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## About Mining Week...

*NMA Mining Week* is a weekly publication of the National Mining Association. Mining Week archives are always available online at [www.nma.org](http://www.nma.org).

## Coal achieves significant victory in Senate rejection of mercury proposal

The U.S. mining industry and coal-based generation gained a significant victory this week when the Senate rejected 47-51 a resolution that would have, in effect, disapproved the Bush administration's Clean Air Mercury Rule (CAMR).

The resolution (S.J. Res. 20), co-sponsored by Sens. Patrick Leahy (D-Vt.) and Susan Collins (R-Maine), was raised under a rarely used procedure, the Congressional Review Act, which allows lawmakers to challenge regulatory decisions.

Even if the Senate had passed the measure, it likely had little chance of advancing, since House approval and the president's signature are also required. However, its passage would have signaled Senate disapproval of the Environmental Protection Agency's approach to mercury regulation.

NMA and its members were in the forefront of opposition to the resolution, using a comprehensive lobbying, grassroots and communications effort to send senators a clear message about the detrimental effect the measure would have on coal-based generation, mercury reduction efforts and U.S. electricity generation.

Specifically, NMA argued the Leahy-Collins measure would lead to the imposition of unachievable standards that would force power plants to switch to expensive natural gas, significantly increasing electricity costs and harming the economy.

*See Leahy-Collins, page 2*

## ICMI to announce first signatories this month

The International Cyanide Management Institute (ICMI), which began accepting signatory applications in July, says it plans to announce the first signatories to the voluntary program in late September.

The International Cyanide Management Code ("Code") is a voluntary initiative to improve the gold industry's collective environmental and safety performance in its management of cyanide, used in a process called "leaching" to extract gold from rock.

The Code is designed not only for companies engaged in producing gold using the cyanidation process, but also manufacturers and transporters of the chemical. It provides comprehensive guidance for best practice in use and management.

For mining operations, the Code focuses exclusively on safe management of cyanide and cyanidation mill tailings and leach solutions. It is performance based and requires that mine sites be certified through periodic independent third-party audits. A summary of the results will be provided on the Institute's web site, [www.cyanidecode.org](http://www.cyanidecode.org).

ICMI plans a series of training sessions to better acquaint the industry with implementation of the Code as well as to instruct potential auditors on the appropriate interpretation of the Code's recommended practices and application of its protocol for site audits. These sessions will be available over the internet, Oct. 18 – 20, 2005.

More information on these activities and the Code can be obtained by visiting [www.cyanidecode.org](http://www.cyanidecode.org), or contacting the Institute's Vice President, Norm Greenwald, at (520) 577-5621. ✕

## NMA members assist with disaster relief

NMA member companies, who have collectively contributed more than \$9 million in funds to hurricane relief, are participating in an extraordinary nationwide response to aid Hurricane Katrina victims in the Gulf Coast.

In addition to members already identified in previous issues of *Mining Week* (see 9-2-05 and 9-9-05), the following companies have made contributions toward Katrina disaster relief:

The **Bridgestone Global Group** of companies donated \$1 million to the American Red Cross. In addition, more than 2,200 company-owned retail stores across the U.S. are also accepting Red Cross donations from customers.

The **Doe Run Co.** is taking up a Red Cross collection from employees and matching the total dollar-for-dollar. Also, the company's **Southeast Missouri Mining and Milling Division** is donating the use of a truck with employee driver to transport boxed and labeled items collected by Farmers Insurance Group to a designated relief area in Alabama.

**Coal Operators and Associates Inc.** of Pikeville, Ky., has donated \$5,000 to the Red Cross, an amount similar to that given by the group last year in the wake of hurricane destruction in Florida and Alabama and flooding in Pike County, Ky.

In addition to a previously mentioned \$500,000 contribution to the Red Cross for hurricane relief, **Peabody Energy** also donated \$25,000 and work gloves to assist the Wright, Wyo., community in recovery from a devastating tornado last month (see *Mining Week*, 9-2-05).

