drops, and renewables aren't ready."



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