

A large pile of coal is the central focus, situated in an industrial port environment. In the foreground, a man wearing a white hard hat, sunglasses, and an orange safety vest stands on a metal walkway with yellow railings. The background shows various port structures, including cranes and a large ship. The scene is brightly lit, suggesting a sunny day.

COAL CEO MEETING

| SEPTEMBER 15, 2022

AGENDA

Welcome and Introductions

Paul Lang

Global Market Trends

Rich Nolan/Paul Lang

Rail Transportation Update

Katie Mills

Congressional Update

- Reconciliation
- Thermal Coal Incentives Legislation

Rich Nolan/Ryan Jackson

Ryan Jackson

Fleet Defense

- Communications and Polling
- Regan Plan
- Congressional Oversight
- Regional and State Oversight

Ashley Burke

Tawny Bridgeford

Ryan Jackson

Jerry Mullins

Federal Coal Leasing Update

Katie Sweeney

Discriminatory Lending

Jerry Mullins

Department of Labor BL Self-Insurance Rulemaking

Katie Sweeney/Ryan Jackson

Adjournment

Paul Lang

GLOBAL MARKET TRENDS



**Commodity
Prices**



**Production
Costs**



Inflation



**Global
Energy Crisis**

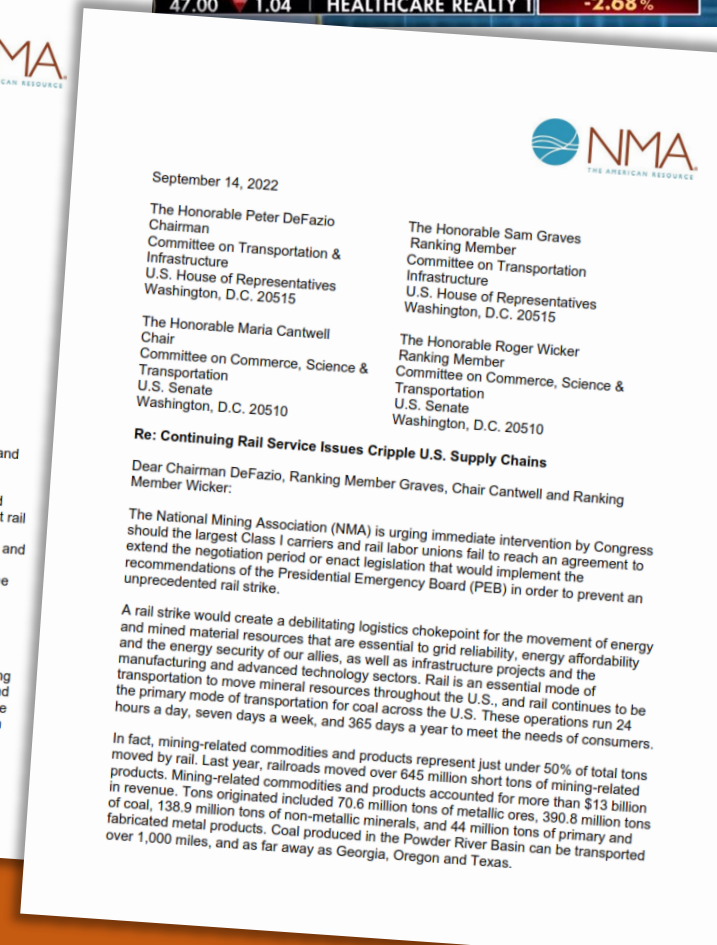
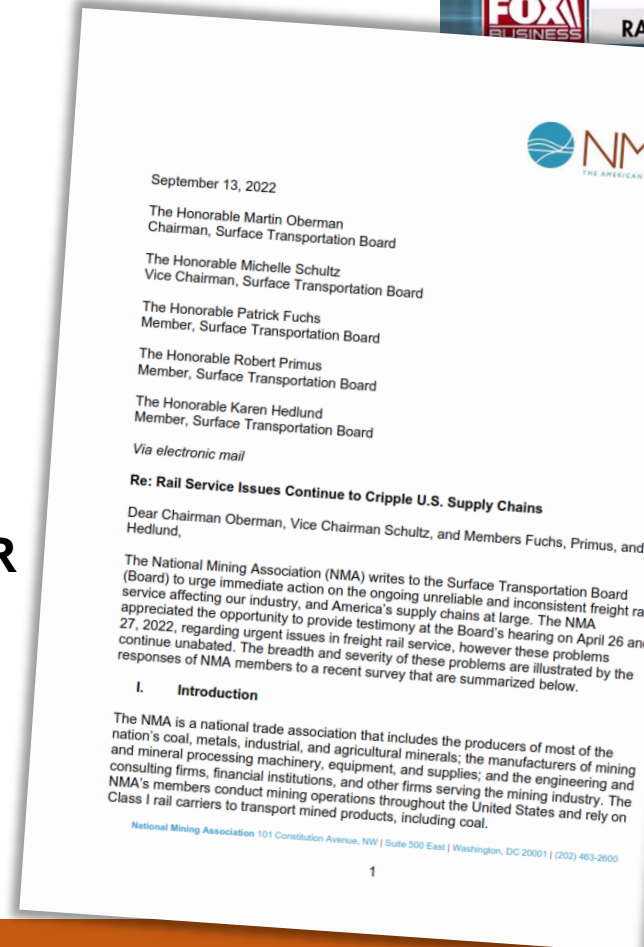
RAIL TRANSPORTATION UPDATE

