



American Mining for America's INFRASTRUCTURE and ENERGY

Background and Overview

- *Metallurgical coal* is used in the steel-making process, which is critical to America's infrastructure. *Thermal or steam coal* is used to generate affordable, reliable 24/7/365 electricity to power our economy and is a fuel source for industrial plants producing cement and chemicals.
- Coal power plants are critical to baseload electric generation and grid reliability and resilience; the existing U.S. coal fleet must be preserved. During the early 2018 Bomb Cyclone weather event, coal plants provided 55% of the demand surge across six electricity regions, keeping lights and heat on and avoiding electricity shortages.
- Protracted, costly, and uncertain mine permitting processes thwart development of America's coal resources, which are more abundant than in any other country.
- Coal exports improve our nation's balance of trade and support jobs throughout the coal supply chain. U.S. coals offer a superior source of supply and product quality. Our mines operate under stringent environmental requirements, unlike some other countries with lesser operating and environmental standards.

<p>Regulatory Issues</p>	<ul style="list-style-type: none">• Continue EPA regulatory reforms for coal use in the power sector:<ul style="list-style-type: none">▪ Replace the Clean Power Plan with the Affordable Clean Energy Rule (ACE) to reduce CO₂ emissions from existing plants by over 30% from 2005 levels. Support New Source Review program provisions to provide regulatory certainty to implement the efficiency improvements to comply with ACE.▪ Replace the CO₂ regulation for new plants with EPA's proposed rule establishing the requirement for large new plants to use widely available supercritical technology.▪ Support reasonable costs, achievable timeframes, and flexibility for power plant regulations for wastewater discharge and coal combustion residuals.• Support completion of mine permit reviews in less than two years.• Support continued actions to reduce agency overlap and coordinate federal permit reviews including environmental (NEPA) reviews.• Remove barriers to building new coal export terminals and expanding existing terminals to increase U.S. coal exports.
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Congressional Issues

- Support **H.R. 172 *New Source Review Permitting Improvement Act*** introduced by Rep. Morgan Griffith (R-Va.) to streamline the permitting process for expanding, upgrading, or otherwise modifying power plants and manufacturing facilities.
- Support **H.R.1796 *Carbon Capture Modernization Act*** introduced by Rep. David McKinley (R-WV) and Rep. Colin Peterson (D-MN) to modify eligibility standards for CCUS applications to improve technological/economic feasibility for retrofit projects.
- Support **S. 383 *Utilizing Significant Emissions with Innovative Technologies or USE IT Act*** reintroduced by Sen. John Barrasso, (R-WY) and Sen. Sheldon Whitehouse, (D-RI), to encourage reduction of carbon dioxide emissions by stimulating development of carbon capture, utilization, and storage technologies (CCUS), and innovative ways to convert carbon to useful products.
- Support reintroduction of **H.R. 5270 *Electricity Reliability and Fuel Security Act*** (Rep. Larry Bucshon, R-IN), and similar bills **S. 2861** (Sen. Joe D. Manchin, D-WV) and **S. 2677** (Sen. Shelley Moore Capito, R-WV). They provide a temporary 5-year, 30% tax credit for existing coal power plant O&M to help sustain the U.S. coal fleet.
- Support robust funding of DOE's Fossil Energy R&D program.
- Support maintaining coal excise tax at the current level, thus providing revenues above the level needed to pay recipients from the black lung disability fund. Reimposing the previous higher rate would cost industry \$200 million more in taxes and risks industry employment, stability, and competitiveness.
- Oppose **S. 1193** introduced by Sen. Joe Manchin, D-WV to extend the Abandoned Mine Land (AML) tax 15 years beyond its current 2021 expiration. The existing balance in the fund is sufficient to reclaim remaining high priority sites that have gone unaddressed over the years without a further extension of the tax that would unnecessary burden the industry.
- Oppose **H.R.2050 *Appalachian Communities Health Emergency Act (ACHE Act)*** (Rep. Yarmuth, D-KY – co-sponsored by Rep. Ocasio-Cortez, D-NY, Rep. Schiff, D-CA, & Rep. Grijalva, D-AZ). Potential significant negative impacts to all surface coal mining in Kentucky, Tennessee, West Virginia, and Virginia as well as potential impacts to all surface coal mining activities nationwide, based on definitions provided in the Act. Applies to new coal permits or expansions of existing permits.

