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MINE Update

MINING INDUSTRY NEWS E-COMM UPDATE

Issue 34 | August 31, 2022

Brought to you by the National Mining Association

This Week in the News

Congress remains in recess and the President hit the campaign trail. When Congress returns after Labor Day, however, members will face the imminent need to pass a stopgap spending bill, while discussions around a permit reform package are an active opportunity for miners and resource developers. 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 National Highway Traffic Safety Administration has a host of materials to encourage people to “[drive sober this Labor Day](#), and every day.”

NMA Comments on White House Interagency Working Group on Mining



Yesterday, the NMA submitted [comments](#) in response to the Interagency Working Group’s (IWG) request for information (RFI) on federal hardrock mining laws, regulations and permitting. While the comments extensively address the specific questions raised by the IWG related to topics such as conversion to a leasing system, royalties, financial assurance and permitting, the first half of the comments is designed to demonstrate the urgent need for action to shore up our mineral supply chains. With our documented supply chain vulnerabilities exacerbated by pandemic- and war-related challenges as the backdrop, and skyrocketing mineral demand for the electrification of the global economy as the stage, the comments urge government policies that promote domestic mineral production and processing. In particular, the comments highlight the need to address our biggest self-imposed policy bottleneck: our inefficient and prolonged permitting system.

In addition to the submission of the NMA's comments, a group of 31 bipartisan and bicameral members of Congress submitted comments that urged Department of the Interior (DOI) Secretary Deb Haaland and the IWG to make meaningful recommendations that will support domestic mineral supply chains to meet increased mineral demands. They further urged the IWG to maintain essential U.S. competitive advantages while ensuring world class labor, environmental and safety standards. The letter, which can be found [HERE](#), was led by Senators Catherine Cortez Masto (D-Nev.) and James Risch (R-Idaho) as well as Representatives Steven Horsford (D-Nev.) and Blake Moore (R-Utah). In total, through strong shoe-leather lobbying, the NMA was able to secure 11 Democrats and 20 Republicans on the letter. This letter strongly offsets another letter that was circulated in late July by Senator Martin Heinrich (D-N.M.) and Congressman Raul Grijalva (D-Ariz.) to the IWG, urging recommendations that align with their legislation to amend the General Mining Law.

Further, through the tremendous efforts of the NMA's hardrock members and state mining associations, there were more than 2,600 grassroots communications submitted to the IWG docket by mine workers and industry supporters in favor of a robust domestic mining industry. The NMA will continue to track additional developments related to the IWG's efforts to make recommendations on mining regulations, sharing any relevant information with this group.

[FOX News](#) covered the NMA's comments in depth as well as the bipartisan letter from members of Congress.

EPA Proposes Revisions to the Risk Management Program for Hazardous Substances

The Environmental Protection Agency (EPA) today published a [proposed rule](#) adding new requirements to the Risk Management Program (RMP) under Clean Air Act (CAA) section 112(r) "to further protect vulnerable communities from chemical accidents, especially those

living near facilities with high accident rates.” The RMP focuses on chemical accident prevention at facilities using extremely hazardous substances. Notably for the mining industry, EPA has decided not to propose expanding the list of RMP-regulated substances to include ammonium nitrate at this time. Instead, “EPA acknowledges the need for reviewing the list of RMP-regulated substances,” and targets ammonium nitrate as a “priority chemical for EPA’s upcoming review.” While EPA says this issue is beyond the scope of this proposed rule, the agency still welcomes comment on this issue. Historically, the NMA has opposed adding ammonium nitrate to the list of RMP-regulated substances as it would needlessly expand this program and duplicate other federal regulations on the safe handling of this chemical substance on mining sites. For those companies that are subject to RMP for other chemical substances, the NMA has communicated substantive program changes over the last eight years. We encourage companies to review the NMA’s [analysis](#) of the latest proposed amendments and regulatory requirements and provide feedback to Tawny Bridgeford at tbridgeford@nma.org. Comments are due on Oct. 31, 2022.

NMA Comments on FERC Grid Reliability Rulemakings



The NMA recently filed comments on two proposed rulemakings issued by the Federal Energy Regulatory Commission (FERC), available [here](#) and [here](#). The first proposed rule directed the North American Electric Reliability Corporation (NERC) to submit modifications to its Reliability Standard TPL-001-5.1 (Transmission System Requirements) to address reliability concerns pertaining to transmission system planning for extreme heat and cold weather events that impact the reliable operations of the bulk power system. The second proposed rule directed transmission providers to submit one-time informational reports describing their current or planned policies and processes for conducting extreme weather vulnerability assessments.