POTENTIAL U.S. RAIL SHUTDOWN

- Ongoing negotiations since Jan. 2020
- Parties have until Friday to agree on deal for wages, benefits and work rules
- Class I carriers began enacting contingency plans this week
- Congress likely to step in
- Would cost the U.S. economy \$2 billion a day

SURFACE TRANSPORTATION BOARD LETTER

- NMA's anonymous survey on rail service highlights continued issues
- Will conduct survey every quarter to assess if service is improving



CONGRESSIONAL UPDATE



RECONCILIATION

After 18 long months...



- Build Back Manchin total – \$740 billion, down from \$3.5 trillion
- No new coal royalties or repeal of royalty relief
- No new rental fees or severance tax
- No changes to leases or deferred payment timing
- \$250 billion loan guarantees for coal retrofits / emission reductions
- Funding for standardization, transparency, and enforcement of corporate climate action commitments
- \$27 billion for EPA Greenhouse Gas Reduction Fund
- Long-term extension of 45Q and energy production tax credits
- Permanent extension of Black Lung Excise Tax prospectively

RECONCILIATION



RICH NOLAN
President & CEO

July 29, 2022

The Honorable Joe Manchin
U.S. Senator
306 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Manchin,

On behalf of the coal producing members of the National Mining Association (NMA), I am writing with strong concern about the coal related provisions that are contained within the Inflation Reduction Act. As work on the legislation continues, we hope that the following views can best help inform new revisions and modifications to the announced legislation.

We appreciate the inclusion of \$250 billion in new financing for the coal sector.

COUNT ON COAL

Dear American Coal Supporter,

After a shocking about face from Senator Joe Manchin (D-W.Va.), the slim majority in the Senate have passed a deeply partisan reconciliation bill that will raise taxes on households across the nation and devastate American coal mining!

The bill was passed by a partisan, party-line vote with the Vice President stepping in as the tie-breaker to push the vote over the line.

It's clear that many in Washington, D.C. do not understand the pressures facing the nation — skyrocketing energy costs and ever-rising inflation are hitting Americans hard, but they call legislation full of tax increases and millions for the IRS the "Inflation Reduction Act of 2022."

That's why we need you to TAKE ACTION! The House of Representatives is set to vote on the bill on Friday, so there's little time to act.

TAKE ACTION now to tell your Representatives that the anti-coal provisions in H.R.5376 - Inflation Act of 2022 — cannot move forward.

RealClear Energy

The Inflation Reduction Act Could Push Power Grid Reliability Into a Tailspin

The Intelligencer.
Wheeling News-Register
Europe's Energy Crisis Offers Bleak Warning for U.S.

STOP Anti-Coal Provisions in the Bill that Will Devastate American Coal Mining!

I urge you to oppose the anti-coal provisions in the Inflation Reduction Act.