Coal is Essential to an All-Of-The-Above U.S. Energy Policy

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American Mining for America’s INFRASTRUCTURE

Domestic Minerals Provide Infrastructure, Raw Materials, & Supply Chain Stability

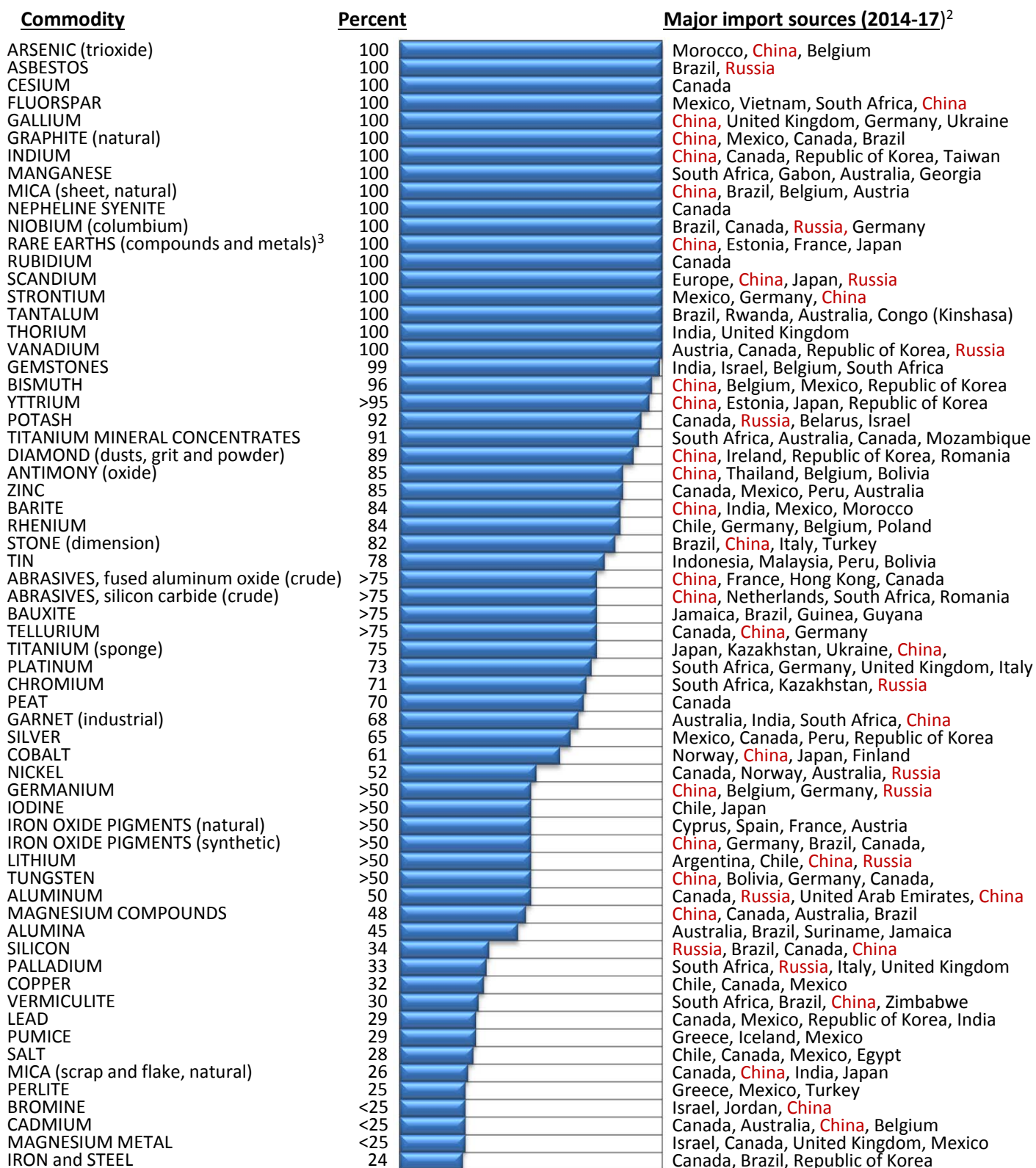
Congressional Issues	
<i>Legislation Ensuring Access to Public Lands for Mineral Exploration & Production</i>	<ul style="list-style-type: none"> • End 30-year stalemate - take action on and resolve BLM’s Wilderness Study Area (WSA) recommendations • Oppose legislation seeking to create additional wilderness areas, or other land withdrawals, thereby limiting or eliminating access for exploration and mining activities
<i>Oppose Rep. Grijalva’s Proposed 1872 Mining Law Revisions</i>	<ul style="list-style-type: none"> • Potential flaws include: <ul style="list-style-type: none"> ▪ Lack of secure land tenure ▪ Changing from a self-initiation (claims) system to a leasing system ▪ Proposed imposition of unjustifiable & inequitable federal royalty and “disposal fees” ▪ Proposed creation of duplicative and cumbersome laws & regulations while ignoring existing programs <p>NOTE: See <i>Mining Law Reform</i> handout for additional details on this topic</p>
<i>Critical and Strategic Minerals, Indispensable for Our Infrastructure and National Security</i>	<ul style="list-style-type: none"> • Indispensable to America’s infrastructure, economy & defense • Critical Minerals Executive Order 13817 mandates increasing domestic minerals exploration, development, and related research • Legislative policies related to infrastructure and energy need to be aligned with the Executive Order 13817
<i>Abandoned Mine Lands</i>	<ul style="list-style-type: none"> • Support Good Samaritan AML legislation for cleaning up historical sites and providing liability protection to operators undertaking the cleanups

