

House committee to vote on S-MINER Act next week

House Education and Labor Committee Chairman George Miller (D-Calif.) has scheduled a committee meeting for Oct. 31 at which the committee is expected to vote on the "Supplemental Mine Improvement and New Emergency Response Act of 2007" (H.R. 2768). Prior to the Oct. 31 committee meeting, Chairman Miller will likely release a revised version of the bill for consideration by the committee. The revised bill is expected to contain extensive differences compared to the bill as originally introduced.

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.

House committee approves Mining Law reform bill; floor vote scheduled for next week

The House Natural Resources Committee this week approved the "Hardrock Mining and Reclamation Act of 2007" (H.R. 2262), with the bill now likely to be brought to the House floor for a vote as early as Oct. 31. The committee began consideration of the bill last week, but had to continue its deliberations this week, finally moving the bill out of committee by a vote of 23-15 on Oct. 23.

"Despite progress made by Chairman Nick Rahall (D-W.Va.) and the House Natural Resources Committee to update the General Mining Law, the bill approved this week is disappointing to those of us concerned about the nation's increasing reliance on imported minerals and public policy impediments to a sustainable U.S. mining industry," said NMA President and CEO Kraig R. Naasz.

"In several key respects, the committee bill falls short of the reforms we have worked hard to achieve," Naasz said.

Specifically, Naasz noted that the bill will subject new domestic hardrock operations to an 8 percent gross royalty, the highest in the world, "going far beyond what is necessary to ensure a fair economic return to taxpayers." Naasz warned that the royalty prescribed in the bill "will damage the growth prospects of the U.S. hardrock mining industry and the tens of thousands of jobs it supports."

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NMA's Naasz interviewed on PBS Nightly Business Report broadcast



NMA President and CEO Kraig R. Naasz was featured in an Oct. 22 broadcast of PBS' Nightly Business Report. Naasz appeared in the first part, which highlighted the influence of the political process, of a three-part series focused on the future role coal will play in meeting America's energy needs. Naasz described the industry's newly launched \$30 million advertising campaign that will build increased political support for coal. Naasz explained that the nationwide campaign

is weighted with a focus on states that will hold presidential primaries early in 2008 and will likely be tailored for key battleground states further into the 2008 election cycle.

The entire three-part series is available for viewing at: www.nma.org/tmp/102507_coal.asp.

Written transcripts and more information on the series are available at: www.pbs.org/nbr/site/features/special/energy-options-coal_home/. ✕

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The bill also retroactively imposes an arbitrary 4 percent royalty on existing operations that were not designed to bear such a cost, "raising issues of fairness and legality," said Naasz. The 4 percent royalty provision was added to the bill during committee consideration last week after an amendment offered by Rep. Maurice Hinchey (D-N.Y.) was approved by voice vote.

Regarding the bill's environmental

provisions, Naasz said by imposing "redundant environmental standards on the U.S. hardrock mining industry, which is already the world's most strictly regulated, the bill contradicts findings of the National Research Council that concluded current laws effectively protect the environment."

In addition, Naasz said the bill fails to provide the necessary assurances that significant mining investments on

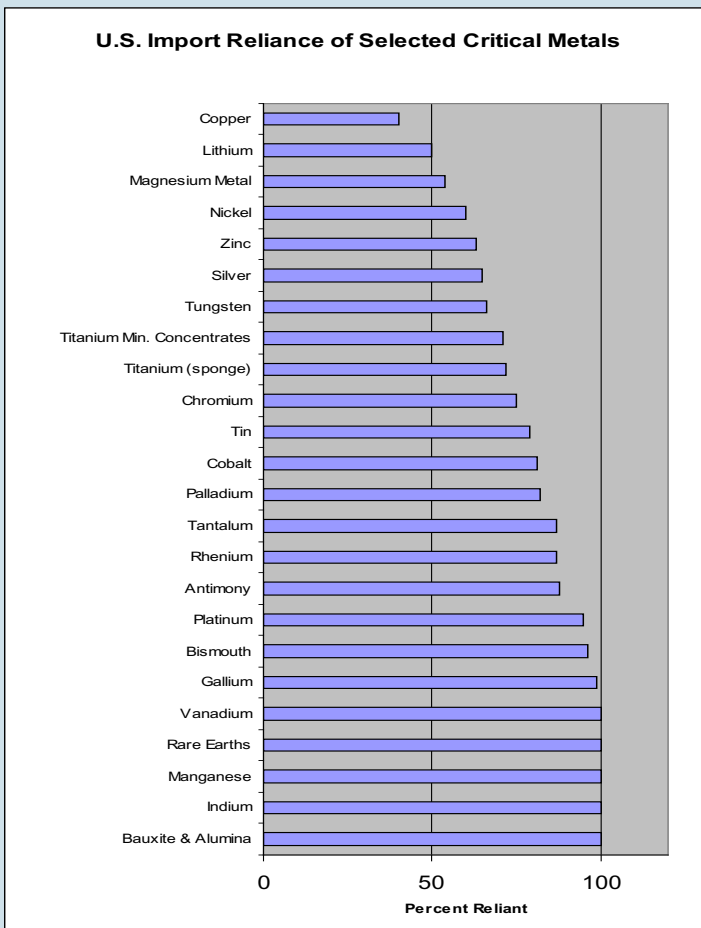
public lands "will not be placed at risk by arbitrary and capricious restrictions from federal regulators."