While the proposed rules were not squarely directed to power producers, the NMA used this opportunity to elevate our advocacy on the importance of coal to ensuring grid reliability and the impact of misguided regulatory actions and policies, particularly those from the EPA, on grid reliability. The NMA's comments also supported Commissioner James Danly's concurrences to these proposals, in which he clarified that the root of reliability problems is not the weather. Rather, he said, the problem is "federal and state policies which, by mandate or subsidy, spur the development of weather dependent generation resources at the expense of the dispatchable resources needed for system stability and resource adequacy." To illustrate examples of misguided government policies threatening reliability, the NMA highlighted EPA's suite of regulatory actions that threaten the coal fleet and grid reliability, including the interstate transport and coal ash rulemakings. The NMA will continue to find opportunities with FERC to advocate for the coal sector.

NMA Meets with Army Corps Regulatory Branch Leadership

At the NMA's invitation, three leaders from the U.S. Army Corps of Engineers (Corps) Regulatory Branch joined the NMA and other allied industry association representatives and met at the NMA's D.C. office yesterday to discuss recent policy changes being

pursued by the Corps. The NMA was joined by Acting Regulatory Branch Chief Tom Walker, Deputy Chief Tunis McElwain, and Infrastructure Investment and Jobs Act Manager David Hobbie. The purpose of the meeting was to discuss concerns the NMA-led coalition identified with the Corps' recent Federal Register notice seeking comment on a range of significant policy changes, including tribal consultation on approved jurisdictional determinations, environmental justice guidance for the Corps' regulatory program, and an upcoming rulemaking that could revise the Corps' regulations implementing Section 106 of the National Historic Preservation Act. We also expressed concerns about the direction the U.S. EPA appears to be heading on the Waters of the United States and Clean Water Act Section 401 rules. The NMA will continue to engage with Corps leadership on these and other issues of importance to our members.

NMA Briefs Attorneys General on EPA's Proposed Transport Rule



On August 29, the NMA gave a briefing to 17 attorneys general in Colorado Springs, Colorado. The focus of the briefing was EPA's proposed Transport Rule and the dangers it will cause for the country's reliable electricity production. EPA's Transport Rule has already been opposed by a group of [labor unions](#) and [regional grid operators](#) from across the

country for its threats to the electric grid and over 50,000 MW of coal electricity generation. EPA's way of proposing the Transport Rule by denying the plans submitted by 26 states and proposing a Federal Implementation Plan is drawing more and more criticism in Congress. Please find an oversight letter from the Ranking Member of the House Energy and Commerce Committee [here](#) and Ranking Member of the Senate Environment and Public Works Committee [here](#).

Western Coal Traffic League Petitions STB to Issue Rules Protecting Captive-Shippers



Last week, the Western Coal Traffic League submitted a [Petition for Administrative Action](#) (petition) to the Surface Transportation Board (STB) requesting the STB to enact rules that implement the revenue adequacy constraint in a manner that will permit shippers to obtain meaningful, cost-effective relief in complaint cases. The petition requests that the STB advance a rulemaking that was initiated in 2014 to address the issue of captive-shipper protections and relief, and prevent rate increases to captive-shippers once the railroad achieved revenue adequacy.

This petition is a separate action and is unrelated to the recent STB [hearings](#) on unreliable

and inconsistent rail service, and the subsequent [order](#) by the STB directing four Class I carriers to provide additional information on their actions to improve service and communications with their customers this year.

NMA and Third Party Voices

[Elko Daily Free Press](#) (Nev.) carries an op-ed by Rich Nolan arguing that the anti-coal provisions in the Inflation Reduction Act coupled with EPA's dangerous regulatory agenda could make an alarming situation for our electricity grid far worse.

The NMA's Katie Sweeney is quoted by [E&E Greenwire](#) in a report that mining companies have longed to get a fix for their federal permitting problems. But some legal experts say they shouldn't hold out hope that those issues will go away with a new permitting reform proposal making its way through Congress.

The NMA is mentioned in a press release from the [U.S. Chamber of Commerce](#) in response to EPA's announced rule regulating cleanup of per- and polyfluoroalkyl substances (PFAS) under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

[WyoFile](#) mentions the NMA in a report noting that a federal judge in Montana issued two separate decisions this month that threaten the future of federal coal leasing in the Powder River Basin — where mining was already expected to continue a precipitous decline.

From our third parties, [Boston Herald](#) (Mass.) and [Inside Sources](#) (D.C.) ran an op-ed by Jaak Daemen, professor emeritus of mining engineering at the University of Nevada, Reno, in which he argues failure to advance permitting reform will harm efforts at electrification of the economy.

