



United States Department of the Interior

OFFICE OF THE SECRETARY

Washington, DC 20240

JAN 26 2024

The Honorable Pete Stauber
Chairman, House Natural Resources
Subcommittee on Energy and Mineral Resources
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Stauber:

Enclosed are responses prepared by the Department of the Interior to questions for the record submitted to U.S. Geological Survey Director David Applegate following his appearance at the April 26, 2023, oversight hearing entitled *Examining the President's Fiscal Year 2024 Budget Request for the Bureau of Ocean Energy Management, the Bureau of Safety and Environmental Enforcement, and the U.S. Geological Survey*. We apologize for the delay in our response.

Thank you for the opportunity to respond to you on this matter.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional and
Legislative Affairs

Enclosure

cc: The Honorable Alexandria Ocasio-Cortez
Ranking Member

Questions from Chairman Westerman

Question 1: In creating the critical minerals list, your agency relies on the most recent data. But as we know, the world is constantly changing, and certain mineral supply chains can be greatly affected by the opening or closure of a single mine, not to mention wars or diplomatic breakdowns.

- **What kind of forecasting tools does your agency have to look ahead to current global events that may lead to imminent supply chain disruptions?**

Response: The USGS currently provides mineral supply chain scenario analysis to several Federal agencies, including the Defense Logistics Agency's stockpile managers. Broader USGS capabilities in forecasting include published methodologies for supply chain risk analysis and forecasting disruptions such as trade wars, pandemics, natural disasters, and policies creating surges in demand. Examples of these capabilities applied to specific situations include the potential for earthquake and tsunami disruption to mineral production and processing facilities and estimates of effects on world markets of supply disruptions of select mineral commodities from Russia and China.

The Energy Act of 2020 calls for the USGS to further develop its forecasting capability. Accordingly, the USGS has developed a new series of five-year mineral outlooks as a near-term projection of changes in domestic mineral supply. The USGS also analyzes supply chain scenarios including technology development and policy changes such as electric vehicle market penetration and potential trade policies. Most of these efforts are custom analyses developed on demand for specific decision makers.

The President's FY24 budget request proposes to increase the timeliness of USGS critical mineral supply chain forecasting. The USGS would automate a number of analytical functions common to its current forecasting and scenario analysis efforts, enabling more nimble supply risk analyses and outlooks. This capability would provide forecasts of supply chain vulnerabilities to disruption and near-real-time identification of economic impacts during supply chain disruption events. It would also include projections of critical minerals production, consumption, and recycling.

Question 2: What are the selection criteria for grant recipients for the Climate Adaptation Science Centers program, and what is the methodology for creating such criteria?

- **I understand the directors of the Regional CASCs have a large amount of discretion in selecting projects for their program to fund. Is the selection criteria for the**

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Regional CASCs publicly available and transparent to grant applications? Is this criteria uniform across the regions?

Response: The agreements governing each regional CASC are competed every 5-7 years through an open competition on grants.gov. Each regional center works with stakeholders and partners from Federal, State and Tribal governments to identify specific science topics annually. We put out a notice for funding opportunity each year depending on the availability of funds for eligible university and Federal partners based on the specific science topics. Each region convenes a technical review panel consisting of scientific experts from regional Federal, State, academic, and Tribal organizations to review and score each proposal based on established technical review criteria that are published as part of the notice and which adhere to consistent national guidelines. Each technical expert signs a conflict-of-interest statement in which they promise to recuse themselves from any proposal with which they have an actual or perceived personal interest or relationship prior to serving on the panel. Ranked proposals are then provided to the USGS regional CASC director for final decision for funding. All CASC projects can be found on our website, including reports and data once each project is completed.

Question 3: In the hearing, you told Congressman Collins that you would be willing to transmit additional data and calculations behind the decision to no longer consider the non-fuel uses of uranium sufficient to qualify it as a non-fuel mineral. Please transmit that data to the Committee.

Response: Uranium was not evaluated for inclusion on the 2022 list of critical minerals because the Energy Act of 2020 specifically excludes “fuel minerals” from the definition of critical minerals, and uranium is used as a fuel. While uranium has important non-fuel uses, it is a major fuel commodity in the United States.