This bill is a missed opportunity for the coal industry.

At a time when nation's electricity reliability experts are alarmingly outspoken about the threat to electric grid reliability, this bill continues to miss the opportunity to provide much needed regulatory relief for the coal industry. The U.S. Environmental Protection Agency (EPA) Administrator has repeatedly stated he plans to use a suite of regulations and authorities against the coal-based generation. These new regulations target thousands of megawatts of coal generated electricity affecting the homes of millions of Americans. In one regulation alone, the EPA is proposing a new 26 state plan to close over 60,000 megawatts of coal generated reliable and affordable electricity serving 30 million Americans. Instead of regulatory relief, this bill awards the EPA with millions of dollars in additional resources to promulgate even more regulations to impact the coal sector.

The bill provides \$250 billion in new financing which will not be used to support the ongoing use of coal-based electricity. The provision simply allows the U.S. Department of Energy to offer financing for all electricity generation while it imposes additional hurdles for coal and fossil fuel projects.

The tax increases in this bill such as a new corporate alternative minimum tax (AMT) provision as well as other taxes that will impact coal companies and negate the historic mining specific deduction for profitable mining companies, a provision of the tax code on which the mining sector has relied for over 100 years.

The bill not only extends taxpayer funded tax credits that have created market distorting advantages for intermittent electricity generation, but the new credits in the bill also extend subsidies for more than another decade, further disadvantaging all fossil fuel generated electricity effectively countering any needed investment in dispatchable, reliable baseload electricity generation in the bill.

This bill is a missed opportunity for regulatory relief, contains new authority for the EPA, and destructive new taxes.

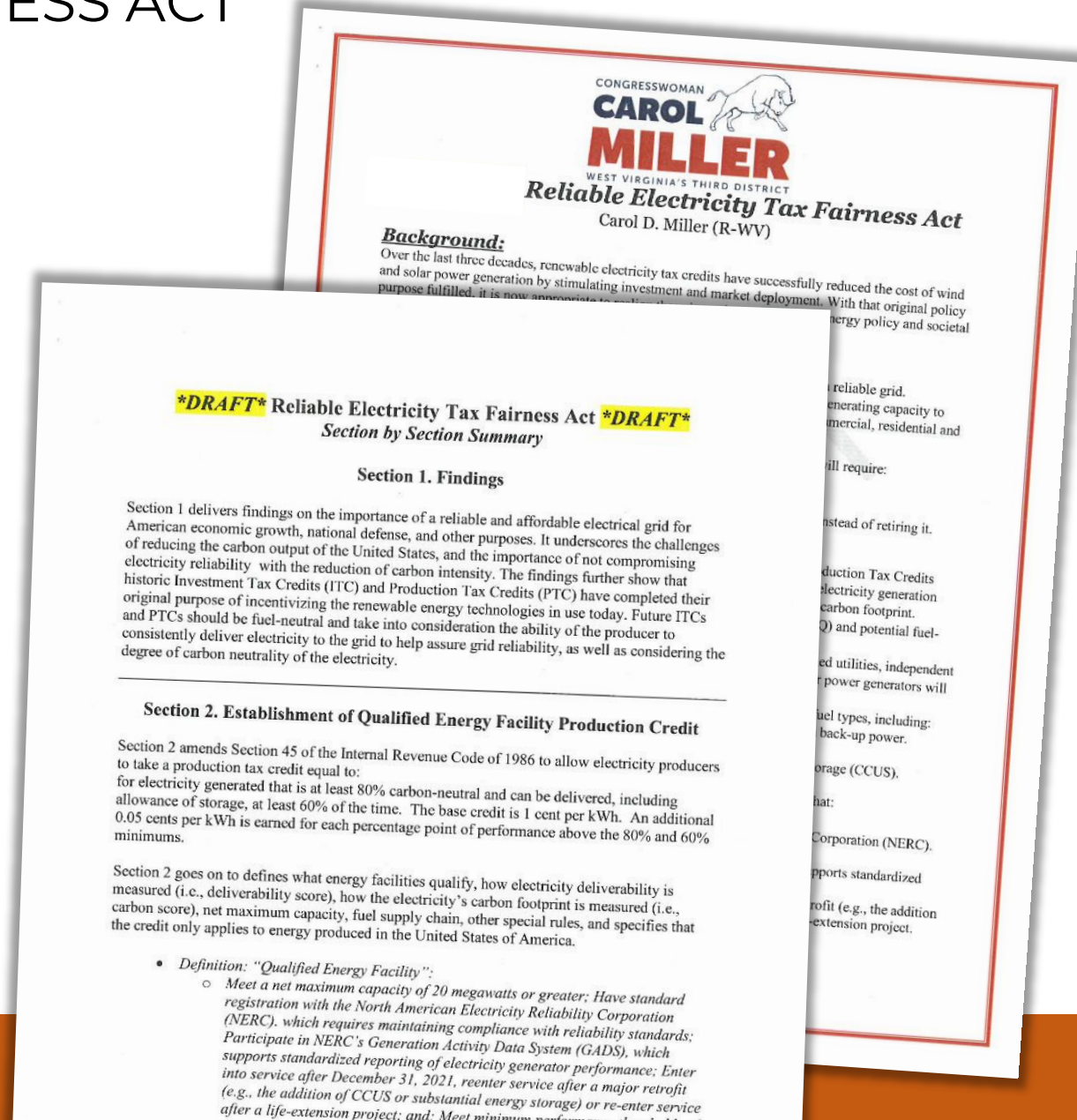
I urge you to vote no on these destructive coal provisions.