"While disappointed by the committee's vote, NMA will continue to work with members of Congress on both sides of the aisle to achieve meaningful and balanced reform that provides for a fair economic return to taxpayers and ensures a robust U.S. mining industry." ✕

Imports of critical metals are on the rise

As the House of Representatives prepares to consider Mining Law reform legislation that will exacerbate America's dependence on foreign minerals and metals, the information detailed below clearly demonstrates America's increasing reliance on foreign sources for minerals found here; a situation that will worsen as a result of the "Hardrock Mining and Reclamation Act of 2007" (H.R. 2262).

According to data compiled by the U.S. Geological Survey, America already relies on imports to meet at least 40 percent of demand for 24 critical metals used to manufacture goods ranging from cell phones and microchips to fighter jet engines. Of this group, America depends on imports to meet at least 80 percent of demand for 13 metals and is 100 percent reliant on imports for five metals. ✕



Mine safety communications bill clears House Science and Technology Committee

The House Science and Technology Committee on Oct. 24 unanimously approved the "Mine Communications Technology Innovation Act" (H.R. 3877), introduced by Rep. Jim Matheson (D-Utah), which aims to accelerate the development of advanced communications technologies suitable for use in underground coal mines.

The bill requires the director of the National Institute of Standards and Technology (NIST) to establish an initiative to promote the research, development and demonstration of mine tracking and communication technologies that would allow underground miners to communicate with co-workers situated above ground and sets standards for strengthening communication systems in order to provide miners with a safer work environment.

Before voting on the bill, the committee approved an amendment offered by Matheson that calls for the establishment of best practices and the adaptation of existing technology for mine communications. Matheson's amendment also added a provision mandating research to characterize the radio propagation environment in mines and make performance metrics and validation tests focus areas for the program. The amendment also broadened the bill's requirement that NIST de-

Rep. Peterson visits NMA



Rep. John Peterson (R-Pa.) (right) talks with NMA Senior Vice President of Government Affairs Dan Gerkin (center) and Freeport McMoRan Copper and Gold Vice President of Government Relations Linda Findlay (left) during an Oct. 24 visit to NMA's headquarters. During his visit, Rep. Peterson emphasized his support for congressional energy legislation that helps spur the production of clean, domestic coal-to-liquid transportation fuels and ensures that America's vast coal reserves continue to be used to generate affordable electricity.

Peterson stressed that Congress must do more to support the development of carbon capture and storage technologies and warned that energy legislation currently being developed by House and Senate leaders does little to promote domestic energy production.

Peterson warned that America risks being subjected to future energy price increases and supply shortages, thus driving jobs and industries offshore, if Congress does not take action to facilitate increased domestic energy production.

In addition, Peterson expressed his opposition to the "Hardrock Mining and Reclamation Act of 2007" (H.R. 2262), saying the bill will chill investment in domestic hardrock operations, causing a further increase in America's dependence on foreign minerals. ✕

Senate approves increased MSHA funds to accelerate MINER Act implementation

The Senate this week approved a fiscal year (FY) 2008 appropriations bill that includes an amendment adding an additional \$10 million to help the Mine Safety and Health Administration (MSHA) accelerate its implementation of the Mine Improvement and New Emergency Response (MINER) Act of 2006.

