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NMA Mining Week is a weekly publication of the National Mining Association. *Mining Week* archives are always available online at www.nma.org.

Obama rejects House-passed Mining Law reform bill, says Senate compromise needed

Democratic presidential candidate Sen. Barack Obama (Ill.) said this week that he does not support Mining Law reform legislation recently approved by the House of Representatives and expressed his desire to work on compromise legislation that provides economic certainty for domestic mineral producers and prevents the export of American jobs and industries.

Obama discussed his opposition to the "Hardrock Mining and Reclamation Act of 2007" (H.R. 2262) during a conference call this week with Nevada reporters, during which he outlined a plan to address a number of priority issues for rural Nevada, including strengthening Nevada's mining industry.

Obama's plan notes the hardrock mining industry provides "our country with a supply of important minerals." In the plan, Obama states he will work with Senate Majority Leader Harry Reid (D-Nev.) to update the Mining Law and "develop reasonable compromise legislation that requires fair compensation for the use of federal land, enhances environmental protection and cleans up abandoned mines." Obama's plan said such legislation must "provide greater business certainty for mining companies and the communities that depend on the industry."

During this week's conference call, Obama said H.R. 2262, approved by the House on Nov. 1, "places a significant burden on the mining industry and could have a significant impact on jobs."

A copy of Obama's plan for rural Nevada is available at: http://www.nma.org/pdf/misc/110707_Obama_Rural_Nevada.pdf. ✕

Clinton climate plan calls for clean coal technology funding, cap-and-trade program

Democratic presidential front-runner Sen. Hillary Clinton (N.Y.) this week unveiled a climate change plan that calls for federal funding to support the development of clean coal and carbon capture and storage technologies. However, the plan would also have the federal government discourage state utility commissions from building new coal-fueled electricity plants unless energy demand cannot be met with efficiency improvements, and impose a cap-and-trade program to curtail emissions of greenhouse gasses. Clinton detailed the plan during a Nov. 5 campaign stop in Cedar Rapids, Iowa.

Clinton's plan calls for the creation of a 10-year \$50 billion "Strategic Energy Fund" meant to accelerate the development and deployment of a wide range of energy technologies, including clean coal technologies and renewable energy and efficiency technologies. The fund would be financed by revenues generated through the elimination of various oil industry tax provisions.

The plan also calls for "immediate" funding to support 10 "large scale" carbon capture and storage projects that "utilize a range of coal types, power plant types and storage locations." According to the plan, Clinton would "move quickly" to develop a regulatory

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framework to ensure that underground carbon storage “can be done safely and reliably.” The plan says all new coal-fueled plants would be required to use carbon capture and storage technology “when it becomes commercially available,” but the plan states that its energy efficiency provisions will “reduce the need for new power plants.”

In terms of new coal plant construction, the plan says Clinton will “direct” state utility commissions to ensure that before approving an application for construction of a new plant, “there is an evaluation of whether the energy services provided by that plant could be met by cost-effective investments in energy efficiency.”

The plan also endorses relying on wind, solar, biomass and other renewable energy sources to produce 25 percent of electricity by 2025.

To reduce emissions of greenhouse gasses, the plan calls for a cap-and-trade program that would cut emissions to 1990 levels by 2020 and calls for emissions to be 80 percent below 1990 levels by 2050. The plan’s cap-and-trade program requires utilities and others to obtain 100 percent of their emission allowances through an auction. Auction proceeds would support renewable technology development, energy efficiency programs and various tax cuts for energy-intensive industries and middle class Americans.

In addition, Clinton’s plan calls for high-level international meetings every three months meant to facilitate a new climate agreement that would include China and India by 2010.

A copy of the plan is available at: www.hillaryclinton.com/files/pdf/powerin-gamericasfuture.pdf. ✕

New study says Lieberman-Warner climate bill will lead to higher energy prices, lost jobs

A new analysis of the “America’s Climate Security Act” (ACSA) (S. 2191) released this week by the American Council for Capital Formation (ACCF) found that the bill will cause energy prices to increase, result in job losses and reduce the nation’s gross domestic product. The new study comes on the heels of developments that have forced Senate Environment and Public Works Committee Chairman Barbara Boxer (D-Calif.) to delay a committee vote on the bill until early December.

