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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.

NMA member companies respond as good neighbors to natural disasters



P&H Mining Equipment employees "clip off" labels on new retail items donated to tornado victims through Corp Care.

The mining industry has a well justified reputation as a good citizen in the communities in which it operates, participating in and supporting community events and charities, donating reclaimed land for ball fields, recreation areas and other uses, and countless other voluntary initiatives during the average year that say "we care."

For the citizens of Wright, Wyo., community involvement by NMA member companies was magnified

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Administration sends proposed explosive tax amendments to Congress

The Bush administration has sent to Capitol Hill amendments to federal explosives laws that would impose a "user fee" (tax) to generate \$120 million annually – 90 percent of which would come from the mining industry.

Within 180 days after enactment, the legislative proposal would amend Section 846 of Title 18 of the U.S. Code, Chapter 40, and authorizes the U.S. attorney general to:

- Issue regulatory exemptions to the law (i.e., products that do not pose a threat to public safety, such as explosives used by the armed forces and black or smokeless powder, in quantities of 50 pounds or less;
- Establish and collect a "fee" of not less than \$0.02 on each pound of domestically manufactured and imported explosives;
- Increase the "fees" as deemed necessary to implement the requirements of the law; and,
- Establish the "ATF (Bureau of Alcohol, Tobacco and Firearms) Activities Fund" in which the fees collected will be deposited. Additional legislation would be required for ATF to withdraw these funds to offset the cost of its program, including administering the federal explosives laws.

Earlier in the year as a result of NMA contacts, the House and Senate Judiciary committees expressed opposition to imposing an explosives tax when first proposed by the administration, and said they would seek alternative sources for \$60 million in savings (reduced from the proposed \$120 million) included in the congressionally approved Budget Resolution. NMA contacted its members this week urging them to reiterate to Congress their opposition to the tax and its inclusion in the reconciliation package. ✕

Industry *continued from page 1*

many times over following the devastation of an Aug. 12 tornado, which destroyed 92 homes, and injured numerous citizens, some of whom were mining industry employees or family.

As soon as the F-2 tornado hit the community of 1,500 people some 38 miles south of Gillette, the local fire chief put out a call for help from the nearby Black Thunder Mine, operated by **Arch Coal Inc.'s Thunder Basin Coal Co.** The Day Shift Surface Mine Rescue

the Jacobs Ranch mine near Wright, donated \$20,000 to the Red Cross and then provided employees who lost everything they owned in the tornado additional financial support. "We also have been helping other employees who did not receive as much damage some support as needed," Kennecott said.

The company is also working with the community in an ongoing basis to meet other needs, including restoration of the Community Assistance building

miles southeast of Gillette and the Eagle Butte Mine eight miles north of Gillette, said it has amassed sizeable financial contributions for those affected by the tornado. "These contributions were made through corporate giving as well as self-directed employee donations," the company said.

Meanwhile, **P&H Mining Equipment** and its **MinePro** unit, which has a large presence in the Powder River Basin, immediately organized a massive response to the disaster, including committing company funds to match dollar-for-dollar all employee monetary donations to the Wright Community Assistance disaster relief fund. In all, the company raised over \$100,000 in money, goods, supplies and materials, including a \$5,000 Joy Global Foundation contribution that became over \$50,000 worth of soft goods; a donation by MinePro partner Snap-On Tools of \$40,000 in much-needed tools; and a food contribution by a Wisconsin-based cheese manufacturer (Sargento). The donated trailer and truck loaded at the company's Milwaukee, Wis., headquarters to transport the goods to Wyoming carried a sign that said, "From Our Family to Yours."

Louise Hermsen, P&H's vice president, planning & support services, called the response by the company and employees "a very heartwarming experience." She added, "In today's world, where we are challenged to attract people to our industry, we just thought it would be the right thing to do to show how the industry really does care about its employees and embraces them as family."

NMA member companies have also stepped to the forefront in an impressive way in the wake of the devastation caused by Hurricane Katrina.

Phelps Dodge Corp. (PDC) announced this week they are donating \$1 million to the American Red Cross Hurricane Katrina disaster response effort. "Our hope is that this contribution will provide some help and relief to the thousands

Hurricane Katrina – What you can do

NMA this week participated in a conference call with the U.S. Department of Homeland Security (DHS), during which information on what resources and equipment are needed to help with Hurricane Katrina recovery efforts were discussed. Fuel, housing and equipment are immediate needs; however, as efforts move to the various recovery phases, there will be a need for heavy equipment, glass, plywood and many other items.