On Oct. 23, the Senate approved the "Departments of Labor, Health and Human Services and Education and Related Agencies Appropriations Bill" (H.R. 3043) that includes \$23 million in mine safety funding.

The bill as originally approved by the Senate Appropriations Committee contained \$13 million targeted at hastening MSHA's implementation of the MINER Act, which was not included in the administration's FY 2008 budget request. On Oct. 18 by a vote of 89-4, the Senate approved an amendment offered

by Appropriations Committee Chairman Robert Byrd (D-W.Va.) to provide MSHA with an additional \$10 million in MINER Act implementation funds.

The bill's MSHA MINER Act funds are specifically directed to help the agency accomplish a number of MINER Act related goals, including quickening the certification and approval of safety and health equipment, such as communication and tracking technologies, required by the MINER Act. The bill also calls for the funds to be used to ensure compliance with the MINER Act's safety training requirements and gauge the effectiveness of such training.

The increased MSHA funding is also targeted at enabling the agency to hire additional inspectors and deploy increased personnel resources to help the agency complete all safety inspections required by law.

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velop any needed measurement services for mine communications technology.

"Deep underground mines pose unique technological challenges for existing tracking and communications systems," said Matheson in an Oct. 24 committee press release. "We need to jumpstart the research, development and demonstration of new technology that will give mine workers and the industry a safer working environment."

"The U.S. coal community applauds Rep. Matheson for his efforts to strengthen the federal commitment to improved mine safety," said NMA President and CEO Kraig R. Naasz in an Oct. 24 statement. "We must continue our quest for reliable, ground-penetrating two-way communications and tracking devices that can withstand the rigors of underground mining," Naasz said. "Rep. Matheson's bill will bring us closer to the day when every miner returns home safely from every shift."

A copy and summary of H.R. 3877 is available at: http://www.science.house.gov/legislation/leg_highlights_detail.aspx?NewsID=2008. ✕

The bill also includes an amendment offered by Sens. Orrin Hatch (R-Utah) and Robert Bennett (R-Utah) that authorizes the National Institute for Occupational Safety and Health (NIOSH) to conduct a study of the recovery of coal pillars using retreat room and pillar mining practices in underground coal mines at depths greater than 1,500 feet.

In addition, the bill contains \$13 million in new funding to support NIOSH's current mine safety and health research activities and requires the secretary of labor to expedite rulemakings to implement the recommendations by the Belt Air Technical Study Panel and the recommendations of NIOSH regarding the installation of refuge chambers in underground coal mines as directed by the MINER Act. ✕

Senate EPW chair plans additional hearings, briefings on Lieberman-Warner climate bill

Senate Environment and Public Works (EPW) Committee Chairman Barbara Boxer (D-Calif.) told reporters this week that the committee will hold several committee hearings and staff-led briefings on climate change legislation introduced last week by Sens. Joe Lieberman (I-Conn.) and John Warner (R-Va.).

Boxer has not yet specified how many hearings will be held, nor when the hearings would take place, and has not yet set a date for when the full committee might vote on the "America's Climate Security Act" (ACSA) (S. 2191), which Lieberman and Warner introduced on Oct. 18. However, Lieberman, chair of the EPW Subcommittee on Private Sector and Consumer Solutions to Global Warming and Wildlife Protection intends to put the bill to a subcommittee vote on Nov. 1.

Boxer's announcement preceded an Oct. 24 committee hearing on S. 2191, which calls on the electric power, transportation and manufacturing sectors to slash greenhouse gas emissions to 15 percent below 2005 levels by 2020 and 70 percent below 2005 levels by 2050. The bill gives the U.S. Environmental Protection Agency the authority to assess and distribute emissions allowances, which decline in tonnage on a schedule set in the bill, to covered entities at the beginning of each calendar year.

Boxer's decision to hold multiple hearings on the bill follows pressure brought last week by EPW Committee Republicans. Previously, this week's hearing was set to be the only one the full committee would hold before voting on the bill. That schedule prompted six committee Republicans to write Boxer and Lieberman urging them to hold additional hearings before putting the bill to a vote before the full committee.

In an Oct. 19 letter, Sens. James Inhofe (R-Okla.), George Voinovich (R-Ohio), David Vitter (R-La.), John Barrasso (R-Wyo.), Larry Craig (R-Idaho) and Christopher Bond (R-Mo.) said the committee's lone scheduled hearing on S. 2191

is not enough to ensure the bill is ready for consideration by the full Senate.