THERMAL COAL INCENTIVES LEGISLATION

RELIABLE ELECTRICITY TAX FAIRNESS ACT

REPRESENTATIVE CAROL MILLER'S (R-W. VA.) RELIABLE ELECTRICITY TAX FAIRNESS ACT INCLUDES:

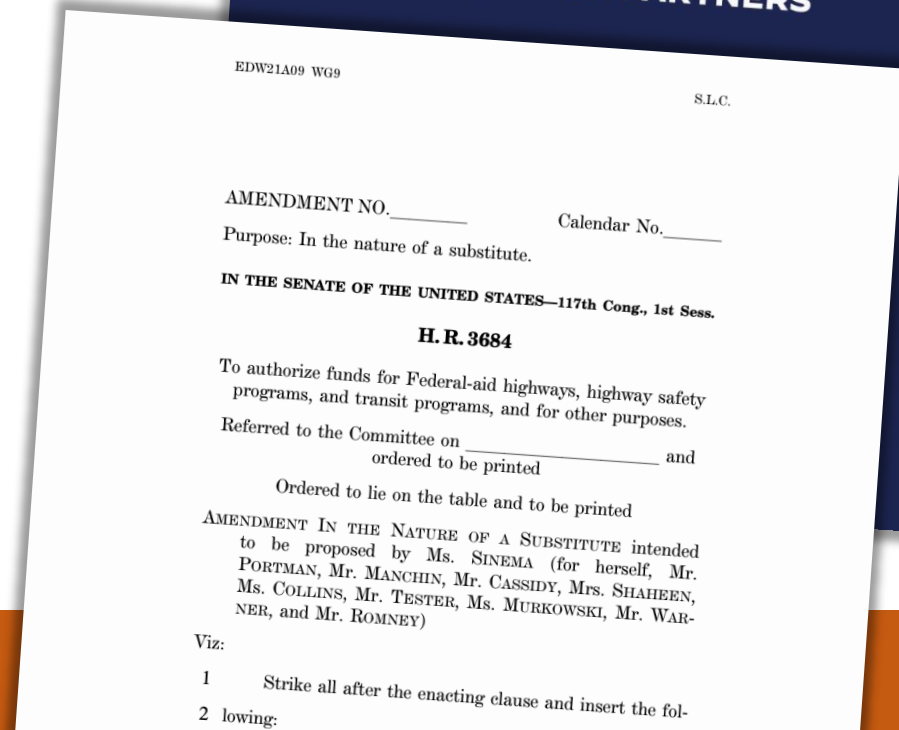
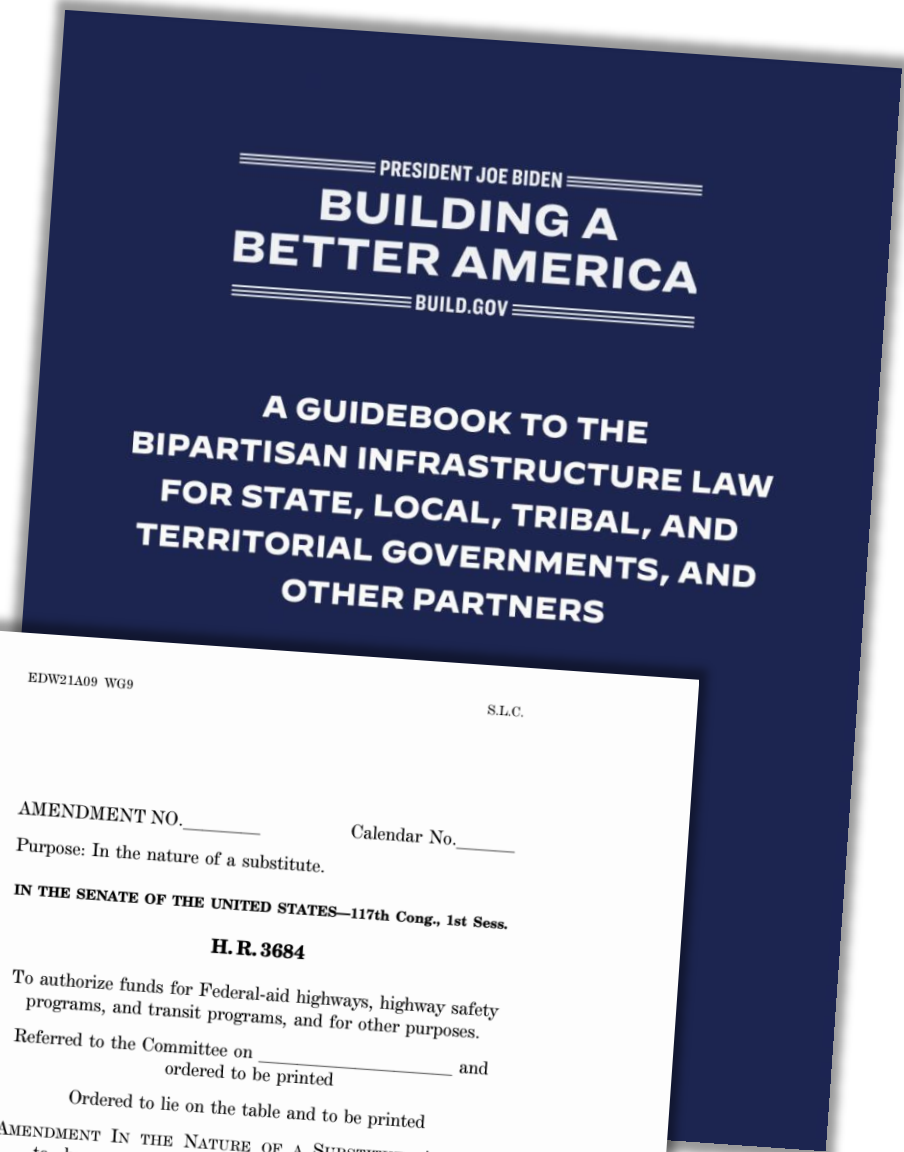
- New Production Tax Credit / Investment Tax Credit
- Utilities with 20 MW
- Annually meet performance thresholds of:
 - 60 percent deliverability
 - 80 percent carbon neutrality



THERMAL COAL INCENTIVES LEGISLATION

BIPARTISAN INFRASTRUCTURE BILL

- Carbon Capture Demonstration Project Program
 - Estimated application opening date in 4th quarter 2022
 - Two of six projects earmarked for coal plants
- Carbon Utilization Program
 - Estimated application opening date in 4th quarter 2022
- Carbon Capture Large-Scale Pilot Projects
- Carbon Capture Demonstration Projects Program
- Direct Air Capture Programs
- Carbon Capture Technology Program
- Front-End Engineering and Design



COMMUNICATIONS – BUILDING A STRONG MESSAGE

No context

Q: Do you support the EPA rolling out regulations designed to close coal plants?