**Dyno Nobel** has donated \$50,000 to the Red Cross hurricane fund and is matching dollar-for-dollar (up to \$100) any donation made by company employees. **Komatsu** made a \$500,000 cash donation to the Red Cross and will also match employee contributions dollar-for-dollar.

**Metso Paper North America** made a \$10,000 donation to the Red Cross. **Monsanto** contributed \$750,000 to the

## Congressional staff view mining facilities on NMA tour



Several congressional staff members saw first hand mining, processing, electricity and mining equipment manufacturing facilities during a recent NMA-sponsored tour. The group, led by Dan Gerkin, special assistant to the president; Dave Finkenbinder, vice president of congressional affairs, and Marc Ross, director of grassroots and constituent relations, toured P&H Mining Equipment's manufacturing facility in Milwaukee, Wis.; a coal-based Wisconsin Energy Corp. electric plant; and a Cleveland-Cliffs Inc. iron ore mine, processing facility and transportation hub in the Marquette, Mich., iron range. Shown in the photo above, from left-to-right, are Gerkin; Mike Ward of Rep. Mike Rogers' (R-Mich.) staff; Eric Dell of Rep. Joe Wilson's (R-S.C.) staff; Kevin Vottrano of Rep. Fred Upton's (R-Mich.) staff; Ross; Finkenbinder; Hill Thomas (NMA staff); and Bill Olson of Rep. John Shimkus' (R-Ill.) staff. ✕

Red Cross and \$250,000 to the United Way. **Nalco Co.** said it is matching employee donations up to \$25,000. **Nebraska Public Power District** has provided line technicians, trucks and equipment to help restore power to affected areas. **Patton Boggs LLP** contributed \$10,000 to the Red Cross. **Washington Group International** has an employee match program and is providing services to help restore infrastructure.

**Siemens Inc.** provided generators and heart monitors to local hospitals, as well as telecommunications equipment and a water treatment system. The company is also matching employee donations.

**TXU Mining** donated \$250,000 to the relief effort and has a program to match employee contributions. The company's utility parent also provided 770 employees and 100 trucks and vehicles to help restore power. ✕

## Leahy-Collins *from page 1*

NMA also noted that under the CAMR proposed by EPA, mercury emissions from coal-based power plants would drop an additional 70 percent nationwide through a cost effective cap-and-trade program. The Leahy-Collins resolution would have forced a command-and-control regulation, which the mining industry opposes and EPA rejected.

The *New York Times* reported the resolution vote "was widely viewed as a victory for power plant operators and other industry groups." Sen. James Inhofe (R-Okla.), chairman of the Environment and Public Works Committee, said he was "extremely encouraged by the Senate's resolve to support a market-based approach to reducing mercury pollution and not to impede clean air progress by rolling back the existing regulation." ✕

## NMA encourages use of DOL link to match job opportunities to Gulf residents

NMA this week encouraged its members to utilize a special link ([www.jobsearch.org/katrinajobs](http://www.jobsearch.org/katrinajobs)) at the Department of Labor's (DOL) "American Job Bank" web site to match company job opportunities with hurricane-impacted Gulf residents looking for employment.

"While the horrific events in the Gulf Coast appear to have taken a turn for the better, the long-term needs of those who are displaced have yet to be fully understood or resolved," said NMA's Bruce Watzman, vice president of safety and health. "Thousands of Gulf Coast residents remain homeless and their prospects for gaining meaningful, long-term employment are uncertain at best."

NMA initiated contacts with DOL to determine how interested companies might inform those in need of work about mining

industry opportunities. The industry in general is experiencing a labor shortage and has a number of opportunities available for qualified candidates. DOL created the Katrina Recovery Job Connection to provide a way to connect impacted workers with prospective employers.

"As people begin to rebuild their lives and homes, finding a good job will be a top priority," said Emily Stover DeRocco, assistant secretary of labor for employment and training. "This new job site offers them a place to find employers eager to hire."

Watzman said NMA encourages members to "consider this mechanism for reaching out to prospective employees who are seeking a new start." ✕

## New Orleans hurricane protection blocked by NEPA lawsuits, task force says

Lawsuits related to the National Environmental Policy Act (NEPA), currently being reviewed by a House task force, at least twice prevented system improvements to protect New Orleans from a hurricane, the panel said last week.

