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# MINE Update

MINING INDUSTRY NEWS E-COMM UPDATE

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Issue 24 | June 22, 2022

Brought to you by the National Mining Association

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## This Week in the News

Continuing January 6 congressional hearings, a potential bipartisan gun, school security and mental health policy deal, and the looming end of the U.S. Supreme Court's current term are dominating the headlines from the nation's capital. 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.

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## Safety Share

Half of all teens will be in a car crash before graduating from high school. National Safety Council has [advice for parents](#).

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## House and Senate Advance Defense Bills with Minerals Provisions



Today, the House Armed Services Committee (HASC) is considering and expecting to pass the FY2023 National Defense Authorization Act (NDAA) in the full committee after many as 900 amendments were filed to the legislation. The topline of the HASC bill was roughly \$802 billion and falls near the President's budget request. Please find a link to the hearing, bill text, and legislative summary [here](#). The HASC NDAA consideration takes place nearly a week after the Senate Armed Services Committee (SASC) passed their respective NDAA out of committee by a vote of 23-3. The SASC considered 433 amendments and adopted 223 bipartisan amendments to the final package, which has a top-line number of roughly \$857 billion. Please find a link to the NMA's memo on the SASC-passed NDAA [here](#).

Mineral provisions in the SASC NDAA include language to provide additional flexibility and authority to the National Defense Stockpile (NDS) to acquire strategic and critical minerals that are determined to be deficient in the existing stockpile. This language is supported by an authorization of \$1 billion for the NDS to acquire minerals currently in shortfall and more than doubles the existing value of the stockpile, allowing the Department of Defense (DoD) to access the materials needed to meet modern national security demands in real time. The Senate bill also requires the DoD to track the sourcing of contractor-provided rare earth elements and critical materials with certain national security waivers and periodic reviews of the tracking process, provide congressional briefings on strategic and critical

materials shortfalls, authorizes a pilot program to support domestic battery producers, and directs a report on the current enriched uranium supply and demand curves.

As introduced, the HASC NDAA shares overlapping priority concerns related to supply chain disruptions of antimony, which is a critical mineral with a variety of military applications. According to the USGS, China is currently the world's largest supplier of antimony, followed by Russia in second and Tajikistan in third. The House bill directs the NDS to provide a congressional briefing by the end of the current fiscal year on the existing stockpile antimony as well as a 5-year outlook of related current and future supply chain vulnerabilities. Similarly, the SASC bill also directs a briefing on antimony to address supply chain vulnerabilities. The HASC bill also underscores the vulnerabilities of U.S. import reliance on foreign sources of minerals for battery supply chains and adds requirements through the Atomic Energy Defense Act directing the Department of Energy to consider uranium production by private industry and how uranium enrichment options would reduce reliance on importing uranium from foreign adversaries.

Additional minerals amendments the NMA has pursued with the Armed Services Committees in both chambers were unable to be considered in committee due to jurisdictional issues conflicting with other congressional committees. The NMA will continue to pursue other options for these priorities, including in committee substitutes prior to the beginning of floor consideration in the House and Senate, amendments which may be accepted in manager's packages once on the floor, or otherwise proposed as amendments to the House and Senate NDAA bills and provide relevant updates as necessary.

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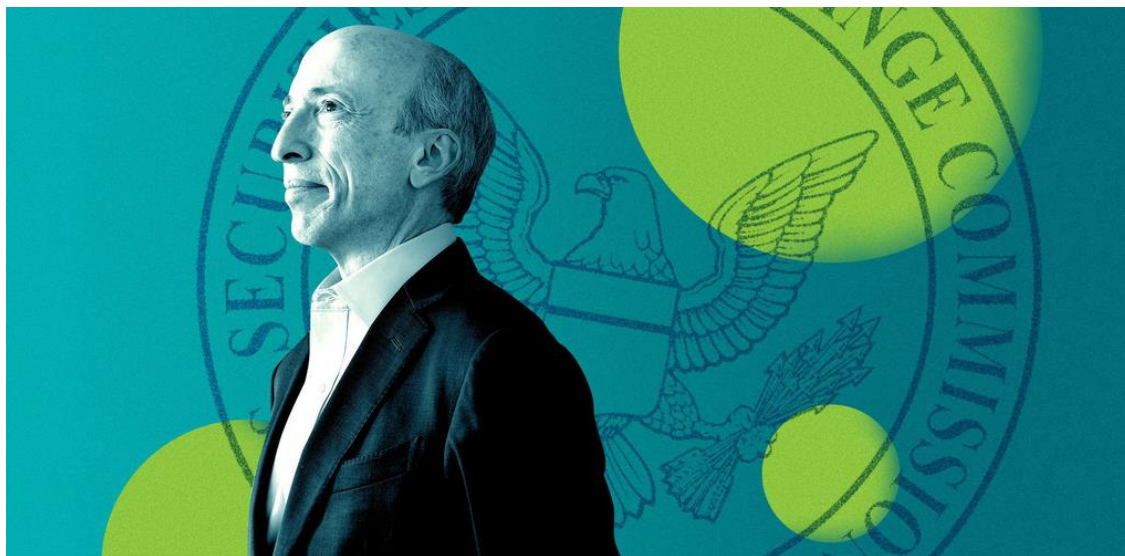
## EPA Proposal Gives States and Tribes More Authority to to Block Projects under the CWA

