From: Ford, Hayley
Location: Administrator's Office
Importance: Normal
Subject: Meeting
Start Date/Time: Wed 3/14/2018 1:30:00 PM
End Date/Time: Wed 3/14/2018 2:00:00 PM
EPA Administrator Pruitt External Meeting Request Form 3.5.18.docx

Meeting Request Form for Administrator Scott Pruitt

Today's Date: 3/5/18

Meeting Date: 3/14/18

Meeting Time: any

Requested Location (if offsite, please list address, parking instructions, etc.): Secretary Pruitt's office

Requestor: John Berrey

Purpose of the Meeting: To discuss tar creek and WIFIA and infrastructure at the site for the future

Background on the Meeting:

Role of the Administrator:

Attendees: John Berrey, Barry Switzer

Point of Contact: John Berrey, Ex. 6 - Personal Privacy, Ex. 6 - Personal Privacy

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Attendees: John Berrey, Alan Mauk, Barry Switzer

Point of Contact: John Berrey, Ex. 6 - Personal Privacy, Ex. 6 - Personal Privacy

To: This Week @ EPA[epanews@epa.gov]
From: This Week @ EPA
Sent: Mon 8/28/2017 5:34:34 PM
Subject: This Week @ EPA – August 28, 2017

August 28, 2017 Banner image taken by David Brick, Region 10, along the Oregon coast.

Senior Leadership Message | Hot Topics | Key Dates | Video Spotlight | Health & Wellness | IT Corner

*The agency is actively supporting **Hurricane Harvey** emergency response efforts.*

Be on the lookout for an update from Administrator Pruitt.

Senior Leader Message

Dear Colleagues,

As we approach the final month of Fiscal Year 2017, I want to spur your collective support to help the agency achieve its small business contracting goals. You may be aware that the U.S. Small Business Administration establishes small business goals with each federal agency in accordance with the Small Business Act. These goals recognize the critical role of small businesses in creating jobs, driving innovation, maintaining strong industrial assets, and growing the nation's economy.

I am very proud of EPA's long and distinguished record of supporting small businesses. Your efforts to maximize small business contracting opportunities are the reason why this year's goals are within our reach. With just one month left in FY 2017, it's time to step-up those efforts even more.

The EPA's new Pilot Small Business Contracting Dashboard, which was recently launched to help offices track goal achievements, shows that the agency as a whole is currently achieving three out of the five established small business goals. Region 4 stands alone in the coveted position of achieving all five goals to date. Only the Office of Research and Development and Region 6 have met four of the five goals. Let's work together to follow the outstanding example of these offices and regions.

The Office of Small and Disadvantaged Business Utilization (OSDBU) provides small business expertise and can help you enhance your goal achievements. For assistance, call OSDBU's main line at 202-566-2075, or reach out to one of their Procurement Leads.

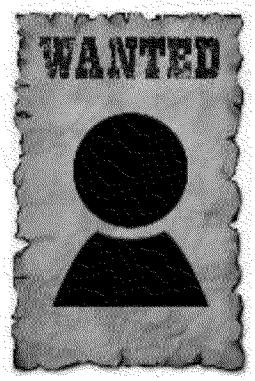
I am counting on your support for a strong FY 2017 finish. Boosting your efforts will help the agency achieve its goals, support our nation's small businesses, and strengthen the national economy.

Ryan Jackson

Chief of Staff

Hot Topics

EPA's fugitives list grows

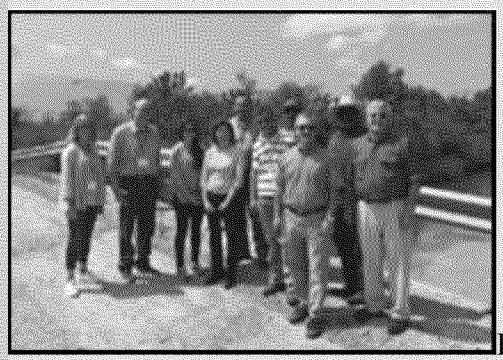


Did you know that EPA has a fugitives list? The list identifies defendants charged with environmental crimes or violations of federal environmental laws who have fled the court's jurisdiction or the United States rather than face prosecution or serve a sentence.

