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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 Memorial Day right around the corner, opportunities for major legislative action this year are facing a make or break moment. Partisan discussions continue for a slimmed down Build Back Better bill with energy tax incentives and extenders, prescription drug cost reductions and deficit reduction topping the list. Just six to seven legislative weeks remain before the August recess, and midterm elections are certain to consume the fall months. 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

Every day is a safety day, of course, but June is [National Safety Month](#). The National Safety Council has a suite of activities and materials ready to go, with different focus areas for each week of the month.

NMA hosts Nevada Senator Catherine Cortez Masto



This week, the NMA's MINEPAC hosted Senator Catherine Cortez Masto (D-Nev.) at the NMA's offices with other NMA members supporting the senator's re-election. The event was sponsored by NMA members HECLA Mining, Freeport-McMoRan and Holland & Knight, and supported by many other valued NMA members like Barrick, Newmont, Talon, Coeur, individual members and NMA staff. Senator Cortez Masto serves as the chairwoman for the U.S. Senate's mining subcommittee at the Energy and Natural Resources Committee and has been a consistent, strong supporter for domestic mineral production and common-sense regulation to protect and create mining jobs in Nevada and the nation, as well as to generate new opportunities for mining production, processing and recycling. NMA members were able to update the senator about the Interagency Working Group and mining law legislation developments in the U.S. House, hear her future plans for mining permitting improvements hearings in her subcommittee, and receive an update

on the latest on her race. The NMA will continue to work with and support this champion for the industry.

NMA Submits Comments on Proposed Surface Transportation Board Emergency Relief Rule

This week, the NMA submitted written [comments](#) on the Surface Transportation Board's (STB) proposed rule to amend its emergency service rules to aid shippers that require immediate relief. The proposed rule was issued after complaints from numerous stakeholders including cabinet secretaries and members of Congress and a public hearing in April that focused on inconsistent rail service involving Class I carriers. Recall the NMA testified at the April STB hearing noting how rail shortages have impacted NMA members. The NMA's comments support the proposed change to the current regulations regarding service emergencies to ease the burden on petitioners. However, the NMA pointed out concerns with the new proposed Accelerated Process intended to address acute emergencies. The NMA cautioned the STB to use this relief, if codified, sparingly because it has the potential to create a new and unintended regulatory mechanism for shippers to navigate and it could be abused by bad actors. The comments also stressed that the new Accelerated Process does not address the underlying problem of inconsistent rail service.

Congress also continues to weigh in on railcar shortages. The NMA contributed to the [U.S. House Transportation and Infrastructure's hearing](#) on these issues two weeks ago. This week a bipartisan group of 21 U.S. senators [wrote to the STB](#) raising similar concerns about the lack of railcars. Senators are interested in Senate hearings on this problem as well. The NMA will continue to be actively engaged in addressing the railcar deficiencies with the STB and on Capitol Hill.

Defense Department Hosts DPA Webinar for NMA Members



UNCLASSIFIED



Webinar: Strategic & Critical Materials for Large Capacity Batteries



Office of the Assistant Secretary of Defense for Industrial Base Policy

This week, representatives from the U.S. Department of Defense Industrial Policy Office held a webinar for NMA member companies interested in the new Presidential Directive 2022-11 to use the Defense Production Act Fund to award funding for mining and production of minerals necessary for large capacity battery manufacturing. This week the President also signed legislation into law which provides \$500 million more in funding to support the Presidential Directive. You may watch a replay of the presentation [here](#) and find a copy of the materials [here](#). If you have further questions about this new and unique funding opportunity, please contact NMA's government affairs team at rjackson@nma.org.

Members of Congress Defend Twin Metals Project



Yesterday, the House Natural Resources Subcommittee on Energy and Mineral Resources held a legislative hearing to consider Rep. Betty McCollum's (D-Minn.) *Boundary Waters Wilderness Protection and Pollution Prevention Act* ([H.R. 2794](#)), a bill directly targeting the Twin Metals Minnesota (TMM) [project](#) in Ranking Member Pete Stauber's (R-Minn.) district. H.R. 2794 would reinstate the full-scale mineral withdrawal of nearly 240,000 acres that was initiated days before the Obama administration left office, later reversed by the Trump administration, and recently reinstated by the Biden administration. Please find the link to view the hearing and witness testimony [here](#).