The [Billings Gazette](#) (Mont.) and [Wheeling Intelligencer](#) (W.Va.) carry an op-ed by Thomas Madison Jr., an infrastructure consultant who has previously served as

administrator of the U.S. Federal Highway Administration, in which he argues regardless of why politicians seek permitting reform, it's clear that our country desperately needs it.

Mining and Energy News

[E&E News PM](#) reported that Alaska's two senators, Murkowski and Sullivan, made an outward plea for the Biden administration to make it easier to mine in Alaska, amid a rush for minerals.

[USGS](#) recently announced that Alaska will receive more than \$6.75 million to conduct geologic mapping, airborne geophysical surveying, and geochemical sampling in support of critical mineral resource studies in the state.

[World Steel Association](#) reported that world crude steel production was 149.3 million tons (Mt) in July 2022, a 6.5 percent decrease compared to July 2021.

[Mining.com](#) reported that years of neglecting its critical metal supplies is finally catching up with the United States, whose government now realizes it must invest heavily in mining and manufacturing, as demand for the raw materials grows.

[E&E Greenwire](#) reported that the Biden administration is looking at funding Canadian mining and metals companies, as the new law sends U.S. automakers scrambling to find new sources of raw materials for electric vehicles.

[Washington Examiner](#) reported that lithium prices in China are flirting with records now that authorities in the Sichuan province have extended industrial power cuts in the region due to excessive heat, spotlighting again the bumpy road that manufacturers across the globe face as they try to meet ballooning demand.

[Bloomberg](#) reported that the auto industry's shift away from cobalt in electric car batteries shows how meaningful market forces and ingenuity can be in response to bottlenecks.

[E&E Energywire](#) reported that researchers have created the first comprehensive assessment of water dynamics at Chile's Salar de Atacama salt flat, a development they say is critical for protecting a reserve holding 42 percent of the world's lithium.

[Washington Examiner](#) reported that the U.S. is acting with the same initiative on nuclear fuel as the Europeans are with respect to natural gas: develop alternatives to Russian uranium supplies, and do it fast.

[E&E News](#) reported that progressive environmental groups are urging Democratic leaders in Congress to scuttle the permitting reform deal expected to be considered next month.

The [International Copper Study Group's](#) recent preliminary data indicated that world copper mine production increased by about 3 percent in the first half of 2022, with concentrate production increasing by around 2.3 percent and solvent extraction-electrowinning (SX-EW) increasing by about 6.5 percent. U.S. copper mine output increased 4 percent.

The [International Lead and Zinc Study Group's](#) recent preliminary data indicated that world zinc mine production fell in Australia, Brazil, Canada, Greece, Ireland, Peru and Burkina Faso, where Trevali's Perkoa mine was suspended in April due to a flooding event. These declines were partially balanced by rises in Bolivia, India, Mexico, Portugal, South Africa and the U.S., resulting in an overall reduction globally of 1.9 percent.

[The Hill](#) carries an op-ed arguing that hundreds of new critical metals mines will be needed for clean energy technologies.

[The New Yorker](#) reported that recent research suggests that we may be able to simultaneously clean up the pollution and extract the minerals and elements needed to power green technologies.

[Argus](#) reported that coal exports out of Hampton Roads, Virginia, reached their highest level in more than three years in July, driven by strong international demand for U.S. steam and metallurgical coals amid a global shortage of supply.

[Argus](#) reported that major U.S. coal-hauling railroads' on-time performance worsened during the second quarter, as carriers struggled to hire enough employees to meet demand, shippers say.

In a recent [Today in Energy](#) release, EIA noted that "Some coal-fired power plant owners have taken steps to make their plants more competitive rather than permanently closing them, including making their plants fuel flexible. Adding this flexibility has allowed the plants to better respond to market conditions by burning the fuel that is most economical at the time."

[Argus](#) reported that U.S. coal generation fell 16 percent in June as generation from natural gas and renewable energy climbed.

[NPR](#) reported that the ongoing drought is threatening coal plant operations and electricity across the western U.S. "Some utilities are already sending warnings, telling federal regulators that the drought could threaten coal plant operations. But there's uncertainty at the state level over which officials are responsible for managing drought risk to power plants and the threat of brownouts and blackouts."

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](#)

CORESafety



The August edition of CORESafety TV:

- A discussion of the dangers of extreme heat.
- An interview with Stephen Gigliotti from MSHA.
- CORESafety's module eight on Communication and Collaboration.

Bluefield Coal & Mining Show



THE BLUEFIELD COAL & MINING SHOW

A Show for Mining:
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