DHS has asked that industry use the National Emergency Resource Registry (NERR) to submit your company information about the available donations or items for purchase that may be used for relief and recovery efforts – the link is www.swern.gov. Once you register, DHS will use the registry to match the available resources with needs. ✕

Team (SMRT) responded immediately, bringing the mine's ambulance and fire truck to assist local authorities.

Arch's SMRT members worked under the direction of the Incident Command, primarily participating in house-to-house searches for those needing help. Even after the teams were released back to the mine, some SMRT members continued providing assistance throughout the weekend.

Black Thunder loaned three light plants and a large generator at the onset of the emergency. The mine donated \$25,000 to assist in the relief effort, as well as some 300 meals to help feed victims and volunteers on Saturday, Aug. 13. Perhaps most significantly, Black Thunder agreed to site a landfill on their property to dispose of all the debris left in the tornado's wake – an in-kind gift that will save Campbell County, Wyo., an estimated \$200,000.

Kennecott Energy, which operates

damaged in the storm, which is responsible for coordinating donations. Kennecott Energy also participates in a Matching Gift Plan, where donations made by employees to certain tax exempt charities are doubled. The company said its employees have responded very strongly to the program "and we have been able to help a number of efforts through this plan."

Finally, the Jacobs Ranch Mine opened up its warehouse to provide badly needed gloves and other tools for the recovery effort. "We also had a number of employees who volunteered in assisting the cleanup," Kennecott Energy said. "One employee who is trained in waste management helped sort the debris prior to final disposal to ensure there was not hazardous waste entering the land fill." The company also donated 110 backpacks of school supplies in time for the first day of school.

Foundation Coal Corp., which operates the Belle Ayr Mine about 18

EPA 'Good Samaritan' initiative aimed at removing legal barriers to AMD cleanup

Environmental Protection Agency (EPA) Administrator Stephen Johnson this week said the agency is setting up a new "Good Samaritan" initiative to help remove legal barriers that have prevented communities, grassroots organizations, mining companies and local governments from cleaning up acid mine drainage from abandoned mines.

"In the United States, it is estimated that more than a half-million abandoned mine sites may be polluting our waterways. Many of these problematic abandoned mine sites are on private land and those responsible for the pollution are long since gone. While there have

been groups and local communities willing to take on the restoration of these watersheds, the potential liability of touching the sites have long discouraged voluntary cleanup efforts," he said.

Johnson told the White House Conference on Cooperative Conservation in St. Louis, Mo., that once finalized, the "Good Samaritan Initiative will remove legal barriers that have prevented the cleanup of watersheds threatened by abandoned mine runoff."

He said the partnership agreement, coupled with targeted watershed grants and other assistance, "can help dramatically in revitalizing thousands of

water bodies threatened by acid runoff." Johnson said the EPA program will provide organizations with "protection and certainty to help restore watersheds, and inspire others to do the same elsewhere. We will also pledge to work with congressional and state partners on legislation to remove potential legal obstacles for Good Samaritan cleanups."

The Western Governors Association (WGA) continues to work with the mining industry, environmental and sportsmen groups and the Bush administration in developing the Good Samaritan proposal. ✕

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of people affected by the devastation caused by Hurricane Katrina," said J. Steven Whisler, chairman and CEO. "All of us at Phelps Dodge want to come to the aid of the victims." A PDC subsidiary, Columbian Chemicals Co., operates its North Bend carbon black manufacturing facility in Centreville, La., about 100 miles west of New Orleans. The company said although many employees' homes were damaged by the storm, the plant experienced no significant damage and all employees are safe.

Peabody Energy announced it is contributing \$500,000 to the relief effort, through contributions to affected electric utility foundations and the Red Cross. The company said the majority of funding came through direct corporate donations, along with employee contributions and matching donations.

Foundation Coal Corp., mentioned earlier in relation to Wyoming tornado assistance, said it has also channeled giving and support to the victims of hurricane Katrina via the Red Cross and Salvation Army.

Caterpillar Inc. said its foundation is matching employee and retiree contributions made to relief funds established by both the American

Red Cross and the Salvation Army. Caterpillar is also working with its dealers in the region to determine needs and to make equipment, personnel and resources available to help government agencies and non-governmental agencies working on the recovery and cleanup efforts.

Jim Walter Resources, which operates coal mines in Alabama, noted its parent company, Walter Industries, will match dollar-for-dollar up to \$10,000 in employee donations to the American Red Cross relief fund. In addition the company made arrangements to solicit food items and bottled water for the West Alabama Food Bank, which will provide them to Hurricane Katrina evacuees from Louisiana and Mississippi staying in Tuscaloosa, Ala.

