

Reuters News

U.S. miners tout environmental credentials in wake of Biden victory

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U.S. mining companies are moving fast to align themselves with Joe Biden's climate change agenda, saying the lithium, copper and other metals they produce can help the president-elect achieve his ambitious goals to slash carbon emissions and electrify the nation's automobiles.

With Biden proposing to hasten the demise of coal and other fossil fuels with his \$2 trillion climate plan, miners of so-called strategic metals are hoping Biden's team sees them as partners, not foes.

Within hours of U.S. networks calling the race last Saturday, the National Mining Association trade group congratulated Biden on his victory and reminded him that the country's 600,000 miners supply products used to make bridges, cell phones, solar panels and myriad other goods.

"You might not want to extract coal, but you should want to extract lithium," said Michael Silver, chief executive of Los Angeles-based American Elements, which makes performance materials from a range of metals. "Biden could change the zeitgeist in the country on mining."

The miners' approach aims to supplant the common view of mining as environmentally harmful, for that of a core provider of the materials necessary for a low-carbon future, even though some controversial practices - including open-pit mines - remain.

The tack could prove especially helpful for proposed mines on federal land, including projects from Rio Tinto Plc, BHP Group Plc, Ioneer Ltd and Lithium Americas Corp, and as the world's largest miners tie their futures to the United States.

"You can have a mining operation that is carbon neutral," said Stephen Gill of Switzerland-based Pala Investments, the largest shareholder in Nevada Copper Corp, which last year opened the first new U.S. mine in decades.

Biden and Vice President-elect Kamala Harris have said they would slow fracking on federal lands, though they have not publicly addressed mining. The transition team did not respond to requests for comment.

LEGISLATION

Biden's transition team is considering legislation that could penalize carbon emissions and increase financial incentives for EVs, steps seen as boosting metals demand.

Republicans, who are expected to retain control of the U.S. Senate, likely would oppose EV tax rebates but support legislation that would require products bought by the U.S. government - including its fleet of 8.1 million automobiles - to be built with domestically-sourced metals, Congressional aides say.

"That would be really helpful," said Keith Phillips, chief executive of Piedmont Lithium Ltd, which is building a lithium mine in North Carolina.

Miners are also hoping the coronavirus pandemic highlights the value of closer supply chains and curbs dependence on China, the world's largest producer or consumer of lithium, rare earths, copper, iron ore and other metals.

"I don't think the American people are interested in letting that be the status quo," said James Calaway, chairman of Ioneer, which is developing a lithium and boron mine in Nevada.

New regulations depend on who Biden appoints to run under consideration to run the U.S. Environmental Protection Agency the U.S. Environmental Protection Agency. One candidate under consideration tweeted <https://twitter.com/MaryNicholsCA/status/1203198504945864705?s=20support> <https://twitter.com/MaryNicholsCA/status/1203198504945864705?s=20> last year for Rio Tinto's California lithium project, though other candidates have opposed some U.S. mining projects

<https://www.coastalreview.org/2015/11/epa-warns-state-on-permit-cases> in the past on environmental grounds.

In the meantime, miners say they plan to show these new regulators their embrace of renewable energy-powered equipment and other changes they see as boosting their environmental credentials. (Reporting by Ernest Scheyder; additional reporting by Simon Lewis Editing by Marguerita Choy)

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