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This Week in COVID-19 News

With the summer congressional recess in its final stretch, there were small signs indicating a willingness to compromise on a new round of economic stimulus legislation. But parties remain far apart and political attention is increasingly fixed on November's elections. And as the Republican convention drew to a close, President Trump used part of his convention speech to warn of a liberal agenda intended to "abolish the production of American oil, coal, shale, and natural gas... and energy prices will soar."

At the same time, the National Mining Association (NMA) continues to advance mining's interests with congressional committees and federal agencies, with efforts focused on education and coalition building. Activity includes public communications regarding the essential nature of mining, safety actions taken by our members, and contributions being made by NMA member companies. Plus we have updates on the economy and how energy and mining markets are faring.

Safety Share

“Disasters don’t wait.” September is [National Preparedness Month](#).

NMA Applauds EPA Power Plant Regulation

In an important victory for the coal industry and its utility customers, the U.S. Environmental Protection Agency (EPA) this week issued a [pre-publication version](#) of its final rule on changes to the regulations governing technology based effluent limitations guidelines and standards (ELGs) for the steam electric power generating point source category. The final rule is applicable to two waste streams: flue gas desulfurization (FGD) wastewater and bottom ash transport water (BATW). NMA’s [public comments](#) were highlighted in outlets including [the Washington Post](#).

Shaping and finalizing the final ELG rule was a top association priority and key part of our strategic multi-year plan. Over the last several years, NMA has worked closely with our utility industry allies to advocate for the mining industry’s position in numerous meetings with EPA and the Office of Management and Budget (OMB). Most recently, last week NMA met with OMB to reiterate the importance of coal to the nation’s economy and our position that the rule will allow coal to continue to remain part of the energy generation fleet.

NMA also emphasized the critical need for the agency to finalize the rule quickly. The timing of the final rule’s issuance was especially significant. A previous EPA rule had postponed compliance deadlines until November 2020, which provided the mining and utility industries short-term certainty. However, some states instituted permit conditions that would have required implementation of the 2015 standards if EPA had not promulgated a final replacement rule by November 2020. If the final rule’s issuance had been delayed past the beginning of September, some facilities may have had to institute irreversible and costly capital expenditures that could have forced plants to retire early.

NMA Continues Engagement with Critical Minerals Caucus

This week, NMA President and CEO Rich Nolan and other NMA staff continued conversations with the bipartisan House Critical Materials Caucus' Co-Chair Rep. Guy Reschenthaler (R-PA) to discuss the focus of, and activities related to, the newly-created caucus moving forward. NMA pledged its assistance to co-chairs Reschenthaler and Rep. Eric Swalwell (D-CA) in helping to generate additional congressional support for the caucus and highlighted the industry's desire to be a source of information as they explore issues surrounding our nation's dependence on critical materials from foreign sources. A similar call is scheduled with Rep. Swalwell to continue to be a resource to this new House Caucus.

IRS Guidance on Payroll Tax Deferral

The U.S. Internal Revenue Service (IRS) [published guidance](#) related to President Trump's August 8, 2020, [Executive Order](#) directing the Secretary of the Treasury to use his authority to defer the withholding, deposit, and payment of certain payroll tax obligations. Under the guidance, participating employers may defer liabilities from the 9/1/20 - 12/31/20 period to be due between 1/1/21 and 4/30/21.

EPA Launches New Office to Address Abandoned Mine Lands, Accelerate Cleanup Across the West

Today in Colorado Springs at the Western Museum of Mining and Industry, the EPA announced the creation of a new geographic office, the Office of Mountains, Deserts and Plains, to be located in EPA's office in Lakewood, Colorado, employing up to nine EPA staff and reporting to EPA's assistant administrator for Land and Emergency Management in Washington, D.C. EPA has a number of geographic-focused offices such as its

Chesapeake Bay Office, Great Lakes Office, RESTORE Council Office providing coastal restoration funding for Gulf Coast states, and EPA's San Diego-based office addressing border environmental issues between the U.S. and Mexico. Explaining the role for the new office, EPA Administrator Andrew R. Wheeler said, "The West is a special place, with special environmental challenges deserving of its own office within EPA... This new office will provide effective solutions, and achieve important milestones in the cleanup of hardrock mining Superfund sites in the American West as well as foster great partnerships with states, tribes and local communities. Done are the days of a one-size-fits-all approach to remediation." EPA intends to use the new office to realign and consolidate existing resources to address impediments to cleanup progress at Superfund sites such as evaluating "Good Samaritan" private sector resources to remediate sites and encourage new development.

Treasury Issues New Liability Regulations

On September 1, the U.S. Treasury Department **finalized rules** for the base erosion and anti-abuse tax (BEAT), including guidance that clarifies how corporate groups can calculate liability when they lose or gain a member. Under the final regulations, a business that joins or leaves a corporate group must end that transaction by closing out its tax year at the end of the day of the transaction.