As described in the hearing, a full description of the methodology used to determine the 2022 list of critical minerals is located here: <https://pubs.usgs.gov/of/2021/1045/ofr20211045.pdf>, however uranium was not evaluated for inclusion on the list of critical minerals because of the language in the Energy Act of 2020.

In recognition of the importance of uranium to the United States’ energy industry, the USGS maintains ongoing research on uranium. Recent USGS studies of uranium include the publication in 2022 of a first-ever comprehensive genetic deposit model for Coles Hill, Virginia, the largest unmined uranium deposit in the U.S. The new model will improve resource assessments for similar deposits in the southeastern U.S. Additional information on USGS work on uranium deposits is at <https://www.usgs.gov/centers/central-energy-resources-science-center/science/uranium-mineral-systems>.

Question from Rep. Gosar

Question 1: At the Committee on Natural Resources hearing on April 19, 2023, I asked Secretary Haaland about copper and the official USGS critical minerals list. In response, she referenced the next update of list coming in 2025. However, in written correspondence to the Governors of Arizona, Idaho, and Utah last year, USGS committed to not waiting until the next 3-year update if the circumstances for copper changed. In fact, in Section 7002 of the Energy Act of 2020, Congress specifically gave the Department the authority to revisit the list sooner than every 3 years. Because USGS relied upon data from 2015-2018 for the 2022 list, the methodology on copper was already grossly out of date when the list was announced. The supply risk to copper has dramatically increased since that time.

- Given this, will you commit to revisiting the copper critical mineral score, using the same methodology and cutoff you used for the 2022 list, without waiting until 2025?

Response: The USGS has reviewed the most recent data on copper supply and short-term projections of future supply (*U.S. Geological Survey, 2023, Mineral commodity summaries 2023: U.S. Geological Survey, 210 p., <https://doi.org/10.3133/mcs2023>*). The most recent data for copper supply chains indicate a significant disruption at the start of the pandemic but a subsequent rebound. Copper imports to the United States are predominantly refined copper. Imports of refined copper increased in 2021 but then decreased significantly from 2021 to 2022. The relatively high level of imports in 2021 appear to represent a rebound from much lower imports in 2019 and 2020 during the height of the COVID-19 pandemic. The pandemic had large, broad impacts on many mineral commodity supply chains that are only now returning to pre-pandemic levels.

While copper is clearly an essential mineral commodity, its supply chain vulnerabilities are mitigated by domestic capacity, trade with reliable partners, and significant secondary capacity. As a result, the USGS does not believe that the available information on copper supply and demand justifies an out-of-cycle addition to the list at this time. The USGS will continue to carefully monitor copper supply and consumption data for the next list of critical minerals review and revision cycle. We take the input we receive on the list seriously and anticipate opportunities for public comment on copper and other minerals as part of this review cycle.

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Question from Rep. Lamborn

Question 1: It's my understanding that the USGS 3D Elevation program, or 3DEP, has reached 90% completion. This is a significant accomplishment to date as I was one of over 35 bipartisan members to cosign the USGS 3DEP FY2024 funding letter to the Appropriations Committee. How does USGS plan to map the remaining 10% given most of that area is located in public lands states in the West? When will the USGS reach 100% nationwide completion for 3DEP?

Response: The USGS is prioritizing the completion of the 3DEP national baseline coverage while planning for the next generation of national LiDAR collection, essential for maintaining accurate, up-to-date elevation data. The USGS leverages partner funding with USGS annual appropriated funding, which included an increase in 2023 dedicated for 3DEP over Federal lands in the Western U.S, as well as funds received in the Inflation Reduction Act and Bipartisan Infrastructure Law. The USGS continues to coordinate with Federal agencies with large land holdings in the West including the Bureau of Land Management, the U.S. Forest Service, the National Park Service, and the U.S. Fish and Wildlife Service to help secure funding to complete 3DEP coverage for Federal lands. Based on the FY 2024 President's Budget Request, the USGS estimates that national 3DEP acquisition will be completed during FY 2027.