The House Task Force on Improving the National Environmental Policy Act told the *Washington Times* the Sierra Club and other environmental groups in 1996 sued the U.S. Army Corps of Engineers (COE) and blocked a project to raise and fortify levees around New Orleans.

It also cited a *Los Angeles Times* story that said a "Save the Wetlands" lawsuit filed in 1977 killed plans approved by Congress to create a "massive hurricane barrier to protect New Orleans." The plan was created after Hurricane Betsy in 1965.

The *Washington Times* reported a federal judge stopped plans for the hurricane barrier after finding that an environmental impact statement drafted by the COE was flawed. The corps abandoned the project by the mid-1980s.

Rep. Thelma Drake (R-Va.), a member of the NEPA task force, told the *Times* it is clear NEPA "plays a role in hampering

our ability as a nation to develop efficient supply chains capable of providing Americans with affordable energy. For years, construction projects that could have mitigated adverse impacts to our supply have been needlessly blocked due to endless red tape and a sluggish federal bureaucracy."

The NEPA panel, chaired by Rep. Cathy McMorris (R-Wash.), is comprised of 12 Republicans and 10 Democrats. It was charged in April with making recommendations for improving the law and is expected to report to the full House Resources Committee by year's end. ✕

## Better coordination, efficiency needed in coal permitting, new report says

Better coordination and efficiency in permitting is critical for meeting the nation's energy needs, according to a new report prepared for NMA by John T. Boyd Co.

"This is especially true in coal mining where two major federal environmental laws interface," the report said, referring to the Surface Mining Control and Reclamation Act (SMCRA) and the Clean Water Act (CWA).

Permit applications submitted to obtain authorizations to conduct coal mining operations under SMCRA and discharge fill material under the CWA's Section 404 "have both informational and procedural duplications."

The concept of integrating the two laws' permitting programs is not new. Recently the COE, Environmental Protection Agency (EPA) and U.S. Forest Service (USFS) signed a memorandum of understanding (MOU) encouraging the concurrent and coordinated review and processing of SMCRA permit applications and CWA §404 authorizations. The MOU, which reflects many principles NMA supports, is aimed at providing a more efficient review of permit activities regulated by various agencies involved in the process.

The report provides a template for developing, in conjunction with relevant federal and state agencies, a more efficient SMCRA/CWA 404 permitting process. ✕

**Mining Week archives**

**are available on the**

**NMA web site.**

## Finkenbinder outlines future for coal and cleaner energy

Coal's future is "great, but so is the public expectation for cleaner energy," NMA's Dave Finkenbinder, vice president-congressional affairs, told the Bluefield Coal Show last week in his analysis of the opportunities created by the recent passage of the energy bill.

Finkenbinder, who was keynote speaker, said the energy bill addressed the public's expectation by providing federal assistance to commercial-sized next generation clean coal technology projects (as defined by the Act).

Among those is a 20 percent investment tax credit of \$800 million for qualified investments in Integrated Gasification Combined Cycle technologies and a 15 percent investment tax credit of \$500 million for qualified investments in advanced coal-based generation technologies.

"The tax credits will help project developers address cost, risk and reliability issues that, so far, have inhibited the widespread commercial use of clean coal technologies," he said.

He noted the final bill also includes a climate program that is "voluntary and technology based. It will result in the development of technologies that will reduce greenhouse gas emissions intensity and help meet the Bush Administration's goal of reducing emissions intensity by 18 percent in 2012."

More importantly, the bill also calls for "development and implementation of a strategy to deploy these same technologies in developing countries by identifying barriers to export of U.S. technology and finding ways to remove these barriers," he said.

He pointed out while the legislation is now law, "there is still blocking and tackling to be done to secure the funding we need to make the great promise of this bill become a reality . . . to defend what we have accomplished . . . and to prevent climate change from being another reason to tax American energy users and producers."

