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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

Turmoil reigns in the nation's capital this week as the House struggles to elect a new speaker, blocking all floor action, the Senate is out of session, the clock is ticking toward a November 17 government funding deadline and unexpected attacks on Israel upend U.S. foreign policy. In this dynamic environment, 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 energy and mining markets are faring.

Safety Share

October is National Protect Your Hearing Month. The National Institute for Occupational Safety and Health offers extensive information about [noise and occupational hearing loss](#).

House Republicans Pick Next Speaker



This week, the House Republican Conference has met daily to determine next steps and hear from the two main candidates running to succeed former Speaker Kevin McCarthy (R-Calif.). In a 113 to 99 vote, House Republicans selected House Majority Leader Steve Scalise as their nominee for Speaker of the House. In a 135-88 vote, they also rejected a proposed rule change that would have required a GOP speaker candidate to have 217 votes in the conference before advancing to the House floor. As of this hour, no date has been announced for a vote on the floor, but should Scalise be voted in as speaker, the House GOP will have to elect a new majority leader.

House Awaits New Speaker; NMA Eyes Agency Spending Bills

While awaiting House leadership elections, the NMA is maintaining our focus on what will happen next in Congress. This week the Senate is in recess. However, when Congress resumes session, the Senate will continue consideration of government funding appropriations bills. The House will also resume consideration of the following key appropriations bills for the mining industry:

- One of the first bills to be considered is the Interior, Environment and Related Agencies Appropriations Act. This bill provides funding for the Department of the Interior (DOI) and Environmental Protection Agency (EPA), and pro-mining allies in Congress are already filing pro-mining appropriations amendment provisions. The NMA continues to work to defend pro-mining provisions included in the bill and work to support addition of further amendments addressing the recommendations of the Intergovernmental Working Group of Mining Regulations and the administration's latest National Environmental Policy Act (NEPA) proposals.
- Possibly next, the Financial Services and General Government Appropriations Act, which provides funding for the Federal Permitting Improvement Steering Council (FPISC). We expect pro-mining allies to file amendments to keep permitting option open for the entire mining sector through FPISC.
- Further bills include the Commerce, Justice and Science Appropriations Act, providing funding for the National Science Foundation (NSF). The NSF has new authority from the CHIPS and Science Act to fund mining

curriculum and training at universities.

- Finally, the House will consider the Labor, Health and Human Services Appropriations Act which provides funding for the Department of Labor.

Minerals Security Partnership Announcement Faces Reaction from Congress



As part of the London Metals Exchange Week, the ministers representing the Minerals Security Partnership (MSP) met to increase collaboration and announce examples of projects around the world in which the MSP is investing. Please find a statement from the U.S. State Department concerning the meeting, status of projects and announcements [here](#). Although the MSP is an initiative involving the U.S., Australia, Canada, Finland, France, Germany, India, Italy, Japan, South Korea, Norway, Sweden, the United Kingdom and the European Union to source needed minerals for new manufacturing and securing

supply chains led in part by Jose Fernandez, the U.S. Under Secretary of State for Economic Growth, Energy and the Environment, Congress has continued to raise concerns about the U.S. funding mining projects abroad while slow rolling permitting and financing for domestic projects. Earlier this year, the chairmen of the House Natural Resources and House Oversight and Government Accountability Committees, Congressmen Bruce Westerman (R-Ark.) and James Comer (R-Ky.) wrote Secretaries Blinken and Haaland about the lack of transparency in the MSP program. Please find that letter [here](#). Additionally, in July the Senate passed the National Defense Authorization Act for Fiscal Year 2024, S. 2226, which included Section 1080 addressing expansion of “domestic countries” for the purposes of funding through the Defense Production Act. Last year the Biden administration lobbied Congress unsuccessfully to increase the domestic list from simply the U.S. and Canada to also include the U.K. and Australia. Section 1080 offered as a successful amendment from Senator Dan Sullivan (R-Alaska) requires that funding through the Defense Production Act for new countries may only be available after the Department of Defense certifies no domestic opportunities in the U.S. We expect Congress to continue to request additional information from the State Department about the MSP and members of Congress to pursue legislation to benefit domestic production and processing in legislation like the National Defense Authorization Act.

