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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

As headlines turned to urgent financial matters, regulatory and congressional initiatives affecting the mining industry continued to grind 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

Many parts of the United States have accumulated above average snowpack this winter. With temperatures now on the rise, Ready.gov has tips on [preparing for flooding](#).

House Leadership to Advance Permitting Reform to the Floor



Yesterday, House Majority Leader Steve Scalise (R-La.) along with House Natural Resources Committee Chair Bruce Westerman (R-Ark.), House Energy and Commerce Committee Chair Cathy McMorris Rodgers (R-Wash.), and House Transportation and Infrastructure Committee Chair Sam Graves (R-Mo.) introduced the Lower Energy Costs Act, H.R. 1. The legislative package is comprised of bills considered and passed out of all three committees targeting permitting and regulatory barriers that burden energy and mineral projects. Please find a link to the bill text [here](#), the Majority Leader's press release [here](#) and the NMA's memo on the legislation [here](#). H.R. 1 is expected to be considered the week of March 27. The NMA is closely working with committee and House leadership staff as the legislation progresses toward floor

consideration and prepare for a variety of anticipated amendments to the legislation.

STB Names Three NMA Coal CEOs to Railroad-Shipper Advisory Committee

Last week, the Surface Transportation Board (STB) [announced](#) the appointment of Mr. James Grech, President and Chief Executive Officer of Peabody Energy; Mr. Paul Lang, Chief Executive Officer and President of Arch Resources, Inc.; and Mr. Vern Lund, Chief Executive Officer of Navajo Transitional Energy Company, to the Rail Energy Transportation Advisory Committee (RETAC). These three seats are dedicated to only coal producers under the STB rules and regulations.

The appointment of the three producers to the RETAC represents the first time under Chairman Oberman that the coal mining industry has had representation on the committee, despite coal remaining the largest volume commodity transported on railways. RETAC meets at least biannually and is an opportunity for the STB to receive testimony directly from the coal production industry and work with the industry on long-term rail car service deficiencies. For more information on the committee, including membership and prior meeting presentations and materials, visit the STB RETAC site [here](#).

NMA Works with States, Coalition to Highlight Regulations Threatening Electricity Reliability



Last week during CERA week in Houston, the NMA's Ryan Jackson and Jerry Mullins spoke to a gathering of state attorneys general and private sector coalition partners at the Center for Law and Policy Energy Summit. The keynote address for the summit came from Federal Energy Regulatory Commissioner James Danly and a significant part of the summit focused on the threat to electricity reliability throughout the country from new U.S. Environmental Protection Agency (EPA) regulations. With the denial of state implementation plans from 19 states under the Ozone Transport Rule in mid-February and anticipated final federal implementation plan impacting nearly two dozen states next month, participants heard about new litigation filed in federal courts in the 10th Circuit, 8th Circuit and 5th Circuit federal courts of appeals with more coming from state attorneys general representing states whose state implementation plans EPA denied. Participants heard about a coalition of partners, including the NMA, filing upcoming litigation in the D.C. Circuit Court of Appeals based on the new federal implementation plan under the Ozone Transport Rule. Due to the far reaching impact of the rule beyond emissions from coal powered utilities, Nevada is one of the hardest hit states under the upcoming federal implementation plan and provides a bipartisan opportunity for litigation against the regulation. Participants also heard about: new litigation filed by private sector utilities due to denied coal combustion

residuals application extensions; upcoming challenges and litigation opportunities from potential regional haze federal implementation plans in 15 states in which EPA recently denied state implementation plans; and EPA's new effluent limitation guidelines impacting water discharges from coal powered utilities.