Administrative Issues	
<p style="text-align: center;"><u>Permit Streamlining</u></p> <p style="text-align: center;"><i>Permitting Delays Contribute to Import Reliance</i></p>	<p>Protracted, costly, and uncertain permitting process thwarts exploration & development of America’s mineral resources</p> <ul style="list-style-type: none"> • Support legislation to reform permit process • Permitting barriers risk \$9.2 billion in investment, 16,500 high-paying jobs, and \$5 billion in taxes (AEMA 2018 survey)
<p style="text-align: center;"><u>BLM</u></p> <p style="text-align: center;"><i>Improve NEPA Timelines Minimize Land Withdrawals and Land Use Restrictions</i></p>	<ul style="list-style-type: none"> • Complying with Federal Register publication process is an important step in permit streamlining • Uniform implementation of NEPA Streamlining: Secretarial Order 3355 is crucial to removing permitting uncertainty on BLM-administered lands • Retain state boundaries for BLM management structure
<p style="text-align: center;"><u>Forest Service</u></p> <p style="text-align: center;"><i>Improve NEPA Timelines Minimize Land Withdrawals</i></p>	<ul style="list-style-type: none"> • Adopt BLM’s Notice process for small-scale exploration projects • Develop NEPA streamlining policy similar to DOI’s • Revise Sage Grouse Land Use Plans to better align with DOI’s plans
<p style="text-align: center;"><u>EPA</u></p> <p style="text-align: center;"><i>Abandoned Mine Lands</i></p>	<ul style="list-style-type: none"> • Coordination with existing state, BLM, & USFS AML programs will provide the most beneficial outcome to cleanups
<p style="text-align: center;"><u>DOI</u></p> <p style="text-align: center;"><i>Critical and Strategic Minerals, Indispensable for Our Infrastructure and National Security</i></p>	<ul style="list-style-type: none"> • USGS final critical minerals list is inconsistent with EO critical minerals definition – revise to include infrastructure minerals

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Domestic Minerals Provide Infrastructure, Raw Materials, & Supply Chain Stability