New California Climate Disclosure Mandates May Impact Your Company

California Governor Gavin Newsom signed two landmark climate disclosure bills last weekend, jumping ahead of the U.S. Securities Exchange Commission in mandating burdensome and complicated reporting rules on greenhouse gas (GHG) emissions and climate risks. Senate Bill 253 on GHG emissions disclosures is expected to impact more than 5,300 companies. Senate Bill 261

on disclosing climate-related financial risk is expected to impact approximately 10,000 companies.

Senate Bill 253 requires public and private companies, starting in 2026, with greater than \$1 billion in annual revenues and do business in California to file annual reports publicly disclosing their direct GHG emissions from operations (Scope 1), and indirect emissions from energy use (Scope 2). Starting in 2027, they must also report all (not just material) indirect upstream and downstream supply-chain emissions (Scope 3) from the prior fiscal year. Reports must conform to the Greenhouse Gas Protocol standards and guidance developed by the World Resources Institute and the World Business Council for Sustainable Development. Reporting entities must obtain an assurance engagement from an independent and experienced third-party provider.

Senate Bill 261 requires public and private companies (including corporations, partnerships, and limited companies) with \$500 million in annual revenues and do business in California to prepare biennial reports that disclose: (1) their climate-related financial risk in accordance with the recommended framework of the Task Force on Climate-Related Financial Disclosures; and (2) measures they have taken to reduce and adapt to the climate-related financial risk disclosed in the report. Reports that contain a description of an entity's GHG emissions or voluntary mitigation of those emissions must be verified by an independent third-party. The first report is due by January 1, 2026.

In his signing statements, Governor Newsom raised concerns about implementation deadlines and cost impacts, stating that the two measures may require "cleanup." Newsom directed his administration to work with the state legislature and the authors of the two bills to address the issues. Legal challenges are expected in the near term.

Updated NMA Quarterly Rail Survey



The NMA continues to hear from several members regarding ongoing freight rail service issues and recovery efforts involving Class I rail carriers. To further assess these rail issues and impacts, the NMA would appreciate your feedback on this anonymous [survey](#). The data from this survey will be used for further engagement with Congress, the Surface Transportation Board (STB), and others to illustrate the rail service concerns of NMA members, and to stress that more relief is needed. A question on the STB's recently [proposed rule](#) on Reciprocal Switching has been added to the survey. Companies that are interested in sharing feedback are requested to do so by this Friday, Oct. 13, 2023.

NMA Rebrand Awarded Best Visual Identity for North America



2023

transform awards
north america

WINNER

Last night, the NMA's 2022 rebrand received a bronze award for Best Visual Identity for the Professional Services Sector at the Transform Awards North America. The awards recognize excellence in creativity and strategy across a variety of brand elements, and the NMA was honored among powerful global brands including Microsoft, Mastercard, Colgate, TikTok, GE and YouTube.

NMA and Third Parties In the News

Rich Nolan has a new [President's Blog on met coal](#).

The NMA is mentioned by [Transportation Today](#) in a report noting that U.S. Sens. Shelley Moore Capito (R-W.Va.) and Tammy Baldwin (D-Wis.) announced their support for a proposed rule from the STB to address unreliable rail service and high costs of rail shipping.

[Inside EPA](#) mentions the NMA in a story on industry groups that are suing EPA over the agency's July 31 rule partially staying the Good Neighbor Plan (GNP)

interstate ozone regulation, in litigation that will likely press for a stay of the entire GNP pending resolution of numerous lawsuits.

Mining and Energy News

[Argus](#) reported that Western U.S. railroad BNSF expects to continue to face challenges in hauling coal to Canadian export terminals despite resolution of an equipment issue at Westshore Terminals.

[The Wall Street Journal](#) reported that billions of dollars are being poured into new mining projects across the globe as the energy transition drives a wave of exploration, but getting those new sites open is proving to be a challenge. In the U.S. and beyond, some are jumping ahead by targeting a new but also old source—closed mines, also known as brownfield sites.

[S&P Global](#) reported that the Electric Reliability Council of Texas (ERCOT) released a new Monthly Outlook last week on Resource Adequacy for December, showing some risk of an electric power supply shortfall.