48% YES

32% NO

Context adds 10 percentage points of support

Build context

Q: In the context of the global energy crisis, are you concerned about the closure of coal plants deepening the energy crisis?

78% YES

Q: Given high natural gas prices, are you concerned about regulations that could close more coal plants making consumers more reliant on natural gas?

80% YES

Q: Are you concerned about regulations that could close more coal plants potentially raising the cost of electricity?

83% YES

With context

Q: In the context of higher electricity rates, high natural gas prices and the global energy crisis, do you support EPA regulations designed to close coal plants?

44% YES

42% NO

COMMUNICATIONS – DELIVERING A STRONG MESSAGE

The Washington Times

Inflation Reduction Act could threaten U.S. power systems

America's baseload power plants are being pushed off the grid

The Intelligencer.
Wheeling News-Register

Europe's Energy Crisis Offers Bleak Warning for U.S.



RealClear Energy

**The Inflation
Reduction Act
Could Push Power
Grid Reliability
Into a Tailspin**

By Rich Nolan

For all of the focus on
energy policy in Washington,
attention to the unfolding
GRID RELIABILITY CRISIS
remains alarmingly absent



→ **Back to energy
policy school.**

Europe's energy crisis is providing a painful reminder of the necessity of not neglecting energy security underpinned by dispatchable fuel diversity.

It's a lesson the U.S. must learn and act on before it's too late. In some regions of the U.S. it already is. ←

Missing the mark

Prognostications of coal's demise are way off.

The global energy crisis has pushed the world to reprioritize energy security and to hedge against price volatility and supply chain disruptions.

Coal remains indispensable to keeping the lights on and the gears of industry turning.



The  we're in.

The coal capacity that once provided competition and balance to the nation's electricity mix is no longer available in many markets, leaving no alternatives to soaring natural gas prices

KEY PERFORMANCE
INDICATORS

134

OPEDS YTD

20

PRESIDENT OPEDS

3.64M

READERS REACHED

38

BLOGS

3

VIDEOS

306,000+

VIDEO VIEWS

REGAN PLAN



HAPPENING NOW

- Coal ash closure decisions
- Effluent Limitation Guidelines proposed rule
- Particulate Matter National Ambient Air Quality Standards reconsideration



IMMINENT THREAT

- Interstate Transport Rule on ozone



FUTURE THREATS

- Clean Power Plan replacement rule
- Regional Haze
- Mercury Air Toxics Standards



REGIONAL AND STATE OVERSIGHT

GOVERNORS



Gov. Gordon | Wyo.



Gov. Stitt | Okla.



Gov. Youngkin | Va.



Gov. Gianforte | Mont.

ATTORNEYS GENERAL



AG Landry | La.



AG Morrissey | WVa.



AG Marshall | Ala.



AG Rokita | Ind.



FEDERAL COAL LEASING



Judge reinstates Obama-era coal-leasing ban

RECENT COURT DECISION REINSTATES JEWELL MORATORIUM

2016

JANUARY
Jewell order imposes moratorium

2017

MARCH
Zinke rescinds Jewell order

MARCH
NGOs file challenge to Zinke order

2019

APRIL
Montana District Court finds Zinke order was subject to NEPA, requiring an analysis before lifting the Jewell order

MAY
BLM issued a draft environmental assessment (EA) in response to the Montana District Court order

2020

FEBRUARY
BLM issued its final EA and finding of no significant impact for the resuming the federal coal leasing program pursuant to the March 2017 Zinke order

JULY
NGOs challenge EA as insufficient

2021

JANUARY
Climate E.O. imposes oil & gas moratorium but not coal

APRIL
DOI Secretary Haaland rescinded the Zinke order that reversed the Jewell order but similarly did not reinstate a coal moratorium, called for a new review

AUGUST
Interior released a notice of intent to conduct a review of the federal coal leasing program – challenge to EA is paused

