



STATE OF GEORGIA
OFFICE OF THE GOVERNOR
ATLANTA 30334-0090

Brian P. Kemp
GOVERNOR

January 10, 2023

The Honorable Deb Haaland
Secretary of the Interior
1849 C Street NW
Washington, DC 20240

Dear Madam Secretary:

On behalf of the State of Georgia, I am again reaching out to you in support of the United States' increasingly important copper industry. Copper is critical to our national security, electric vehicle and electric grid infrastructure, and many other sectors of the United States and Georgia economies.

As a result of the new copper supply risk data, I urge your department to officially include copper on the 2021 U.S. Geological Survey (USGS) list of "critical minerals" without delay. The original List required a 50% import penetration threshold, which copper did not meet. In 2021, a new qualitative methodology was created to look more closely at a supply risk score by calculating the economic vulnerability, disruption potential, and trade exposure of various minerals.

Since 2018 data, the risks to copper from imports have increased dramatically. The share of copper consumption that is met by net imports has increased from 31% in 2016 to 49.3% in 2021. In the first half of 2022, the net import reliance stood at 48%. In addition, Russia, China, Iran, and North Korea now account for half of all non-U.S. global refined copper production.

Due to the out-of-date data USGS relied upon, the North American Copper Association hired an analyst to calculate an updated copper supply risk score with the most recently available data through the first half of 2022. With the new data, copper's supply risk score in 2022 is up to 0.423 and the 4-year weighted average score is now up to 0.407, both of which are above the USGS 0.40 threshold for inclusion on the Critical Minerals List (CML).

Earlier this year, the USGS committed in writing to take swift action of necessary: "If the criticality status of a mineral commodity were to change significantly in the near term,



the USGS would publish information on the changed circumstances without waiting for a 3-year update cycle.”

It is our belief this dramatic rise in the supply risk score represents such a significant change requiring immediate attention, so I am urging you to officially add copper to the CML immediately, without waiting for the next update in 3 years.

This designation will significantly benefit and protect the United States as we continue to substantially invest in a variety of copper intensive applications. By recognizing copper as a “critical mineral,” the United States federal government can more effectively ensure a secure and reliable supply of domestic copper resources in the years to come.

The copper industry is a major contributor to U.S. economic and national security and is essential to nearly every facet of the U.S. economy, including construction, consumer products and the energy sector. Companies manufacturing copper and copper alloys, as well as the copper miners, refineries, and other members of the industry, directly create approximately 40,000 jobs in 30 U.S. states. This workforce significantly supports local and regional economies through the creation of additional downstream employment opportunities for plumbers, electricians, automotive workers, and electronics manufacturers to name just a few. Copper is also essential for U.S. national security purposes, as it is the second-most widely used metal by weight in U.S. defense systems.

Copper is integral to electric vehicles, electric vehicle charging stations, data processing centers, and electrical grid-level upgrades, all of which are of the utmost importance in the State of Georgia. The International Energy Agency (IEA) noted this year that copper demand for grid lines alone will more than double by 2040.

Unfortunately, the U.S. has moved and continues to move from a net exporter of refined copper to a net importer with net import penetration growing from 30% in 2016 to 37% in 2020, with China leading the world. China now accounts for 43% of ex-USA refined copper production, up from just 10% in 2000. If we do not increase domestic production, as the U.S. economy grows, then net import reliance and U.S. vulnerability to supply disruptions and state-led market manipulation will continue to grow.

Given copper’s major role in state and national economic development, national security, and infrastructure, I strongly reiterate the recommendation that copper be immediately included in the USGS list of “critical minerals.” Thank you for your thoughtful consideration of this request.

Sincerely,

Brian P. Kemp