Julie Padilla, Chief Regulatory Officer for TMM, testified on behalf of the committee's minority, telling Ranking Member Stauber that she felt "like domestic mining projects across the board have become political footballs and we are no longer seeing a fair and consistent regulatory process..." Testifying in support of the legislation on behalf of the majority was Tom Tidwell (former Chief of the U.S. Forest Service), Steve Piragis (Owner of Piragis Northwoods Company) and Julia Ruelle (Board Member for Kids for the Boundary Waters).

Ahead of the hearing, the NMA worked with congressional allies and staff on the committee to provide background materials and a letter of opposition, which can be found

[here](#). The NMA also worked to drive congressional turnout at the hearing and provided social media posts in real-time during the hearing, which can be found [here](#).

NMA and Third Party Voices

The [Santa Fe New Mexican](#) (N.M.), [Casper Star Tribune](#) (Wyo.), [Bakersfield Californian](#) (Calif.), [Colorado Springs Gazette](#) (Colo.), [Kokomo Tribune](#) (Ind.), [Reno Gazette Journal](#) (Nev.) and [Elko Daily Free Press](#) (Nev.) all ran an op-ed by Rich Nolan in which he argues the U.S. can build a secure, responsible mineral supply chain under existing world-leading environmental and labor standards that underpins EV deployment, but it won't happen if we don't rise to the moment and recognize the intersection of mining policy with our energy security goals.

The NMA is quoted by [E&E](#) on today's announcement from the Environmental Protection Agency on its Proposed Determination under Clean Water Act Section 404(c) to prohibit and restrict the use of certain waters in the Bristol Bay watershed as disposal sites for the discharge of dredged or fill material associated with mining the Pebble Deposit.

[The Hill](#) (D.C.) carries an op-ed by Bernard Weinstein, 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 to keep our power grids agile and reliable, nuclear, coal, natural gas, solar, wind and hydro all will be required.

Mining and Energy News

[Washington Post](#) carries an op-ed from Bloomberg arguing Elon Musk has a suggestion for entrepreneurs: Get into lithium mining for juicy margins. It's a pithy recommendation, but it fails to grasp the complicated challenges for producing more of the metal.

[Bloomberg](#) published: “China, U.S. Are Racing to Make Billions From Mining the Moon's Minerals.”

[Reuters](#) published: “Caterpillar eyes energy transition as growth driver for mining business.”

[Arizona Republic](#) reported that Toronto-based mining company Hudbay Minerals surrendered a key operational permit and started mining operations for its Copper World project on the west slope of the Santa Rita Mountains near Tucson in what opponents say is an unorthodox and illegal move.

EIA's 2021 [Domestic Uranium Production Annual](#) report shows U.S. uranium mines produced 21,000 pounds of triuranium octoxide (U_3O_8), or uranium concentrate in 2021. Production data was withheld in 2020, but 2021 production was down 88 percent from 2019 production levels.

[Grist](#) reported that the Polymet Mining Corporation has been locked in a battle to open Minnesota's first copper sulfide mine for 17 years.

Visual Capitalist graphically displays the world's [largest gold producing mines](#).

[Protocol](#) reported that minerals are getting very expensive.

[Mining.com](#) reported that “uranium miners are racing to revive projects mothballed after the Fukushima disaster more than a decade ago, spurred by renewed demand for nuclear energy and a leap in yellowcake prices after Russia's invasion of Ukraine.”

[CNBC](#) reported that U.S. natural gas prices have more than doubled this year, and they could soar another 25 percent or more this summer in the hotter weather. The southern states could be especially at risk with a heat wave that is driving higher demand and prices.

[Argus](#) reported that coal generation in the PJM power region was up in April as natural gas

and nuclear power declined.

The [Wall Street Journal](#) reported that power-grid operators are pushing older coal-and gas-fueled plants to keep running to bolster electricity supplies, raising concerns about maintenance levels and fair compensation.

[Delaware Business Now](#) reported that regional grid manager PJM has recommended that the last coal-fueled unit at the Indian River Power Plant near Millsboro, DE remain open into 2026.