DECEMBER
DOI releases summary of comments

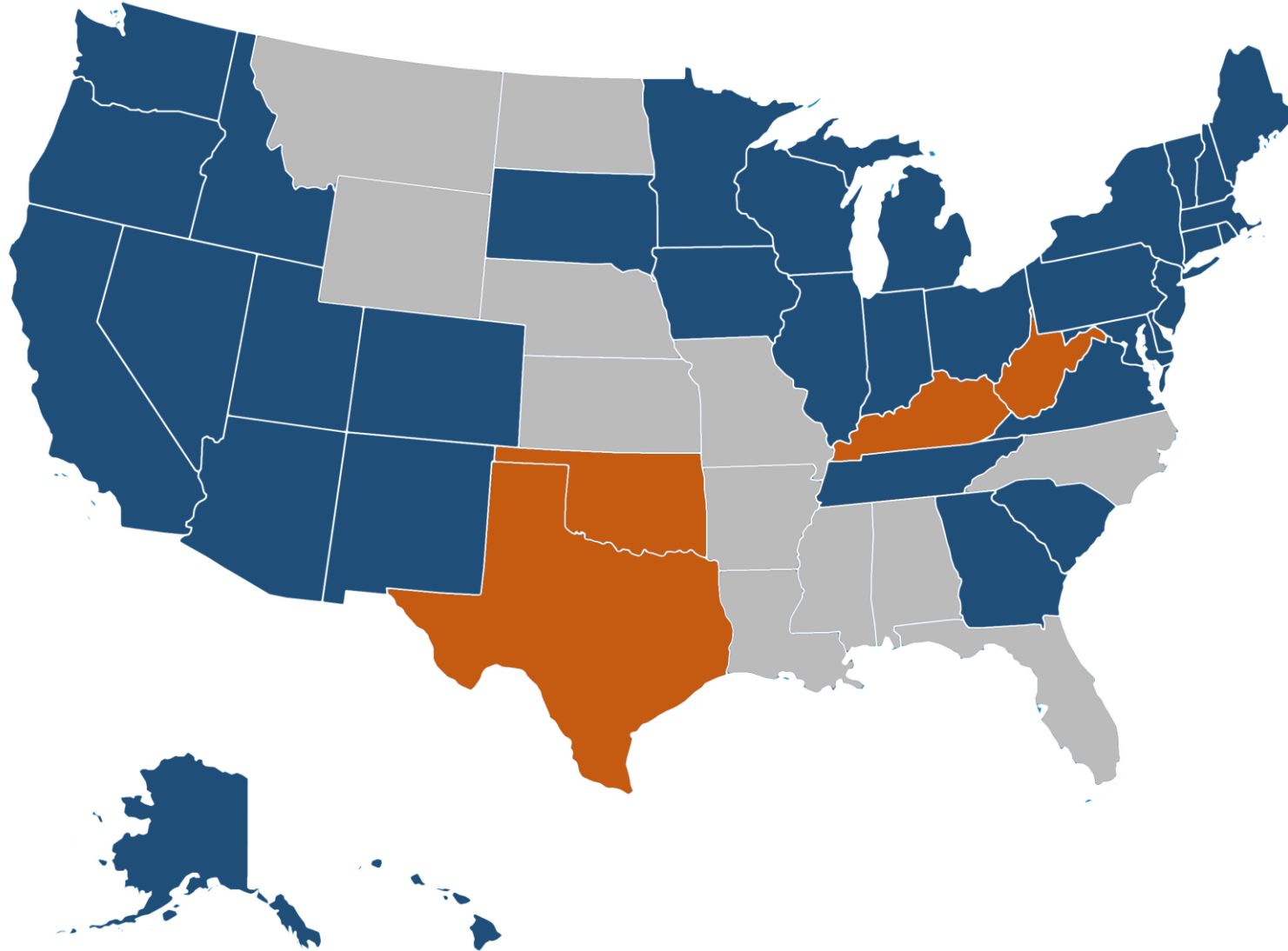
2022

JANUARY
NMA, DOJ and states argue litigation is mute because Zinke order has been rescinded