The EPA recently published its proposed Clean Water Act (CWA) [section 401 state certification rule](#). 87 Fed. Reg. 35318 (June 9, 2022). **Comments are due Aug. 8, 2022.** EPA also plans to hold several virtual public meetings in the next month. Overall, the proposed rule gives states and tribes more latitude in the 401 certification process in

several key ways, including setting the “reasonable period of time” certifying authorities have to review certification requests, expanding the scope of certification from a point source discharge to the “activity as a whole,” and providing additional opportunities for tribes to be engaged in the certification process. If finalized as proposed, these changes could result in additional delays or requirements for your projects. For more details on the proposed rule, please review the NMA’s June 13 [memo](#).

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## NMA Files Comments on the SEC’s Climate Disclosure Proposed Rule



Last Friday, the NMA submitted comments on the Securities and Exchange Commission’s (SEC) proposed rule mandating climate-related disclosures. The NMA’s comments comprehensively detail how the SEC’s approach creates extensive practical barriers to compliance as well as significant legal vulnerabilities. The NMA argues that many of the proposed rules flaws stem in large part from the SEC’s one-size-fits all climate disclosure requirements that are untethered to the well-understood traditional interpretations of materiality. The NMA also argues that this approach will remove all the flexibility that companies now have under existing SEC regulation and guidance, along with meaningful voluntary disclosures, to be responsive to their stakeholders. The NMA also warns that

prescriptive SEC disclosure rules risk failing to keep pace with investor and other stakeholder-driven changes to climate disclosure.

The NMA urges the SEC to make certain changes if it proceeds with a final rule. At a minimum, these changes include: (1) eliminating any mandates to disclose non-material matters; (2) removing the financial statement metrics that require speculation about the impact of climate-related risks, weather events, and transition activities on each of the line items in an issuers consolidated financial statements; (3) eliminating the Scope 3 reporting requirement; (4) removing any requirements that interfere with the traditional roles of the company and its board of directors and management; (5) clarifying and streamlining the definition of physical risks; (6) allowing for alternative reporting regimes to satisfy disclosure requirements; (7) providing an enhanced and expanded safe harbor protection for disclosures; (8) allowing for climate-related disclosures to be “furnished” rather than “filed”; and (9) providing additional time to comply with new disclosure requirements.

Yesterday, the administration released the “Spring” unified regulatory agenda. The SEC’s [entry for this rule](#) indicates an October 2022 target date for a final rule. It is highly unlikely that the SEC will meet this internal target given the massive number of comments filed on the proposed rule and the wide-ranging substantive issues raised by stakeholders that the Commission will need to address.