[Reuters](#) reported that U.S. coal producers are seeking to boost exports to cash in on soaring prices since Russia's invasion of Ukraine but face big headwinds including shipping bottlenecks, labor shortages, and a dismal long-term outlook discouraging investments in new mines.

[Utility Dive](#) reported that the Texas electric grid is “more reliable than it has ever been before,” the state’s top energy regulator said last week, just days after the grid’s operator called [on residents to conserve energy](#) as temperatures soared and more than a half dozen natural gas generators tripped offline.

[CNBC](#) reported that according to the findings of climate analytics firm TransitionZero, it is now cheaper to switch from coal to clean energy, compared to switching from coal to gas thanks to the falling cost of renewables and battery storage, coupled with the rising volatility of gas prices.

[E&E Climatewire](#) reported that Europe's plan to slash Russian fossil fuel imports and accelerate renewable energy production will test its ability to find the minerals, metals and other components that are needed for a dramatic shift to clean power.

[Washington Examiner](#) reported that the nation’s grid watchdog, the North American Electric Reliability Corporation (NERC), is warning that large shares of the U.S. face a heightened risk of electricity shortages in the coming months, firming up assessments individual grid operators have made in recent weeks about the threat of blackouts during peak summer

demand.

[E&E Greenwire](#) published: “Calif. Faces Blackouts Every Summer Until 2026.”

[E&E Energywire](#) reported that the central and upper Midwest, Texas and Southern California face an increased risk of power outages this summer from extreme heat, wildfires and extended drought, the nation’s grid monitor warned yesterday.

[Bloomberg](#) reported recent NERC analysis warning that a vast swath of North America from the Great Lakes to the West Coast is at risk of blackouts this summer as heat, drought, shuttered power plants and supply-chain woes strain the electric grid.

[E&E Greenwire](#) published: “Grid monitor warns of U.S. blackouts in 'sobering report'.”

[S&P Global](#) reported that U.S. coal employment swelled alongside higher demand since the summer of 2021, but total production volumes were flat for the past three quarters as producers struggle to make coal shipments.

[Utility Dive](#) reported on the PJM Interconnect power region’s recent analysis arguing that combining about 33 GW of electrification load with a 70 percent carbon-free generating fleet sharply increases the risks of blackouts to the winter from the summer, reinforcing the need for enough fossil-fueled and nuclear power plants to meet demand.

EIA, in a recent [Today in Energy](#) release noted that while “in previous years, higher natural gas prices would have resulted in more coal-fueled electricity generation. However, coal power plants have been limited in their ability to replenish their historically low inventories in recent months as a result of mine closures, rail capacity constraints, and labor market tightness. These coal supply constraints, along with continued retirement of generating capacity, contribute to our forecast that U.S. coal generation will decline by 20 million MWh (7 percent) this summer. In some regions of the country, these coal supply constraints may lead to increased natural gas electricity generation despite higher natural gas prices.”

[Argus](#) reported that Northern Appalachian coal production decreased 6 percent in the first quarter amid a drop in output at some of the regions' larger mines.

[Washington Post](#) reported that a mining company that wants to extract a rare heat-resistant element from the ground under southeast Nebraska says a new report shows the deposit it plans to mine holds a significant amount of other rare mineral elements.

[Washington Post](#) reported that waste from abandoned and bankrupt mines has contaminated more than 12,000 miles of waterways. Now states are looking at how to extract critical elements from those waters to try to offset the high cost of cleanup.

[Utility Dive](#) published: "FERC to monitor gas, power markets for manipulation as forward summer electricity prices jump up to 233 percent."

[Utility Dive](#) reported that FERC commissioners are responding to elevated power outage risks across two-thirds of the U.S. with two commissioners pointing to the renewable energy shift as a key culprit in the "reliability crisis." Others blame weather and drought.

[Washington Post](#) reported on growing interest in [extracting critical minerals](#) from coal mining waste.

Western Organization of Resource Councils [dropped its lawsuit](#) against the U.S. Department of Energy following DOE's decision to let the National Coal Council's charter lapse.

Oil Price published: "Why record-high prices [won't drive a recovery](#) for U.S. coal."

Mining Action Strategy Team

Access the latest snapshot of the NMA's ongoing regulatory efforts. The MAST tracker is updated weekly to the extent new actions have occurred.

Current password: Mining

[Mining Action Strategy Team](#)



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