Noting that the Oct. 24 hearing featured just one witness selected by committee Republicans, the letter said the process the committee is using to review S. 2191 is "potentially troubling."

Given that S. 2191 will affect "so many people, at different income levels, in different lines of work in different parts of the country," the letter called for a "sufficient number of hearings and witnesses on both sides" to review the bill and "the many fundamental issues it involves."

The letter highlighted past comprehensive efforts the committee undertook to ensure sufficient consideration of the Clear Skies Act and the 1990 Clean Air Act Amendments as examples of the type of committee review S. 2191 should receive.

Thorough committee consideration of new, sweeping environmental legislation has in the past ensured that such legislation has "matured sufficiently for consideration by the full Senate body," the letter said.

Separately, the United Mine Workers of America (UMWA) sent a letter to Lieberman and Warner saying they could not support the bill because of its "probable extreme adverse effects on coal mining and utilization, consumer energy prices and the need for a balanced and secure national portfolio of energy supplies."

The Oct. 23 letter faulted numerous aspects of the bill, including its "overly aggressive" 15 percent first phase emissions reduction, as well as requiring a 70 percent emissions reduction regardless of whether other major emitting nations, such as China and India, take any climate mitigation actions.

A copy of the Oct. 19 Republican letter is available at: www.nma.org/pdf/misc/102207_epw_letter.pdf.

A copy of the UMWA letter is available at: www.nma.org/pdf/misc/102407_lieberman_warner.pdf. ☒

Looking ahead: Here's a look at what's ahead for the mining community in Washington, D.C.:

- The House of Representatives is scheduled to consider the "Hardrock Mining and Reclamation Act of 2007" (H.R. 2262) as early as Oct. 31. The bill was sent to the full House by the Natural Resources Committee by a vote of 23-15 on Oct. 23.
- The House Education and Labor Committee is scheduled to consider the "Supplemental Mine Improvement and New Emergency Response Act of 2007" (H.R. 2768) on Oct. 31.
- The Senate Environment and Public Works Subcommittee on Private Sector and Consumer Solutions to Global Warming and Wildlife Protection is likely to hold a vote Nov. 1 on the "America's Climate Security Act" (S. 2191), introduced by Subcommittee Chairman Joe Lieberman (I-Conn.) and John Warner (R-Va.).
- The House Energy and Commerce Committee could vote on the "Mercury Export Ban Act of 2007" (H.R. 1534) sometime during the week of Oct. 29 after an Oct. 25 meeting was postponed, though a firm date for committee action has not been set.
- The House Transportation and Infrastructure Committee could consider the "Clean Water Restoration Act of 2007" (H.R. 2421) as early as Oct. 31. However, the committee has yet to make a formal announcement regarding a date for a vote on the bill.

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are available on the
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Senior BLM official visits NMA

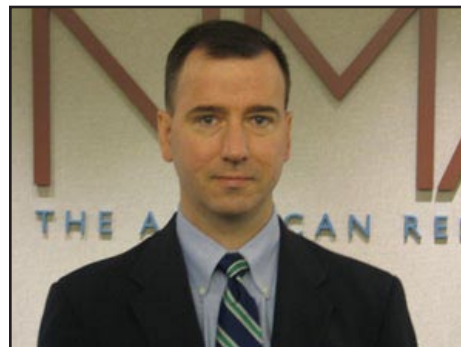


Bureau of Land Management (BLM) Assistant Director for Minerals, Realty and Resource Protection Michael Nedd (left) talks with NMA Senior Vice President of Communications Carol Raulston

(right) during an Oct. 24 visit to NMA's Washington, D.C., headquarters.

Nedd and Raulston discussed the ongoing success BLM's Hardrock Mineral Environmental Awards have in recognizing outstanding efforts by domestic hardrock producers to implement innovative environmental protection projects and partner with local communities. During his visit, Nedd also met with other NMA staff to discuss a variety of important regulatory issues impacting the mining community. ✕

NMA names new vice president of government affairs



NMA this week announced that Glenn Kelly has joined the association as a vice president of government affairs responsible for helping advance the mining industry's public policy objectives in the areas of clean coal technology and climate legislation.

"We're delighted to have someone of Glenn's experience and knowledge join our team at this critical juncture in NMA's work with Congress and the administration to find solutions to the nation's energy security and environmental needs," said NMA President and CEO Kraig R. Naasz in an Oct. 23 statement. "Glenn has a solid understanding of the industry's policy objectives and a proven track record in management and on Capitol Hill," said Naasz.