Boxer had tentatively planned on holding a committee vote on Nov. 14, however difficulties in securing enough votes for passage and the need to settle a number of difficult issues appear likely to force such a vote to be delayed until Dec. 6. Boxer said that the committee will vote on amendments to the bill on Dec. 5 and vote on the bill itself on Dec. 6.

Winning enough votes to move the bill out of committee hit a roadblock this week when the AFL-CIO objected to a number of provisions in the bill, including a coal amendment from Sen. John Barrasso (R-Wyo.), which was added to the bill during consideration by the Subcommittee on Private Sector and Consumer Solutions to Global Warming and Wildlife Protection. Barrasso’s amendment grants lower rank coal access to auction revenue, rather than limiting access to only subbituminous and lignite coal.

In a letter to Boxer, the AFL-CIO challenged the amendment, saying the bill should not distinguish between coal types in distributing allocations for electricity-producing facilities, warning that such provisions will set up “a regional preference for coal.”

Regarding the new study, ACCF Senior Vice President and Chief Economist Dr. Margo Thorning detailed its findings at a Nov. 8 legislative hearing the committee held on S. 2191, introduced by Sens. Joe Lieberman (I-Conn.) and John Warner (R-Va.). The study concluded that the biggest obstacles to the success of the bill are projected increases in U.S. population and energy use, both of which will make greenhouse gas emission reduction very challenging, as an increase in population means more energy will be needed for home heating and cooling, job growth and transportation.

The study emphasized that the technologies needed to accomplish the reductions called for in the bill in the next 17 years without severely damaging economic growth do not exist.

ACCF also concluded that the cap-and-trade approach of the Kyoto Protocol has been shown to not work. Noting negligible population growth, the report pointed out that the 15 European Union members that ratified the Kyoto Protocol are having extreme difficulty meeting their reduction targets.

Another hearing on the bill is scheduled for Nov. 13.

Testimony from the Nov. 8 hearing is available at: http://epw.senate.gov/public/index.cfm?FuseAction=Hearings.Hearing&Hearing_ID=014aa1c1-802a-23ad-4ff8-31639b62a16c.

A copy of the AFL-CIO letter is available at: http://www.nma.org/pdf/misc/110807_document_gw_05.pdf. ✕

Decreasing exploration budgets evidence of need for responsible Mining Law reform legislation

The continuing availability of minerals and metals mined in the United States is vitally important to America's future economic vitality and national security. However, over the past 13 years, America's share of worldwide exploration spending has dropped 12 percent.

In 2006, America accounted for just 8 percent of such spending, while in 1993, the U.S. stood at 20 percent.

To foster increased exploration spending, Congress must approve responsible Mining Law reform legislation that encourages increased investment

in mineral and metal operations and provides a fair return to taxpayers. The "Hardrock Mining and Reclamation Act of 2007" (H.R. 2262), approved by the House of Representatives last week, accomplishes none of these important goals. ✕

Congress overrides presidential veto of water infrastructure bill

Congress this week voted to override President Bush's veto of a water infrastructure bill that authorizes more than \$23 billion in spending on various federal water projects. This marks the first time Congress has overridden a veto by President Bush.

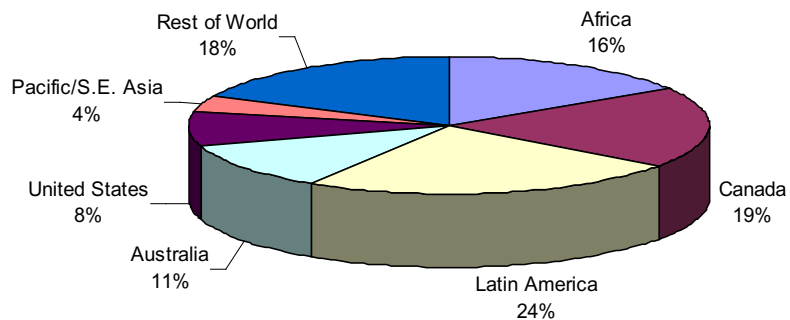
The House voted to override the president's veto of the Water Resources Development Act of 2007" (H.R. 1495) by 361-54 on Nov. 6, with 138 Republicans voting to overturn the veto. The Senate followed suit on Nov. 8 voting to override the veto 79-14.