EPA & DOE Sign Memorandum of Understanding on Electric Reliability

The EPA and the U.S. Department of Energy (DOE) **announced** a **joint memorandum of understanding** (MOU) where they claim the MOU "will support access to reliable, affordable electricity and advance the United States toward the Biden-Harris Administration's goal of a net-zero economy by 2050." The MOU is a framework for interagency cooperation and consultation on electric sector resource adequacy and operational reliability. According to the press release, "the MOU will support the work of the two agencies as EPA develops new health and environmental protections for the power sector and as DOE works to implement President Biden's historic investments in America, including resources for clean energy deployment and grid reliability and resilience from the Bipartisan Infrastructure Law and the Inflation Reduction Act." The MOU does not commit EPA or DOE to meet with other entities, such as the regional transmission operators or state public utilities commissions. Instead, EPA and DOE "may hold joint meetings with other entities" and "convene technical workshops to solicit information and input from outside stakeholders and experts." The NMA believes this MOU is a woefully inadequate response to the significant grid reliability concerns repeatedly raised in regulatory and legislative forums regarding the EPA's power sector strategy, which is designed to force the premature closure of coal plants. The MOU is supported by the Edison Electric Institute, National Association of Regulatory

Utility Commissioners, and PJM Interconnection LLC. Additional information is available [here](#).

Calls for Reliability from Utah



This week the Utah legislature passed House Bill 425 and sent it to Governor Spencer Cox's desk for signing. The legislation affirms that it is the state's duty to ensure electric utilities can put "dispatchable" and "reliable" power on the grid and would require utilities to notify the legislature six months in advance of any plans to retire coal-fired power plants. The governor is expected to sign shortly.

EPA Signs Ozone Transport Rule

The EPA today signed the final Federal "Good Neighbor Plan" for the 2015 Ozone National Ambient Air Quality Standards (NAAQS) (also known as the Ozone Transport Rule). This action finalizes Federal Implementation

requirements to address 23 states' obligations to eliminate significant contribution to nonattainment, or interference with maintenance, of the 2015 ozone NAAQS in other states. EPA's [press release](#) asserts that this rule "provides a long-term planning horizon for states, grid operators, and power companies to make informed decisions and continue to ensure electric system reliability." The NMA issued a [statement](#) blasting the agency's claims of protecting grid reliability, asserting that "EPA is acting on its longstanding threat to make it impossible for utilities to make decisions based on the merits of what keeps the lights on, forcing those utilities to make decisions solely based on the EPA's agenda, an agenda formed absent consideration of America's energy reality." This rule applies to coal plants in 22 states through an allowance-based trading program beginning in the 2023 ozone season that will accelerate coal plant retirements. The rule also applies to certain industrial sources in 20 states, including certain boilers used by the metal ore mining industry, through emissions limitations and associated requirements beginning in the 2026 ozone season. A copy of the 935-page rule is available [here](#). EPA's fact sheet is available [here](#). Supporting documents are available [here](#). The NMA is reviewing the rule and will provide a more detailed summary to members. The rule will be effective 60 days after it is published in the Federal Register.

NMA Staff Visit Freeport-McMoRan Sierrita Mine



Last week, members of the NMA’s Legal and Regulatory and Government Affairs teams toured Freeport-McMoRan’s Sierrita mine. The visit gave NMA staff an opportunity to see first-hand the copper and molybdenum mining and processing operations. NMA staff also learned of the robust and protective safety and environmental measures that Freeport-McMoRan has in place at the Sierrita mine, and other mining operations. The NMA would like to thank Freeport-McMoRan and its team at the Sierrita mine for their generous hospitality on the mine tour!

NMA Hosts Environment & Lands Committee Meeting

We would like to thank those members who were able to participate in the Spring Environment and Lands Committee meeting last week in Scottsdale, Ariz. We had a record turnout of over 80 attendees, demonstrating that this meeting continues to be an integral part of the NMA’s overall advocacy program as we develop strategies on the key regulatory challenges and opportunities facing the industry this year. The robust dialogue is also a

testament to the importance of the regulatory agenda and achieving our objectives. The NMA team looks forward to continuing this collaboration and advancing our priority issues throughout the upcoming year. Materials from the meeting may be accessed [here](#).