The latest addition to the EPA fugitives list is James Kenneth Ward, who is wanted on federal fraud charges connected with illegal disposal of radioactive waste in several North Dakota locations. He was indicted April 5, 2017, in federal district court in Montana and escaped custody of local officials during a prison transport in Wyoming in March 2013.

- For more information about Ward, read the press release.
- To learn more about other fugitives, visit the EPA Fugitives site.

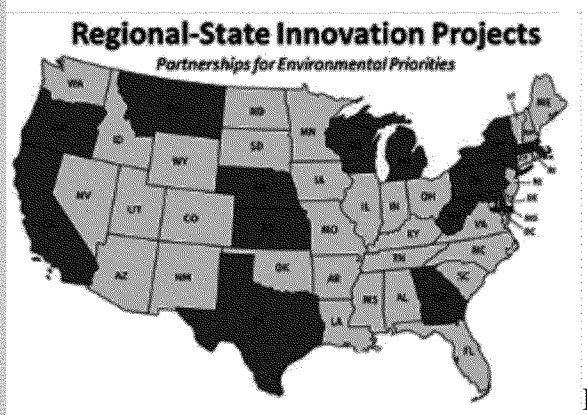
Tribal Lands and Environment Forum training


EPA co-sponsored the seventh annual Tribal Lands and Environment Forum (TLEF) training event in Tulsa, Oklahoma, on Aug. 14-17. The TLEF stems from a cooperative agreement between the Institute for Tribal Environmental Professionals (ITEP) located at Northern Arizona University (Exit) and EPA's Office of Land and Emergency Management and Office of Water.

Approximately 450 tribal environmental professionals attended and participated in many of the 15 environmental training sessions. The event also included various breakout sessions, networking opportunities, and field trips. One of the field trip was a tour of the Quapaw Tribe's Tar Creek Superfund site.

EPA's TLEF participants included Ken Wagner (AO), Kell Kelly (AO), Jane Nishida (OITA), Sarah Grennwalt (AO), and Sam Coleman (R6).

Innovative research addresses environmental issues across country



EPA recently announced its selection of research projects addressing priority environmental and human health problems in 14 states across all 10 regions through partnerships between EPA's Office of Research and Development, regional offices, and states.

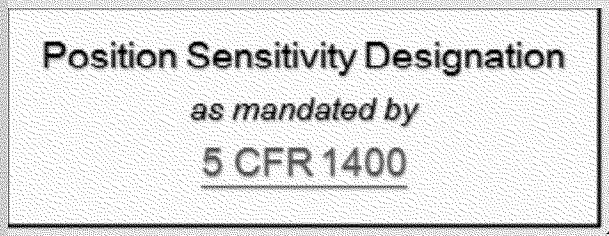
The research seeks to address pressing environmental issues facing the states. EPA is uniquely equipped to provide scientific expertise to help tackle these problems. The selected projects focus on a wide variety of issues from non-point source nitrogen pollution, volatile organic compound emission detection, harmful algal blooms, roadway air pollution near schools, and other environmental and human health issues across the country.

The projects will employ innovative approaches including citizen science, crowdsourcing, a challenge competition, and advanced monitoring technologies.

•□□□□□□□□ Check out the list of selected projects.

•□□□□□□□□ View the project map and details via the 2017 Regional/State Innovation Projects site.

Position sensitivity designation



A government-wide security requirement (5 CFR 1400) mandates that agencies evaluate every employee's position to determine its sensitivity in relationship to the potential impact it could have on national security. Some positions may now be considered "National Security Sensitive" where they previously were not because "the occupant could bring about, by virtue of the nature and duties and responsibilities of the position, a material adverse effect on national security."

Supervisors will be responsible for determining the sensitivity levels for each of their direct reports using OPM's Position Risk Designation Tool.

Visit the 5 CFR 1400 Guides intranet site for more details.

Key Dates

Click on each event below to get more details.

Click on the "Add to Calendar" button to add an event to your Outlook calendar.