2018 U.S. NET IMPORT RELIANCE¹

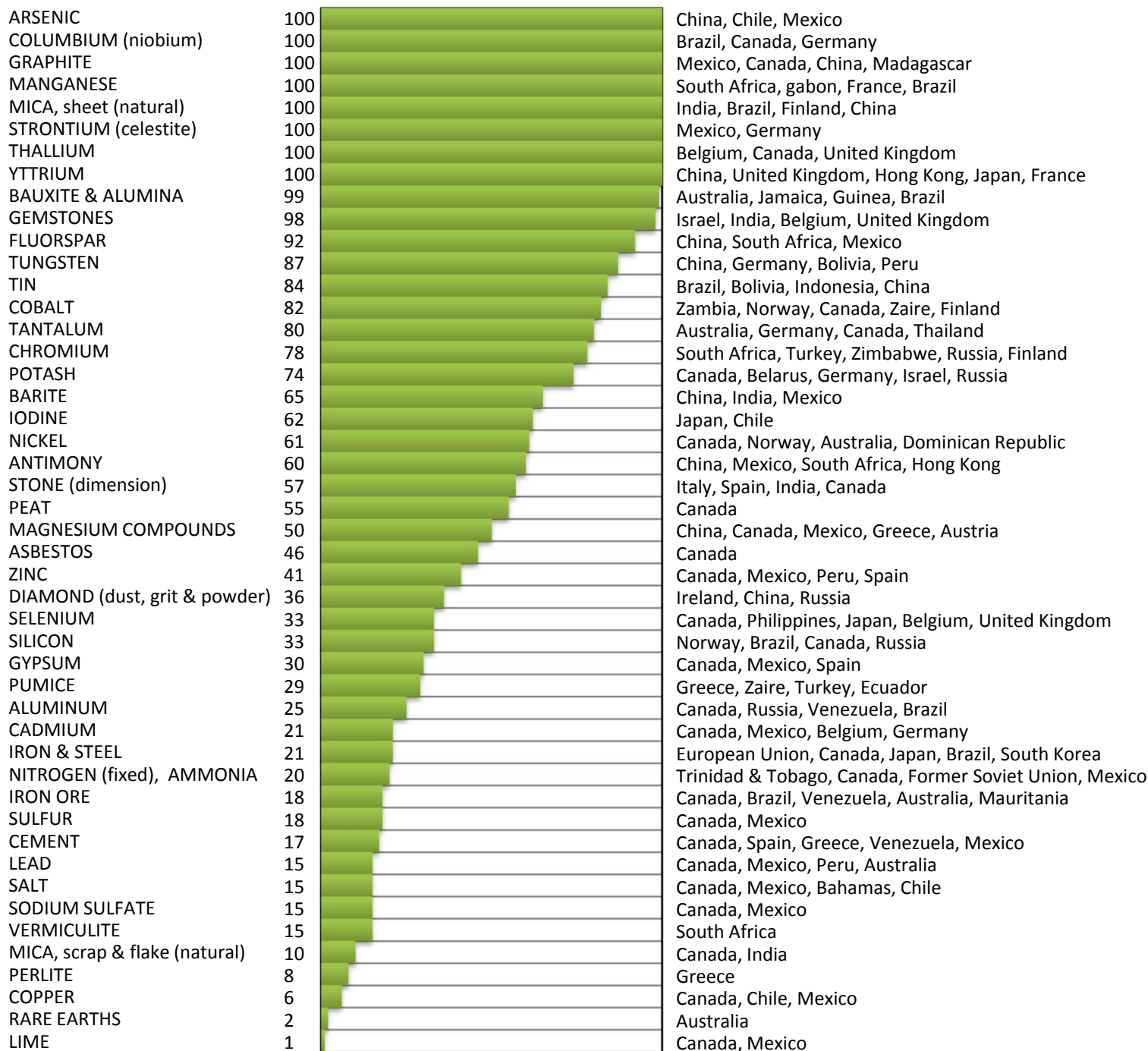


¹Not all mineral commodities covered in this publication are listed here. Those not shown include mineral commodities for which the United States is a net exporter (abrasives, metallic; boron; clays; diatomite; gold; helium; iron and steel scrap; iron ore; kyanite; molybdenum concentrates; sand and gravel, industrial; selenium; soda ash; titanium dioxide pigment, wollastonite; zeolites; and zirconium) or less than 24% import reliant (beryllium; cement; diamond, industrial stones; feldspar; gypsum; iron and steel slag; lime; nitrogen (fixed)-ammonia; phosphate rock; sand and gravel, construction; stone, crushed; sulfur, and talc and pyrophyllite). For some mineral commodities (hafnium; mercury; quartz crystal, industrial; and thallium), not enough information is available to calculate the exact percentage of import reliance.

²In descending order of import share.

³Data include lanthanides

1995 U.S. NET IMPORT RELIANCE FOR SELECTED NONFUEL MINERAL MATERIALS



Additional commodities for which there is some import dependency include:

Bismuth	Mexico, Belgium, China, Peru	Platinum	South Africa, United Kingdom, Belgium, Germany
Gallium	France, Germany, Russia, United Kingdom, Hungary	Rhenium	Chile, Germany, United Kingdom, Russia, Kazakstan
Ilmenite	South Africa, Australia, Canada	Rutile	Australia, Sierra Leone, South Africa
Indium	Canada, France, Italy, Belgium, Russia	Silver	Mexico, Canada, Peru, Chile
Iron & steel slag	Canada, Japan	Thorium	Australia
Kyanite	South Africa, France	Titanium (sponge)	Russia, Japan, China
Mercury	Canada, Russia, Germany	Vanadium	Russia, South Africa, Canada, Mexico
		Zirconium	Australia, South Africa