NMA Attends PDAC



The NMA's Catherine Krill, Director of Strategic Development and Membership, last week attended "[PDAC 2023](#): The World's Premier Mineral Exploration & Mining Convention." Nearly 24,000 attendees headed to Toronto last week to learn about and discuss global mineral exploration. Krill attended numerous sessions focused on individual companies and their mineral exploration efforts in the United States. She also visited with NMA members who were exhibiting and attending, and identified dozens of potential new NMA members for further engagement. Congratulations to all members who enjoyed a successful PDAC!

Reminder: The NMA's Spring Board Meeting is April 2-4

National Mining Association Spring Board of Directors Meeting

April 2-4 | Sea Island, GA



The NMA Spring Board of Directors Meeting will be held April 2-4, 2023, at the Sea Island Resort, in Sea Island, Georgia. To register for the board meeting, as well as optional activities including a golf outing and to register a guest (partner, spouse and/or child), please click [here](#). While the NMA room block is now closed, you may contact [Katie Coon](#) to inquire about hotel accommodations, click [here](#) to reserve a room directly with the resort or call the reservations department at 1-844-424-1034.

NMA and Third Parties In the News

[Deseret News](#) quotes the NMA's Katie Sweeney on the rising demand for minerals and the importance of mining in Utah.

[The Washington Post](#), [Associated Press](#) and others quote the NMA in coverage of the Biden administration's new effluent limitations guidelines.

[Axios](#) quotes the NMA in a story noting that permitting overhaul efforts have veered left into an unexpected conversation: how to hold mining companies

accountable for environmental and human rights problems.

[E&E Greenwire](#) mentions the NMA in a story noting that, only days before EPA is set to issue its latest crackdown on interstate smog pollution, advocacy groups are making last-ditch closing arguments to White House officials reviewing the final version.

From our third parties, [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 against relying on Russian uranium.

The [Dominion Post](#) (W.Va.), [Register Herald](#) (W.Va.), [White Mountain Independent](#) (Ariz.) and [The Times of Northwest Indiana](#) (Ind.) all ran an op-ed by Syd S. Peng, the Charles E Lawall Chair of Mining Engineering emeritus in the Department of Mining Engineering at West Virginia University, in which he argues for the importance of coal.

Mining and Energy News

[The Hill](#) carries an op-ed arguing that not enough is being done to allow for domestic mining in favor of importing minerals.

[Mining.com](#) reported on analysis from Darton Commodities indicating that a record surge in supply of cobalt last year coincided with weaker demand in the second half, leaving a massive surplus by the end of 2022.

[Argus](#) reported on recent EIA *Short-Term Energy Outlook* data projecting that U.S. coal generation will fall less dramatically this year than previously expected with coal power declining by 16 percent from 2022, but 2 percent higher than EIA's February forecast.

[Climatewire](#) reported that “the fate of Pleasants Power Station has become a litmus test of West Virginia's ability to preserve a fuel that has long underpinned its economy. The fight is being repeated in coal mining states across America.” As coal disappears from the country's electric mix, mining states are launching efforts to save the industry.

[Greenwire](#) reported that electric vehicle buyers and makers, as well as mining companies, are eagerly anticipating the Biden administration’s expected announcement this month on which vehicles can get credits worth up to \$7,500 under last year’s climate law.

[Reuters](#) reported that the European Union aims to set up a central purchasing agency for critical materials such as lithium and rare earths and force member states to speed up permitting for new mines and processing plants, according to draft legislation.

[Greenwire](#) reported that global copper producers unveiled a plan last week to slash emissions and reach “net zero” by 2050 in the face of rapidly increasing demand to use the material in electric vehicle batteries, transmission projects and renewable energy technology.

[Mining.com](#) reported that copper mining companies are scrambling to attract and retain workers, especially in the U.S., amid rising global demand for the green energy transition. Workers are needed with skills to build and run mines producing lithium, nickel, copper and other metals.

[Deseret News](#) reported on the rising demand for minerals and the importance of mining in Utah.

[Greenwire](#) reported that coal plants are facing another crackdown as the Biden administration moves forward with plans to limit toxic discharges into lakes and rivers.