Congressional Outlook

Congress returns from recess next week. The House comes back into session on September 8 for committee work and September 14 for votes and plans to stay in session through October 2. Likewise, the Senate will come back into session on September 8 and plans to stay in session through October 9 when both chambers will recess again through the November elections. The end of September marks the end of the fiscal year for the federal government meaning that Congress has a few must-pass actions before leaving again. Those must-pass actions include passing some appropriations measures or a

continuing resolution to continue funding for the federal government, an extension of the federal highway and surface transportation funding program, and an annual extension of the federal flood insurance program. Meanwhile Congress is continuing to work on the latest iteration of COVID-19 relief legislation. Although the Senate may vote on its **latest offer** early in September to formally send to the House, negotiations on a version which can pass both Houses of Congress will likely require much of September.

NMA and Third-Party Voices

The NMA and its third parties continue to place editorials across the country on the importance of our industry to the country and economy.

The **Prescott News** (AZ) carries an op-ed by Rich Nolan in which he argues we must reshore critical industries and rebuild key supply chains in order to strengthen the economy.

The **Washington Examiner** (DC) carries an op-ed by Mark Perry, a scholar at the American Enterprise Institute and a professor of economics at the Flint campus of the University of Michigan, in which he argues that California's current blackout troubles stem from reliance on renewable energy, and a return to baseload power from coal and nuclear sources is needed.

The **Scranton Times Tribune** (PA) carries an op-ed by Forrest Remick, emeritus professor of nuclear engineering and emeritus associate vice president for research at Penn State, and commissioner (retired), US Nuclear Regulatory Commission, in which he argues California's rolling blackouts can be sourced to an overreliance on renewables, and baseload power needs to be better valued.

Inside Sources (DC) carries an op-ed by Bernard Weinstein, associate director of the Maguire Energy Institute and adjunct professor of business economics in the Cox School of Business at Southern Methodist University, in which he points out the role of renewables in California's current electricity issues and the necessity for coal in the energy mix.

Economic Impact

New applications for unemployment compensation [fell slightly](#) to 1 million last week.

The Federal Reserve [approved a major shift](#) in how it sets interest rates by dropping its longstanding practice of preemptively lifting them to head off higher inflation, while *Bloomberg* reported that the Fed has purchased [\\$1 trillion of mortgage bonds](#) since March.

The U.S. Department of Commerce reported personal income [rose modestly in July](#).

Consumer spending [also rose in July](#), but at a slower pace than the previous two months.

Consumer confidence fell to its [lowest level in six years](#) during August.

Energy and Mining News

U.S. Energy Secretary Dan Brouillette called California's renewable energy push a “case study in [how not to approach our electricity grid](#).”

U.S. Energy Information Administration (EIA) reported owners of coal-fueled power plants are increasingly moving to [seasonal operations](#).

Axios reported “the true number of people around the world who lack reliable and regular access to electricity is [many times higher than previously estimated](#).”

Natural gas prices [rose sharply](#) in response to tighter supplies and the western heatwave. The EIA reported [a new record](#) for daily natural gas burn was set in late July.

[E&E News has a story on a new report by Trout Unlimited](#), the National Wildlife Federation and Backcountry Hunters & Anglers in which they argue that “half of the

country's known critical mineral deposits are in trout and salmon habitat, and 1 in 10 critical mineral deposits is found on protected public lands.”

S&P Global analysis of the top 10 gold producers indicates that gold production was down 9% in the second quarter due to COVID-19 and divestures.

Mining.com reports that the outlook for OceanaGold’s Haile gold mine in South Carolina is uncertain, after 18 staff members tested positive for Covid-19 since June.

“Approximately 220 workers have been required to self-isolate for a two-week period at some point since the beginning of March.”

S&P Global Market Intelligence presents analysis on global gold mine CO2 emissions intensities by region and mine type, noting that gold mines emitted on average 0.8 metric tons of CO2 equivalent for every ounce of gold that was produced in 2019.

S&P Global reports on a series of interviews conducted with women in leadership positions in the metals and mining sectors.

NMA COVID-19 Resources

The NMA team is maintaining a comprehensive suite of online resources for **Coronavirus Assistance and Response**. Resources include both **health, safety and business assistance** for NMA members and a chronicle of the American **mining industry’s response to the current crisis**.

Tell Us About Your COVID-19 Response

We are continually gathering information about how the COVID-19 crisis is affecting our members. Information will be used in discussions with policymakers and decision makers at all levels of government and will help illustrate how mining is giving back to the

communities where we live and work. Please [contact Ashley Burke](#) with ongoing accounts of your responses to the global pandemic.

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