



National Mining Association (NMA) Position on Climate Change Policies

The National Mining Association (NMA) is committed to playing a constructive role in the development and adoption of policy measures and technologies to address global climate change concerns and the inextricably linked issues of domestic and global energy supply and security, economic growth and development, and other environmental and social issues.

The International Energy Agency and the U.S. Department of Energy's Energy Information Administration concluded that worldwide energy supply from all sources will need to be increased to keep up with demand through 2030. Coal is a prime source of energy throughout the world today and will inevitably remain so as worldwide energy demand continues to rise. It currently fuels more than 50 percent of all electricity generation in the United States. As a low-cost fuel and our nation's most abundant domestic energy resource, coal is uniquely positioned to help America meet its future energy needs and reduce its dependence on foreign sources of energy, particularly greater use of foreign-sourced liquefied natural gas. Beyond the United States, access to plentiful reserves of affordable coal also make its increased use around the globe certain for decades to come, particularly within many of the world's fastest-growing developing economies.

Any meaningful effort to achieve long-term, sustainable reductions in global greenhouse gas emissions will depend on the development and deployment of new energy technologies, including advanced clean coal technologies and carbon capture and storage (CCS). The rapid development, demonstration and widespread deployment of such technologies are of paramount importance in any reasoned and effective effort to address climate change concerns.

At a time when energy prices are already escalating rapidly and electric capacity margins are dangerously thin in many regions of our nation the need to address U.S. climate and energy policies and to move forward aggressively toward the broad, worldwide commercial deployment of CCS and other advanced clean-coal technologies is both urgent and imperative.

Consistent with this imperative, NMA supports the following principles:

- Climate change and energy policies are inextricably linked with each other and with other economic, environmental and social issues. None can be properly or successfully addressed in isolation, nor without consideration given to their direct and indirect costs and benefits.

- Domestic and global energy security requires the preservation of a diverse mix of fuels – coal, natural gas, nuclear, petroleum and renewables – for electricity generation, transportation and industrial uses, as well as the promotion of conservation and energy efficiency, in both generation and end-use.
- Maintaining the reliability and adequacy of U.S. electricity supply is an inviolable public policy requisite.
- A strong commitment to the development and deployment of new and advanced technologies, requiring significant public and private investment, is essential to addressing global climate change concerns and to meeting current and future domestic and global energy challenges.
- Addressing climate change concerns is a global challenge requiring global solutions.

Consistent with these principles, NMA supports the timely adoption of comprehensive federal legislation that incorporates the following priorities:

- **Provides sufficient funding and incentives to accelerate the development, demonstration and broad commercial deployment of affordable advanced carbon management technologies** – Significant near- and long-term funding and incentives must be dedicated to accelerating the development, demonstration and commercial deployment of a cost-effective suite of advanced clean coal technologies, including CCS and beneficial use technologies, and FutureGen. Such funding must be stable and secure, not subject to annual appropriations, sufficient to bring the suite of advanced technologies into widespread commercial deployment as quickly as possible, and should be administered by an independent, government-sanctioned entity.
- **Establishes a legal framework for CCS** – The establishment of a uniform national legal framework for long-term carbon storage, including requirements for site selection, permitting and monitoring of storage sites is essential for the development and deployment of CCS technologies. The framework must address liability, indemnification and transfer of title to the government after a facility has completed carbon injection and has been certified.
- **Contains costs and provides economic and energy security** – Legislation must be harmonized with the availability of commercially cost-effective emissions control technologies to avoid unnecessary economic and power supply disruptions. Cost containment measures must be included to protect against volatile or excessively high carbon prices.
- **Prohibits duplicative and conflicting frameworks for greenhouse gas emissions** – Accelerated investments in and deployment of vital emissions reduction technologies rely on a clear, non-duplicative regulatory regime. Any new framework must stipulate that neither the Clean Air Act nor relevant state or local laws can provide duplicative or contradictory authorities to regulate greenhouse gases.

- **Maintains global competitiveness of U.S. industries** – Mineral and metal products are essential in applications to improve energy efficiency and for low-carbon technologies. Energy- and greenhouse gas-intensive industries, including metals and minerals, that compete in a global market are particularly susceptible to competitive disadvantage from increased costs of a domestic climate change policy. Adequate measures should be put in place to maintain the global economic competitiveness of these industries.