Argus reported that U.S. thermal coal exports rose from year-earlier levels in January for the first time in five months as shipments to Europe held near a four-year high.

Wall Street Journal reported that some major coal-exporting countries are reaping the benefits of higher demand for the fossil fuel after sharply raising levies on miners with plans to direct the windfall to everything from hospitals to roads, welfare programs to power-system upgrades.

Bloomberg reported from the last week's Prospectors & Developers Association of Canada (PDAC) conference that "tepid global demand for metals driven by recession fears and China's weak economic recovery have done little to shake the belief among miners that battery materials are heading for an epic bull run."

E&E Daily reported that lawmakers appeared united last week in their desire to see an overhaul of the nation's management of the nuclear fuel cycle, including our uranium supply. Officials say they want to stop using fuel from Russia, which currently supplies about 20 percent of the low-enriched uranium used to power American nuclear reactors.

CNBC reported that in 2021, the world produced 540 thousand metric tons of lithium, a critical component in electric vehicle batteries. By 2030 the World Economic Forum projects that global demand will reach over 3 million tons.

Visual Capitalist graphically describes the relationship between global energy consumption and related carbon emissions over the last 100 years using information from Our World in Data.

The U.S. **Department of Energy** and the Environmental Protection Agency signed a new memorandum of understanding (MOU) last week supporting

reliability of the nation's power system. The purpose of the MOU is "to guide new clean energy opportunities that will support access to reliable, affordable electricity and advance the U.S. toward the Biden-Harris Administration's goal of a net-zero economy by 2050."

[E&E News](#) published "Biden makes oval office pitch on critical minerals."

[Climatewire](#) reported that Utah's largest coal company will relinquish two mining leases and apply the social cost of carbon in the environmental analysis of a third lease as part of a settlement agreement reached last week with environmental groups and the federal government.

[Visual Capitalist](#) graphically describes titanium's complex global supply chain.

[Mining.com](#) reported that China's efforts to ramp up lithium extraction could see it accounting for nearly a third of the world's supply by the middle of the decade, according to UBS AG.

The [World Platinum Investment Council's](#) latest outlook shows a forecasted platinum deficit of 556 thousand ounces (koz) in 2023, as strong demand growth outstrips constrained supply.

[Mining.com](#) reported that over the next two years, China's share of cobalt production is expected to reach half of global output, up from 44 percent at present, according to a Darton Commodities report.

Commodity Prices

Commodity Price - Snapshot

Metals Prices	Date	Price
Cobalt Spot Price (\$/lb)	3/14/23	\$15.50
Copper Spot Price (\$/lb)	3/15/23	\$3.89
Gold Spot Price (\$/ounce)	3/15/23	\$1,924.93
Lithium Spot Price (\$/kg)	3/15/23	\$47.45
Molybdenum Spot Price (\$/kg)	3/14/23	\$90.50
Nickel Spot Price (\$/lb)	3/14/23	\$10.35
Silver Spot Price (\$/ounce)	3/15/23	\$21.81
Steel HRC Price (\$/mt)	3/15/23	\$1,259.30
Steel Rebar Price (\$/mt)	3/15/23	\$629.24
Zinc Spot Price (\$/lb)	3/15/23	\$1.29
Energy Prices	Date	Price
Coal Price - Australian Premium Coking Coal Futures (\$/mt)	3/14/23	\$338.00
Coal Spot Price - Central Appalachian (\$/st)	3/10/23	\$128.60
Coal Spot Price - Newcastle futures (\$/mt)	3/15/23	\$179.52
Coal Spot Price - Rotterdam futures (\$/mt)	3/15/23	\$137.00
Natural Gas Spot Price - Henry Hub (\$/mmbtu)	3/8/23	\$2.50
Uranium Spot Price (\$/lb)	3/14/23	\$50.30

Sources: publically available data from eia.gov, dailymetalprice.com, tradingeconomics.com, sgxgroup.com, investing.com

CORESafety



The March edition of CORESafety TV looks into safety technology for powered haulage with Hexagon.



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