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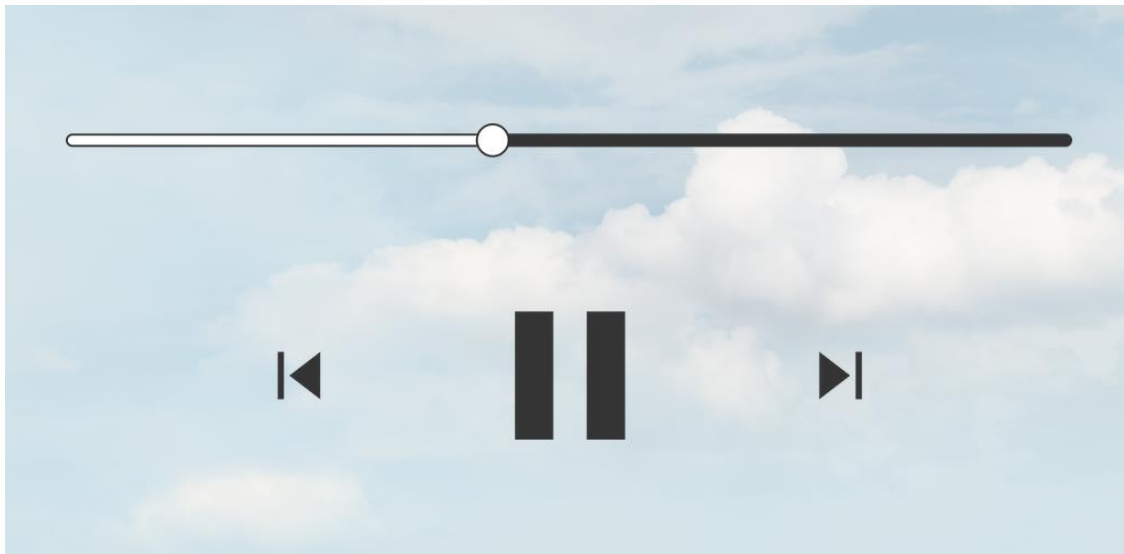
## NMA Files Comments on EPA’s Interstate Transport Rule

The NMA yesterday filed comments on EPA’s “[Federal Implementation Plan](#) Addressing Regional Ozone Transport for the 2015 Ozone National Ambient Air Quality Standard.” This proposal is a significant regulatory threat to the continuing operation of coal-fired generation. The proposed rule could force the retirement of over 48 gigawatts of capacity within just a few years. The NMA’s comments argue that: (1) the proposed rule illegally imposes disproportionate burdens relative to contributions and overrides the role of the states; (2) the emission budgets are infeasible, will cause generation shifting, and therefore exceeds EPA’s authority; (3) the proposed rule will destabilize the grid; and (4) EPA may

not and should not compel installation of selective catalytic reduction controls via a “backstop” daily emissions rate.

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## Ozone NAAQS Reconsideration on Pause



The Clean Air Scientific Advisory Committee (CASAC) recently [met virtually](#) to discuss the underlying science and causality determinations the EPA is using in its reconsideration of the ozone National Ambient Air Quality Standards (NAAQS). CASAC paused the review of the [external review draft](#) of the Policy Assessment that recommended retaining the existing 70 parts per billion ozone standards without change. Members of CASAC expressed concerns regarding EPA’s characterization in the 2020 Integrated Science Assessment (ISA) of the science concerning health and welfare effects of ozone. CASAC has now asked EPA for another briefing on certain scientific issues before proceeding with a peer review of the draft Policy Assessment. CASAC hopes to complete this extra step, culminating in a letter to the EPA Administrator on its recommendations regarding the ISA, this summer.

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## NMA and Third Party Voices

The [Washington Examiner](#) reports a new poll commissioned by the National Mining Association found bipartisan worry about the risks of blackouts and support for government action to stem premature power plant closures.

The NMA is mentioned by the [Glen Rose Reporter](#) in a story noting Rep. August Pfluger (TX-11) and Rep. Dan Newhouse (WA-04) introduced the Critical Minerals Classification Improvement Act to secure a domestic supply of critical minerals with bipartisan support.

From our third parties, [The Eastern New Mexico News](#) (N.M.) carries an op-ed by Jim Constantopoulos, a geology professor at Eastern New Mexico University, in which he argues we must open new mines faster in order to bring about effective climate action.

[Salem News](#) (Ohio), [Lisbon Morning Journal](#) (Ohio), [East Liverpool Review](#) (Ohio) and [Lima Ohio](#) (Ohio) carry an op-ed by Mike Cope, president of the Ohio Coal Association, in which he argues voters are concerned about rising electricity costs and coal can provide the reliable energy voters need.

The [NWI Times](#) (Ind.), [Nashua Telegraph](#) (N.H.) and [Delaware Valley Journal](#) (Pa.) carry an op-ed by David Banks, a former vice president of a mining industry trade association, in which he argues it is time to reform mine permitting.

## Mining and Energy News

[E&E News](#) reported that the Biden administration is preparing to dole out mine cleanup money to states and tribes under the recent bipartisan infrastructure law, but the president hasn't appointed anyone to formally oversee the program.

[Argus](#) reported that U.S. utility Ameren has proposed delaying the retirement of its Rush

Island Energy Center coal plant in Missouri because of grid reliability issues.

The [Colorado Sun](#) reported that Colorado regulators question the Excel Energy \$1 billion price tag to shut down five coal plant units and is requesting further analysis on the plan.