The bill authorizes the U.S. Army Corps of Engineers to complete various waterway navigation infrastructure upgrades, as well as hurricane protection, flood control and ecosystem restoration projects. In addition, the bill also authorizes the Corps to spend \$20 million for the remediation of abandoned mine sites, a provision the administration had objected to on the grounds that such activity is not within the Corps' mission.

President Bush vetoed the bill over objections to its cost, with such bills typically costing \$5 billion. However, the price tag for this bill is a result of Congress being unable to move infrastructure legislation for an extended period of time, when such bills are normally approved every two years. ✕

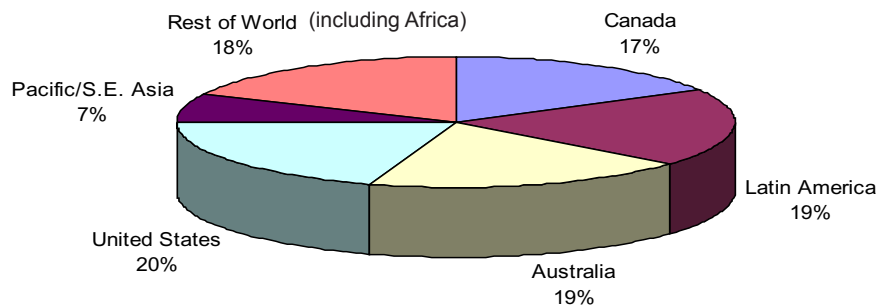
Mining exploration budgets: 2006 and 1993

U.S. Share of Worldwide Exploration Spending 2006



Source: Mining Engineering Magazine, May 2007

U.S. Share of Worldwide Exploration Spending 1993



Source: Mining Engineering Magazine, May 1994

NMA co-sponsoring Clean Water Act jurisdiction workshop

NMA will co-sponsor a workshop later this month in Atlanta, Ga., focused on helping NMA members address various Clean Water Act (CWA) jurisdictional and permitting issues. NMA is co-sponsoring the Nov. 14 workshop with the National Association of Home Builders and Hunton & Williams, L.L.P.

The workshop will explore the impact of a complex guidance document recently published by the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (Corps). The document is designed to govern determinations about which streams, wetlands and other water bodies will be subject to regulation under the Clean Water Act and was issued in response to a decision by the U.S. Supreme Court last year in the case of *United States v. Rapanos*.

Officials from EPA and the Corps will provide presentations and answer questions about new CWA regulatory and permitting policies in order to foster a better understanding of the guidance and to address potentially devastating permitting delays.

Registration information is available at: www.nma.org/pdf/misc/110607_rapanos.pdf. ☒

NMA welcomes Shur-Co. as newest member



NMA recently welcomed Shur-Co., a provider of unique cover and containment solutions, as its newest member company. The company is headquartered in Yankton, S.D., and has eight locations nationwide and is the largest tarp-manufacturing company in North America.

Shur-Co. provides watertight protection products for use on various railcars

and offers complete service from product concept to installation training and preventative maintenance programs.

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

More information is available at: www.shurco.com. ☒

OSM to host geospatial conference in March 2008

The Office of Surface Mining recently announced that its National Technical Innovation and Professional Services Program and the National Technical Training Program will host the 2008 Geospatial Conference March 25-27 in Atlanta, Ga. The conference, being held in conjunction with the Interstate Mining Compact Commission, the National Association of Abandoned Mine Land Programs and the Western Interstate Energy Board, will focus on incorporating geospatial technology into the administration process of the Surface Mining Control and Reclamation Act (SMCRA).

During the conference, the Second National Meeting of SMCRA Geospa-

tial Data Stewards will be held and the National Coal Mining Geospatial Committee will meet in open session with all data stewards to discuss accomplishments and plans made since the 2006 national meeting. Topics for the conference will focus on activities to promote the use of geospatial technology in SMCRA programs.

