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MINE Update

MINING INDUSTRY NEWS E-COMM UPDATE

Issue 3 | January 19, 2022

Brought to you by the National Mining Association

This Week in the News

The policy direction in Washington remains unsettled as the White House's push for new voting-rights legislation appears stymied and the Build Back Better legislation is stuck in the Senate with limited paths forward. 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

The Insurance Institute for Highway Safety offers an excellent overview of the dangers of [distracted driving](#).

Congressional Forums on Minerals, Supply Chains, Land Access and Energy Issues



Yesterday, Congressional Western Caucus (CWC) Chairman Dan Newhouse (R-Wash.) along with Congressmen Russ Fulcher (R-Idaho) and Mike Simpson (R-Idaho) hosted a virtual [forum](#) to highlight Jervois Mining's [Idaho Cobalt Operations](#) project in the Salmon-Challis National Forest. Representatives Newhouse, Fulcher and Simpson were joined in the forum by Matt Lengerich, Executive General Manager for Jervois; Commissioner Skip Brandt, Idaho County; Tammy Stringham, Executive Director for the Lemhi County Economic Development Association; and Tom Kealey, Director for the Idaho Department of Commerce. The participants discussed the importance of the project to Idaho and the surrounding communities through jobs, investments, and its ability to be an economic driver. The discussion also focused on access to federal lands for mineral development and the uncertainty of the current regulatory and permitting process which can impact project development and access to capital as well as our nation's untenable import reliance

for metals and minerals necessary for clean energy and national defense technologies. This forum closely tracks with the NMA's minerals advocacy and talking points related to domestic mineral supply chains. The NMA will continue to work with our congressional allies and the CWC to support a robust domestic mining industry and highlight important projects.

Today, the Congressional Western Caucus and House Committee on Oversight and Reform held a [joint](#) forum to discuss rising energy prices titled, "Holding the Biden Administration Accountable for Skyrocketing Prices & Failing Energy Policies." Forum participants included Leslie Beyer, CEO of the Energy Workforce & Technology Council; Kathleen Sgamma, President of the Western Energy Alliance; Thomas Pyle, President of the American Energy Alliance; Heather Reams, President of Citizens for Responsible Energy Solutions; and Katie Tubb, Senior Policy Analyst for Energy and Environment at the Heritage Foundation. The NMA provided committee staff with information examining the lack of energy source diversification and the resulting rise in domestic energy prices. The NMA will continue to advocate for affordable, reliable, and sustainable energy generation to support consumers through ongoing economic recovery efforts.

NMA Participates in Department of Energy's Comment Period on Energy Supply Chains

Last week, the NMA submitted [comments](#) in response to the Department of Energy's (DOE) Request for Information ([RFI](#)) regarding Executive Order 14017, America's Supply Chains (EO). The RFI seeks information to inform the agency's next steps in meeting obligations under the EO, specifically section 4(iv), which directs the Secretary of Energy to "report on supply chains for the energy sector industrial base" within a year. The RFI focused on 14 topic areas, with numerous questions for each topic. The NMA's comments focused on policy recommendations to increase domestic mineral supply chains needed for battery storage and other renewable energy technologies. It is anticipated that DOE could share its report findings by the end of February. The NMA will continue to identify

opportunities to engage the administration on implementation of its EO and more broadly on domestic mineral supply chains.

OSMRE Issues Rule to Implement Infrastructure Act AML Reduction in Fee

The Department of the Interior (DOI) last week issued an [interim final rule](#) (IFR) to extend the Abandoned Mine Reclamation Fund program through 2034, as directed by the recently passed Bipartisan Infrastructure Investment and Jobs Act (Act). Recall, as the NMA advocated, the act lowered the AML fee by 20 percent through 2034, saving the industry \$500 million in payments over the next 10 years. In addition to codifying the extension of the Office of Surface Mining Reclamation and Enforcement's (OSMRE) authority to collect reclamation fees at the lower rate, the IFR also reflects the statutory extension of the dates when moneys derived from the fees will be available to eligible states and tribes for grant distribution. OSMRE is accepting comments until Feb. 14.

Update on review of the Federal Coal Program



The Bureau of Land Management (BLM) last week released a [document](#) that summarizes the comments received on its Aug. 2021 [notice of intent](#) to conduct a review of the Federal Coal Leasing Program. Recall that the notice stemmed from BLM's efforts to resolve ongoing litigation. The litigation that BLM's coal program review was intended to address involves the ongoing challenge by environmental organizations to the Trump administration's reversal of the coal moratorium instituted by the Obama administration. The NMA is an intervenor in the litigation to defend the decision to lift the moratorium. The lawsuit is ongoing in the U.S. District Court for the District of Montana but had been subject to a temporary stay order while the current federal review proceeds. The court recently rejected the government's request to extend the stay forcing the government to move forward with its scheduled [brief](#) opposing the environmental groups' contentions. Neither the comment summary document nor the brief provides any additional details on the timing of next steps for the coal review.

