

# A rare-earth venture

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It's good news to see another step taken toward extraction of rare earth metals from a mine in Southern California.

Molycorp Inc., owner of the Mountain Pass mine that is the only rare earth mine in the United States, has entered into an agreement with Tokyo-based Hitachi Metals, Ltd., to form a joint venture for the production of rare earth alloys and magnets in the United States. The focus would be production of neodymium magnets used in electric motors for electric and hybrid vehicles as well as in computer, health care and communications technologies.

Molycorp Inc. , based in Greenwood Village, Colo., is on course to put the Mountain Pass mine in San Bernardino County back into full operation by the end of 2012, after a lengthy closure.

The mine's reopening is important to our national economy and our national security because rare earths are essential parts of all kinds of electronics - not only automobiles like the Toyota Prius, Chevrolet Volt and Nissan Leaf, but also a host of important military applications and clean-energy technologies such as wind turbines. And China mines about 97 percent of the world's rare earth metals.

Mark A. Smith, Molycorp's CEO, said the joint venture with Hitachi moves his company "and the United States one step closer to realizing the strategic goal of re-establishing a complete rare earth manufacturing supply chain in the U.S."

China has been flexing its rare earth muscle, lowering export quotas since 2005, and in July cutting its exports by 72 percent for the rest of this year. It is absolutely in the United States' strategic interests - for both security and the economy - to have our own mining and manufacturing supply chain for the elements found in the Mountain Pass deposits.

For that reason it is incumbent upon Congress in 2011 to pass legislation in support of the rare earths industry. Rep. Jerry Lewis, R-Redlands, was one of six co-sponsors of the Rare Earths and Critical Materials Revitalization Act of 2010, which passed the House in September and awaits Senate committee hearings. (Lewis voted against the successful motion to suspend the rules and pass the measure.) It authorizes federal loan guarantees for rare earth mining operations - provided the metals would go to customers within the United States - and directs the secretary of Energy to cooperate with

private-sector participants to achieve complete rare earth materials production capability in the United States within five years.

And it is incumbent upon Molycorp to use every possible safeguard to prevent the kind of environmental havoc that caused the Mountain Pass mine to close. A 1996 pipeline break spilled thousands of gallons of radioactive wastewater onto the desert, contaminating aquifers below. The mine's operations were shut down over the next few years.

Environmental-protection techniques have improved considerably since the mine started operations in 1952. For its own sake and that of the country, Molycorp will have to run a clean operation at Mountain Pass.