"Coal is not just affordable, abundant and reliable," he said. "It is the product of a high tech industry thanks to those that are exhibiting here in Bluefield. It is an industry that will continue a proud tradition of fueling America as it has for over 200 years and, as history records, the harder times are, the harder the coal industry works and the more innovative it is." ✕

## FutureGen Alliance to partner with DOE to pioneer near-zero emissions coal-based power plant

A group of large electric utilities and coal companies this week said they are forming a non-profit entity – the FutureGen Industrial Alliance (FGIA) – to partner with the Department of Energy (DOE) in facilitating the design, construction and operation of the world's first near-zero emissions coal-based power plant.

FutureGen will demonstrate advanced coal-based technologies to generate electricity for families and businesses and also produce hydrogen to power fuel cells for transportation and other energy needs. The technology will also integrate the capture of carbon emissions with carbon sequestration, helping to address climate change concerns as energy demand continues to grow world wide, the alliance said.

The 275-megawatt plant will be developed through a public-private partnership led by American Electric Power; BHP Billiton; CONSOL Energy

Inc.; Foundation Coal Corp.; Kennecott Energy Co., a member of the Rio Tinto group; Peabody Energy; and Southern Co.

The alliance said because of the global interest in meeting energy demands and improving emissions, its membership is open to other U.S. and international companies. "The Alliance is presently in discussions with the China Huaneng Group, which is the largest Peoples Republic of China-based energy company primarily engaged in coal-fueled power generation. The Huaneng Group has expressed an interest in joining the Alliance in the very near future. The Alliance is also in discussion with other companies and expects membership to grow," the group said.

The FGIA formation was coordinated by Battelle, a non-profit research and development institution. The alliance is working with DOE to secure a final agreement for FutureGen; once an

agreement is reached, the process would proceed to site selection and plant design.

Beyond creating ultra-clean electricity from coal, FutureGen is being developed to transform the nation's transportation fleet from reliance on petroleum to clean hydrogen. DOE estimates that increasing coal production by 330 million tons per year would satisfy 50 percent of the nation's transportation requirements for the Freedom Car initiative.

The FutureGen plant will gasify coal through a process that converts coal's carbon to a synthesis gas composed of hydrogen and carbon monoxide. The synthesis gas will react with steam to produce additional hydrogen and a concentrated stream of CO<sub>2</sub>, which will be captured and permanently sequestered in deep, unmineable coal seams, saline aquifers or other geological formations. ✕

## Newsbits

**David H. Francisco** is stepping down as executive vice president, operations, for **Newmont Mining Corp.** **Thomas L. Enos**, senior vice president for international operations, and **Bruce D. Hansen**, senior vice president and chief financial officer, will assume his duties on an interim basis. Newmont also appointed **Richard O'Brien** as senior vice president and chief financial officer; he joins the company from AGL Resources Inc. . . . The **North American Coal Corp.** has announced the following management changes: **Robert L. Benson** has been elected executive vice president and chief operating officer; **Clark A. Moseley** has been promoted to senior vice president – business development and engineering; and **Harry B. Tipton**

**III** has been named general manager of the Mississippi Lignite Mining Co. . . . **Pavilion Technologies**, a company involved in advanced process control and environmental compliance solutions, has formed a worldwide strategic alliance with **Hatch Ltd.**, a global engineering firm with special expertise in mining, metallurgy and energy. The partnership will provide Hatch customers with industry-specific solutions powered by Pavilion advanced process control and performance management software . . . The **Rocky Mountain Mineral Law Foundation** (RMMLF) is presenting a live one-day special institute and simultaneous webcast on the Energy Policy Act of 2005 in Westminster, Colo. The event will take place on

Oct. 11. Presentations will include coal issues, tax issues and incentives for production, the politics and policy behind the energy bill, and streamlining federal agency review of permits to drill, among others. For more information, visit RMMLF's website at [www.rmmlf.org](http://www.rmmlf.org). . . . **EPA** this week announced several personnel appointments, including: **Brian Mannix** to serve as the Associate Administrator of the Office of Policy, Economics, and Innovation, **Stephanie Daigle** to serve as the Associate Administrator of the Office of Congressional and Intergovernmental Relations and **Rick Otis** to serve as the Deputy Associate Administrator of the Office of Policy, Economics and Innovation.



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