NMA and Third Party Voices

[Inside Sources](#) (D.C.) features an op-ed by Rich Nolan in which he argues the energy crisis in Europe is a warning for the Biden administration that policies that dismantle dispatchable fuel diversity pose grave threats to electricity affordability and reliability.

Rich Nolan is quoted in a [Nevada Current](#) op-ed that argues Sen. Cortez Masto is siding with the mining industry.

The NMA is quoted in a [Financial Review](#) report on Rio Tinto's proposed copper mine in Arizona and how a global trend of activism threatens to derail the development of supply changes needed to tackle climate change.

From our third parties, [The Dallas Morning News](#) (Texas) ran an op-ed from Bud Weinstein, an emeritus professor of applied economics at the University of North Texas, former associate director of the Maguire Energy Institute at Southern Methodist University, and a fellow of Goodenough College, London, in which he argues Texas must reinvest in

baseload power, including coal generation, to ensure it has the capacity reserve margin and energy security it needs to ensure grid reliability.

The [Washington Examiner](#) (D.C.) carries an op-ed by Mark Perry, a senior fellow at the American Enterprise Institute and professor emeritus of economics at the University of Michigan, in which he argues the nation's mining story includes the establishment of a stable and streamlined regulatory process and improved access to minerals and metals, both of which are essential to our nation's economy.

[The Trentonian](#) (N.J.), [Pottstown Mercury](#) (Pa.), [Exton Daily Local](#) (Pa.), [Swarthmore Times Herald](#) (Pa.), [Lansdale Reporter](#) (Pa.), [Delaware County Daily Times](#) (Pa.), [Mainline Times and Suburban](#) (Pa.) [Elko Daily Free Press](#) (Nev.) and [Reno Gazette Journal](#) (Nev.) carry an op-ed by Matthew Kandrach, president of Consumer Action for a Strong Economy, a free-market advocacy organization, in which he argues the coal fleet helps to stabilize electricity prices.

Mining and Energy News

[Reuters](#) reported that Tesla signed a deal for its first U.S. nickel supply with Talon Metals. Talon's Tamarack mine project in Minnesota was chosen due to its plans to make the electric vehicle battery metal in a way considered more environmentally friendly.

[McKinsey & Company's published a report](#) and analysis on the metals and mining sector's crucial role in the expected clean energy transition and the massive raw materials that will be needed, noting how it presents unique challenges for metals and mining companies, which will need to innovate and rebuild their growth agenda.

[Axios](#) reported that a range of new developments highlight a wider trend: intensifying efforts by governments and corporations to secure key minerals needed for electric cars and other clean energy tech.

[The National News](#) reported that electric vehicle (EV) producers and suppliers could be

facing a major cost headache starting this year as prices for battery-grade lithium are likely to surge according to [analysis](#) by Rystad Energy.

OilPrice published: “A [copper crisis](#) threatens the energy transition.”

Bloomberg published: “Supply squeeze risks are pushing lithium [higher and higher](#).”

[Grist](#) reported that for decades, environmental activists decried nuclear power plants. Now, some want to save them.

[Argus](#) carries a Q&A with NTEC’s Clark Moseley on the coal industry, noting that he is expecting 2022 to be another strong year for coal.

[Argus](#) reported that coal-fueled generation in the country’s two largest electric grids, PJM and MISO, has reached multi-month highs recently amid colder winter weather.

In a recent [Today in Energy report](#), the Energy Information Administration (EIA) projects that coal will account for 85 percent of U.S. electric generating capacity retirements in 2022. EIA’s survey data indicate that 12.6 GW of coal capacity is scheduled to retire in 2022, or 6 percent of the coal-fueled generating capacity that was operating at the end of 2021.

[Power Engineering Magazine](#) reported that carbon dioxide emissions in 2020 were the lowest in nearly 40 years, according to a 2021 year-end report by the U.S. EIA. The decrease is attributed to Covid 19 and changes in the fuel generation mix. Also, the [Washington Examiner](#) reported that total U.S. greenhouse gas emissions rose by an estimated 6.2 percent in 2021, according to researchers with Rhodium Group, with a boost in coal-generated electricity “largely” responsible.

[Argus reported](#) that the U.S. EIA has cut its domestic coal consumption forecast for 2021-22 for the fourth month in a row.

[Politico](#) reported on a bipartisan bill that would ban U.S. military use of Chinese minerals.



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