The conference will also include sessions for managers to discuss business case scenarios for incorporating geospatial technologies into the SMCRA business process.

More information, including registration details, is available at: www.tips.osmre.gov/Geospatial2008/registration_info.htm. ☒

Mining Market Snapshot		
Coal Figures	Cumulative year to date	Change over last year
<i>Week ended October 27, 2007</i>		
EIA Coal Production (000 tons)	945,211	-1.4%
Edison Electric Institute Electricity Output (GWh)	3,420,721	2.9%
American Iron and Steel Institute Raw Steel Production (000 tons)	87,878	-4.3%
Metal Figures		
Copper Prices (\$/mt - week avg. Grade A Cash) 10/26/07		\$7,802.35
Gold Prices (\$/troy ounce - week avg. London Final) 10/26/07		\$762.73
Source: NMA Weekly Statistical Summary/Platts Metals Week		

Newsbits

The Nevada Mining Association recently published its *Economic Overview of the Nevada Mining Industry 2006*. Included in the report, is information highlighting the tremendous economic benefits the industry creates for Nevada. According to the report, employment in the industry increased by 1,000 in 2006 for a total of 13,800, with close to 9,000 of these jobs in the metal ore mining segment of the industry. The report notes that average annual earnings in mining were

continued

Newsbits

\$69,400 and \$73,900 in metal ore mining compared with state-wide average earnings in all industries of \$40,100. In addition, the report noted that mining companies paid a record \$190 million in state and local taxes in 2006. A copy of the report is available at: www.nma.org/pdf/misc/110607_nevada.pdf. ..**Wire Rope Corporation of America, Inc.** changed its name to **WireCo WorldGroup** effective Oct. 29. "As our manufacturing flexibility, geographic scope and market reach have expanded over the past few years, we determined that our corporate name needed to better reflect the essence of our business," said WireCo WorldGroup CEO **Ira Glazer**. "WireCo WorldGroup represents our heritage while highlighting our corporate strength – global availability." The company has expanded its manufacturing and distribution facilities from the U.S. into Mexico, Canada, China and Germany and employs approximately 1,800 people worldwide and is headquartered in Kansas City, Mo. More information is available at: www.foxpaine.com...The **U.S. Bureau of the Census** will survey 15,000 mining businesses beginning in mid-December as part of its 2007 Economic Census, which will canvass more than 4 million American businesses. Responses to the questionnaire are required by law and must be returned by Feb. 12, 2008. The surveys are issued every five years to help develop a comprehensive portrait of American business, from the national to the local level. More information on the census is available at: business.census.gov. Information on what the 2002 Economic Census found about mining businesses is available at: www.census.gov/econ/census02/data/industry/E21.HTM.

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

- The House of Representatives is expected to delay a floor vote on the "Supplemental Mine Improvement and New Emergency Response Act of 2008" (S-MINER Act, H.R. 2768) until early December.
- The Senate Energy and Natural Resources Committee will hold a hearing on Nov. 13 to mark the thirtieth anniversary of the Surface Mining Control and Reclamation Act of 1977. NMA Senior Vice President of Legal and Regulatory Affairs and General Counsel Hal Quinn will testify at the hearing.
- The Senate Environment and Public Works Committee will hold another legislative hearing on the "America's Climate Security Act" (ACSA) (S. 2191) on Nov. 13 and is set to vote on the bill on Dec. 6.
- A House floor vote on the "Mercury Export Ban Act of 2007" (H.R. 1534) could take place next week following approval of the bill on Oct. 31 by the House Energy and Commerce Committee.
- The House Transportation and Infrastructure Committee will hold a hearing on the "Clean Water Restoration Act of 2007" (H.R. 2421) on Dec. 6. A committee vote on the bill is expected to be held sometime after the hearing.



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Staff

Carol Raulston,
Senior Vice President, Communications
Corey Henry Kelly Metzler
Leslie Coleman Luke Popovich

Executive and editorial offices: Communications Department, 101 Constitution Ave., NW Suite 500E, Washington, D.C. 20001, telephone 202/463-2600. www.nma.org, fax: 202/463-2614. Change of e-mail address should be directed to mphelleps@nma.org.

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