[Utility Dive](#) reported that starting next summer, the Midcontinent Independent System Operator faces a possible 2.6 GW capacity shortfall, which could grow to 10.9 GW in 2027, according to an annual report jointly released by the grid operator and the Organization of MISO States.

The [Albany Herald](#) reported that Georgia Power would retire two coal-fueled units and two gas-fueled units at two power plants by the beginning of August under an agreement filed with the state Public Service Commission (PSC). But the Atlanta-based utility also would put the brakes on a proposal to develop 1,000 megawatts of energy generating capacity through battery storage by 2030.

[GreenWire](#) reported that EPA is investigating closure plans for more than 160 unlined coal ash disposal units.

[Silver Institute](#) recent analysis indicates that in 2021, brazing and soldering silver alloys used 47.7 million ounces of silver, representing 9.3 percent of the total industrial demand for silver last year. By 2030, the demand for silver used in brazing and soldering is forecast to reach 58.8 million ounces, a 23 percent increase over 2021.

In a recent [Today in Energy](#), EIA warned that they are expecting wholesale electricity prices to significantly increase this summer compared to last summer's prices.

[E&E Daily](#) reported that House Natural Resources Chair Raúl Grijalva is mulling slimming down his landmark bill to reform the General Mining Act of 1872.

[Argus](#) reported that environmental group Sierra Club is looking to halt modifications to American Consolidated Natural Resources' (ACNR) Lila Canyon coal mine leases in Utah.

[Mining.com](#) reported that while recycling can relieve some pressure from the supply

deficit of battery raw materials, it will not be able to meet demand, according to Wood Mackenzie.

[E&E Daily](#) reported that a bipartisan House bill would empower the U.S. Geological Survey to declare uranium and other minerals related to energy generation as critical to national and economic security.

[The Wall Street Journal](#) reported that Caterpillar Inc. is decamping to Texas from its longtime Illinois base, joining other major U.S. companies weighing hiring and costs as they work to move past the continuing Covid-19 pandemic.

[Reuters](#) reported that the U.S., Canada and other countries have established a new partnership aimed at securing the supply of critical minerals, which are essential for clean energy and other technologies, as global demand for them rises. “Demand for the minerals, such as nickel, lithium and cobalt, is projected to expand significantly in the coming decades.”

[Northern Miner](#) reported from PDAC 2022 in Toronto that if gold companies want to survive the future of mining, which will entail low-grade ores and the required responses to climate change, they will need to consolidate, according to Newmont CEO Tom Palmer, during his keynote speech on the event’s second day.

[Utility Dive](#) reported that the West Virginia State Treasury is slated to blacklist six of the nation’s largest financial firms from accessing state contracts, in view of perceived lending discrimination against the fossil-fuel industry.

[Energy Law 360](#) reported that an Alaska federal court backed an earlier decision giving the federal government leeway to review a prior approval of a \$1 billion mining access road project, finding that work allowed to continue in the meantime will have minimal effects.

[Argus](#) reported that U.S. coal mining fatalities increased early this year as producers ramped up output.

[Utility Dive](#) reported that the Midcontinent Independent System Operator will be

increasingly reliant on emergency or non-firm resources, MISO and the Organization of MISO States said in a report released last week.

[Argus](#) reported that U.S. coal receipts rose in March from year-earlier levels amid a jump in shipments from Powder River basin and Illinois basin mines.

[ABC News](#) and others reported that coal, long treated as a legacy fuel in Europe, is now helping the continent safeguard its power supply and cope with the dramatic rise in natural gas prices caused by the war. Electricity generated by coal in the European Union jumped by 19 percent in the fourth quarter of 2021 from a year earlier, according to the EU's energy directorate, faster than any other source of power, as tension spiked between Russia and Ukraine and ahead of the invasion in late February.

[Institute for Energy Research](#) published: "U.S. coal goes to Asia because of Biden's war on coal."

[EnergyWire](#) reported that Austria is joining other European nations, including France, Germany and the United Kingdom, in extending the life of coal-fueled power following Russia's invasion of Ukraine.

Germany announced plans to [restart coal-fueled power plants](#).

[Bloomberg](#) published: "War derails plan to ditch coal after UK championed global cuts."

[Reuters](#) published: "Europe may shift back to coal as Russia turns down gas flows."

[Mining.com](#) published: "New Wyoming facility to boost extraction of rare earth elements from coal."

[U.S. News & World Report](#) published: "Researchers look at producing rare elements From North Dakota 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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