[Kallanish](#) reported that U.S. Steel temporarily idled blast furnace 'B' last week at the Granite City, Illinois, facility.

[Argus](#) reported that the U.S. undersecretary for economic growth, energy and the environment Jose W. Fernandez said last week that the concentration of minerals production and processing in China is a strategic vulnerability.

EIA's [Annual Coal Report](#) with final 2022 coal statistics shows coal production increased 2.9 percent year over year to 594.2 million short tons and that the average number of operator employees at U.S. coal mines increased by 4,064.

[NPR](#) and the **[Baltimore Sun](#)** reported that student activists are pushing back against industry in Baltimore's Curtis Bay neighborhood including the export terminal.

[Power Magazine](#) reported that government officials in Germany have approved a plan to bring some shuttered coal-based power plants back online to avoid energy shortages this winter.

[Argus](#) reported on Census data showing that U.S. thermal coal exports fell from year-earlier levels for the first time in four months in August as demand from Europe and the Americas diminished. The decrease is attributed to lower-than-expected coal generation as well as elevated coal and natural gas stockpiles. Total U.S. coal exports increased to about 9 million short tons due to higher metallurgical coal shipments.

[Kallanish](#) reported that the International Nickel Study Group (INSG) has forecast nickel surpluses for the next three years as global production outpaces demand.

[Argus](#) reported that the natural gas sector's long-term gains in the power industry could face competition over the 2023-24 winter because of a drop in coal prices, according to an outlook sponsored by gas producers.

[Bloomberg](#) reported that Texas utility CPS Energy is rebuffing the state grid operator's plea to restart a decommissioned coal plant to reduce the threat of another winter power crisis.

[Kallanish](#) reported on Australia's Resource and Energy Quarterly Report projections for global copper demand to grow 1.9 percent annually to 2025.

[AIST](#) reported on American Iron and Steel Institute (AISI) monthly data

showing that U.S. crude steel production rose 1.3 percent in August, rising year over year to 7.71 million short tons.

[Financial Times](#) reported that the world's largest copper producers have warned that there is a lack of mines under development to deliver enough of the metal to keep pace with the clean energy transition.

[Grist](#) published: "Offshore wind turbines need more rare earth metals. Will there be enough?"

[Mining.com](#) reported that the U.S., UK and partners are working on 15 projects to secure supplies of critical minerals needed for electric vehicles and the energy transition.

[Argus](#) reported on GTT data indicating that U.S. coking coal exports in January-June rose by 6 percent to reach 22.7 million tons on the back of strong demand.

The [International Copper Study Group](#) (ICSG) reported that they are expecting world copper mine production to increase by 1.9 percent this year and 3.7 percent in 2024.

Commodity Prices

Commodity Price - Snapshot		
Metals Prices	Date	Price
Cobalt Spot Price (\$/lb)	10/9/23	\$15.15
Copper Spot Price (\$/lb)	10/10/23	\$3.61
Gold Spot Price (\$/ounce)	10/10/23	\$1,859.70
Lead Spot Price (\$/lb)	10/9/23	\$0.97
Lithium Spot Price (\$/kg)	10/10/23	\$22.81
Molybdenum Spot Price (\$/kg)	10/9/23	\$55.63
Nickel Spot Price (\$/lb)	10/9/23	\$8.46
Silver Spot Price (\$/ounce)	10/10/23	\$21.71
Steel HRC Price (\$/mt)	10/10/23	\$777.27
Steel Rebar Price (\$/mt)	10/10/23	\$492.67
Zinc Spot Price (\$/lb)	10/10/23	\$1.12
Energy Prices	Date	Price
Coal Price - Australian Premium Coking Coal Futures (\$/mt)	10/10/23	\$344.50
Coal Spot Price - Central Appalachian (\$/st)	10/6/23	\$74.35
Coal Spot Price - Newcastle futures (\$/mt)	10/10/23	\$140.40
Coal Spot Price - Rotterdam futures (\$/mt)	10/10/23	\$130.25
Natural Gas Spot Price - Henry Hub (\$/mmbtu)	10/4/23	\$2.91
Uranium Spot Price (\$/lb)	10/2/23	\$72.75

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

CORESafety



In the October edition of CORESafety TV, we explore module number 16 on safety and health management assurance.



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