Other NMA members are also organizing charitable and other responses to aid victims of Hurricane Katrina, and those providing information will be featured in the next issue of *Mining Week*. If your company has a response to the hurricane, the tornado in Wyoming, or other natural disaster that you would like mentioned, please e-mail the information to Tom Johnson at tjohnson@nma.org. ✕

Bush plans to nominate Jarrett as DOE assistant secretary, fossil energy

President Bush this week said he intends to nominate Office of Surface Mining (OSM) director Jeffrey D. Jarrett as assistant secretary for fossil energy at the Department of Energy. The announcement is subject to confirmation by the U.S. Senate once the official nomination is made.

Jarrett has served as OSM director since January 2002 and previously was deputy secretary for mineral resources management at the Pennsylvania Department of Environmental Protection. He was also deputy assistant director for OSM's regional office in Pittsburgh, Pa., from 1988 to 1994.

A native of West Virginia, Jarrett received a B.S. degree in human resource management from Geneva College in Pennsylvania and an A.A.S. degree in land stabilization and reclamation from Belmont Technical College in St. Clairsville, Ohio. ✕

Mining Week archives
are available on the
NMA website.

Mining engineering graduates need to triple over next 10 years, experts note

The U.S. needs to triple its production of mining engineers just to replace those who will be retiring over the next 10 years, Kim McCarter, professor and chairman of the University of Utah's Mining Department, told the Utah Mining Association annual convention last week.

"That's not assuming any kind of growth," he said. "That's just replacing those who are retiring."

Meanwhile, the State Journal newspaper reported 10 American mining engineering departments have closed at U.S. universities since 1985, and the 15 remaining schools are taking extreme measures to keep programs alive, including merging with other departments, broadening the mining's degree's scope and re-titling programs.

McCarter said the number of mining engineers graduating from U.S. universities peaked in 1980 with roughly 700 graduates. From 1980 to 1984, the number dropped to roughly 200. Today

about 100 mining engineers graduate annually from U.S. universities. He said the dwindling interest in mining jobs stems from an often misunderstood industry.

Bruce Lindsay, human resources manager for Arch Western Bituminous Group, said the labor shortage extends to electricians, trained miners and maintenance people. He noted his company recruits in all western states for mining engineers.

Mike Nelson, associate professor of mining engineering at the University of Utah, said mining engineers graduating with a bachelor's degree can expect a starting salary of \$50,000 to \$60,000. "We have excellent scholarships and job opportunities for the students, but we don't seem to have a lot of students who are interested," he said. He added that many students have an outdated view of the highly technological industry as "old . . . it's a very high-tech business now with a lot of intellectual challenge and opportunities to do interesting things."

Nelson said the University of Utah last spring graduated five mining engineering students, each of whom received four to five job offers.

David Kanagy, executive director of the Society of Mining, Metallurgy and Exploration, recently said the industry would need 300 graduates a year for the next 10 years to fill the ranks of those that will be retiring – this would mean 550 students would need to start as freshmen to produce 300 graduates.

Foreseeing the growing labor shortage problem, NMA in 2004 launched initiatives related to workforce issues, including participation in the President's High Growth Job Training Initiative through the Department of Labor's "Workforce of the Future" program. As part of this effort, the association has identified and quantified the industry's workforce needs, training tools and funding criteria and is aggressively working to move these forward to ensure an educated, skilled mining workforce for the future. ✕

Newsbits

Cecil I. Walker Machinery Co. said its sales department is a recipient of the Caterpillar "Gold Award in Dealer Excellence" for 2004. The award is based on overall performance of Caterpillar Inc. goals and objectives – it marks the second consecutive year that Walker has achieved the honor The **Environmental**

Protection Agency (EPA) said **Alan J. Steinberg** has been appointed as Region 2 administrator. Since June 2002, he has served as the regional advocate for the Small Business Administration Office of Advocacy for Region 2 **Tom Kieffer** has been named executive director – customer support excellence for **Cummins Inc.** **Carol Lavengood** has assumed his former responsibilities as director

– marketing communications Research and Markets has announced the publication of its **World Coal Report**, which looks at changes and future possibilities for the international coal market. For more information, visit www.researchandmarkets.com/reports/c23520. . . . **The Doe Run Company** has appointed **Dallas E. Nichols** as manager, transportation.



Mining Week is published as service to members of the National Mining Association, John Brinzo, chairman.

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