AUGUST
Judge reinstates Jewell Moratorium

OCTOBER
NMA to appeal



DISCRIMINATORY LENDING



ATTORNEYS GENERAL

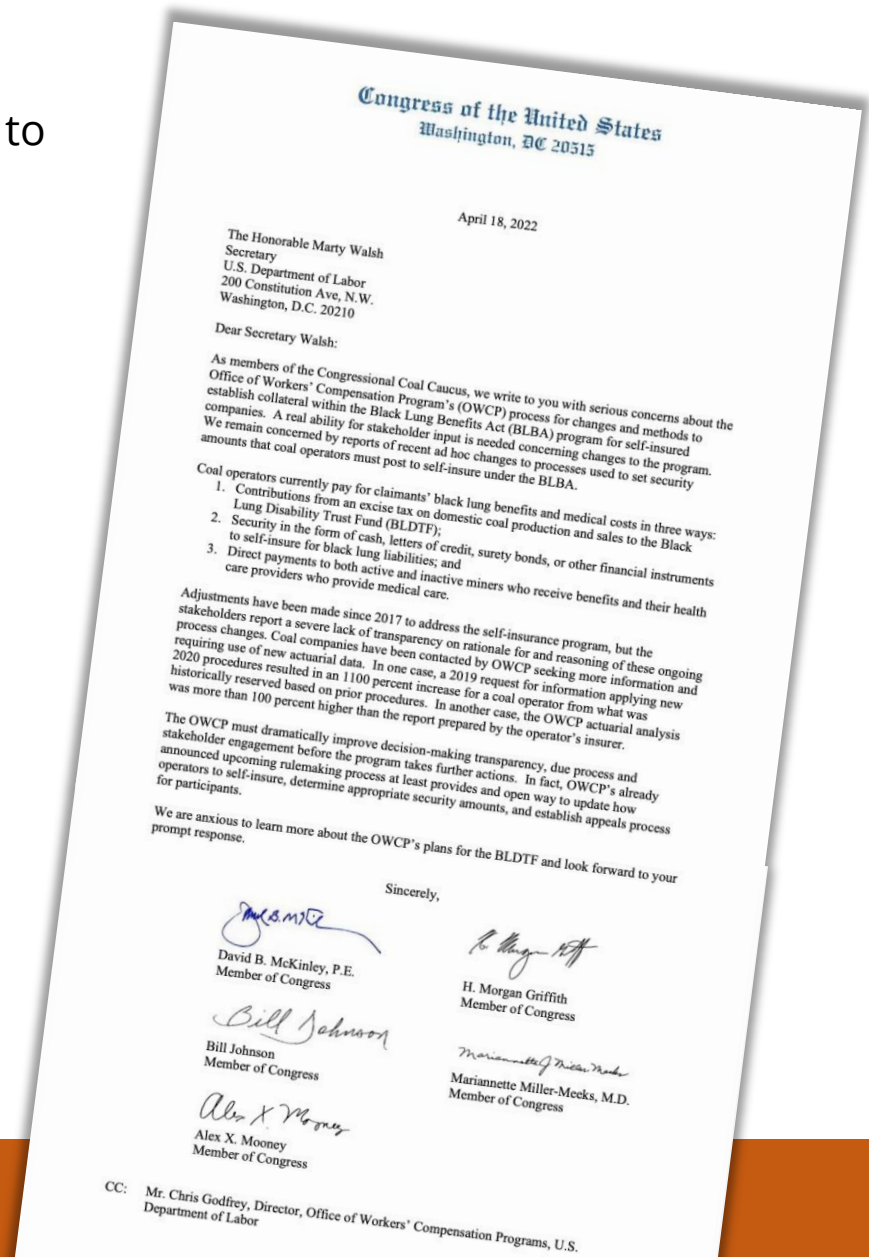


AG Brnovich | Ariz.

-  *Passed Legislation*
-  *Introduction of legislation*

DEPARTMENT OF LABOR BLACK LUNG SELF INSURANCE RULEMAKING

- December 2021 - House hearing spurred new Office of Workers' Compensation Programs letters on increases in collateral to be able to self-insure under the Black Lung Benefits Act
- Office of Workers' Compensation Programs announces anticipated rulemaking on authorizing operators to self-insure and for determining appropriate security amounts
- Proposed rule anticipated in October 2022
- Proposal sent to Office of Management and Budget for interagency review on Aug. 30
- NMA scheduling meeting with Office of Management and Budget to express industry's concerns
- Congressional oversight



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