"This is the first of several advocacy staff additions recently approved by NMA's board of directors and I'm pleased Glenn is joining us at a time of unprecedented member support for our efforts," said Naasz. "Glenn is a great addition to a strong NMA team."

Kelly joins NMA following several years as president and founder of Kelly Public Strategies, a highly successful government relations and public affairs consulting firm, where he also served as executive director of the Alliance for Climate Strategies. Prior to his work in the private sector, Kelly was deputy chief of staff for Rep. Jo Ann Emerson (R-Mo.) and is a graduate of Washington University in St. Louis, Mo. ✕

DOE report highlights affordability of coal-based electricity, tracks build-out of new coal plants

A report released this week by the U.S. Department of Energy's Energy Information Administration (EIA) highlights the affordability of coal-based electricity versus other sources of electricity, while tracking the construction of new coal-fueled plants across the country.

According to EIA's *Electric Power Annual 2006*, released Oct. 22, coal-based electricity is three to four times less expensive than electricity generated using natural gas or petroleum. The report notes that coal-based generation is still the leading source of base-load power generation, with EIA predicting

a total of 57 new coal-based plants, accounting for 29,698 new mega watts of capacity, coming online between 2007 and 2011. Over half of the new planned coal plants documented in the report will be built in four states; Illinois, Kentucky, Texas and Wyoming.

In addition, EIA also reported sharp emissions decreases for the entire electricity generating sector; with sulfur dioxide emissions down 7.9 percent, nitrogen oxide down 4.1 percent and carbon dioxide down by 2.2 percent.

A complete copy of the report is available at: http://www.eia.doe.gov/cneaf/electricity/epa/epa_sum.html. ✕

Mining Market Snapshot		
Coal Figures	Cumulative year to date	Change over last year
<i>Week ended October 13, 2007</i>		
EIA Coal Production (000 tons)	900,873	-1.4%
Edison Electric Institute Electricity Output (GWh)	3,273,479	2.9%
American Iron and Steel Institute Raw Steel Production (000 tons)	83,664	-4.6%
Metal Figures		
Copper Prices (\$/mt - week avg. Grade A Cash) 10/12/07		\$8,087.20
Gold Prices (\$/troy ounce - week avg. London Final) 10/12/07		\$741.90
Source: NMA Weekly Statistical Summary/Platts Metals Week		

Notre Dame students visit NMA



NMA Senior Vice President of Communications Carol Raulston (right) on Oct. 24 welcomed a group of students participating in the University of Notre Dame's semester in Washington, D.C., program to NMA's headquarters. During their visit, Raulston discussed coal's importance to U.S. electricity generation and the public policy issues affecting coal use and NMA's legislative and

regulatory efforts to address these issues. Students also discussed domestic coal-to-liquid fuel production and asked questions regarding the nation's increasing dependency on foreign sources of minerals. ✕

NMA welcomes Watson-Marlow Bredel as newest member

NMA recently welcomed Watson-Marlow Bredel, a world leader in peristaltic hose and tube pumps, as its newest member company. The company's U.S. headquarters are located Wilmington, Mass.

The company's pumps are used throughout the world in numer-

ous types of mines and offer significant advantages for handling difficult and abrasive fluids.



"On behalf of NMA, I extend a warm welcome to NMA's newest member and look forward to working with the team at Watson-Marlow Bredel in advancing the interests of the mining community," said NMA President and CEO Kraig R. Naasz.

More information is available at: www.watson-marlow.com. ✕

Newsbits

Peabody Energy recently named **Robert L. Reilly** as new senior vice president of business development. In this role, Reilly will be responsible for domestic business development functions and international business development activities that were formerly assigned to **Tayeb Tahir**, who recently was named President of Peabody China. Peabody has also named **Terry L. Bethel** as senior vice president of resource management and real estate development, with responsibility for implementing Peabody's coal reserve and

surface land strategies, as well as enhancing the company's real estate holdings through commercial, residential and recreational development activities. Bethel has more than 25 years of finance and real estate development experience with Peabody, most recently serving as vice president of real estate development. More information on both appointments is available at: <http://phx.corporate-ir.net/phoenix.zhtml?c=129849&p=irol-newsArticle&ID=1065207&highlight>.



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