If you see a log-in screen, please click on your EPA email, or if prompted, enter your email and network password.

Video Spotlight

Corbin, Kentucky farmers market spurs downtown redevelopment

As with many small Appalachian communities, Corbin's downtown struggled for many years. Community members recently participated in the federal Local Foods, Local Places program pilot, which helps people create walkable, healthy, economically vibrant neighborhoods through the development of local food

Happening This Week:

Aug. 28: PeoplePlus early closeout: Corrected timecards due (employees) ADD TO CALENDAR

Aug. 29: PeoplePlus early closeout: Corrected timecard approvals (supervisors) ADD TO CALENDAR

Aug. 30: Introduction to Accessible PowerPoint webinar REGISTER NOW!

Aug. 30: PeoplePlus early entry: Timecard entries due (employees) ADD TO CALENDAR

Aug. 31: PeoplePlus early entry: Timecard approvals due (supervisors) ADD TO CALENDAR

Coming Soon:

Sept. 7: Lean Overview webinar ADD TO CALENDAR

systems. Corbin opened a new farmers market downtown, and it attracted people and new businesses. According to Corbin's main street manager, the market helped drive the vacancy rate from over 40 percent down to less than 5 percent.

(Video length: 4:07)

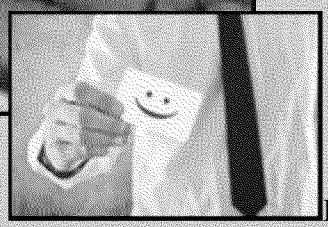
Health & Wellness

Choose healthy recipes!

As part of EPA's Health and Wellness program, there is an intranet site dedicated to healthy recipes! The site provides an

IT Corner

New intranet site aims to enhance 'customer experience'



EPA introduces a new intranet website this week called Customer Experience (CX). The new website is an important milestone of the Office of Environmental Information (OEI) CX Program – a program that aims to enhance and improve customers' overall, ongoing interactions with OEI.

overview of why it is import to choose healthy recipes as well as healthy recipes for breakfast, lunch, dinner, and snacks. In addition, the site has information on three online cookbooks that offer additional recipes.

If you have a healthy recipe that you would like to contribute to EPA's healthy recipe site, please email it to Josh McDonald.

Note: If you've tried one of these healthy recipes, please send us a picture and/or a note and let us know what you thought!

The CX Program and intranet site are a collaborative effort of OEI, the Office of Administration and Resources Management, and the Office of the Chief Financial Officer. OEI, in partnership with these offices, is conducting town halls to better understand the specific needs and frustrations of customers so it can take action to improve the overall customer experience.

The website will keep employees informed of the most recent CX updates and activities; so all employees, as OEI customers, should frequent the site and learn about the CX Program, tools, and team.

The CX Team welcomes your comments and suggestions. Feel free to send any feedback or questions you may have to the new CX mailbox at customer.experience@epa.gov.

We would love to hear your feedback about this newsletter. Please contact us at: **internalcomms@epa.gov** | **http://intranet.epa.gov/internalcomms**

Looking for previous editions of the Newsletter? Go to the **Newsletter Archive**

To: AO OPA OMR CLIPS[AO_OPA_OMR_CLIPS@epa.gov]
From: Sparacino, Jessica
Sent: Thur 8/10/2017 2:48:30 PM
Subject: Tulsa World: Some believe Scott Pruitt is eyeing U.S. Senate campaign from his seat as EPA head, 8/10/17

Tulsa World

http://www.tulsaworld.com/homepagelatest/randy-krehbiel-some-believe-scott-pruitt-is-eyeing-u-s/article_8df80b4a-fde8-59d5-b67b-153214782f0f.html

Some believe Scott Pruitt is eyeing U.S. Senate campaign from his seat as EPA head

By: Randy Krehbiel, 8/9/17

Former Oklahoma Attorney General Scott Pruitt's foray into the federal bureaucracy as Environmental Protection Agency administrator doesn't seem to have diminished speculation that his ultimate goal is the U.S. Senate.

Although he remains mum about his long-range plans, Pruitt has long been seen as a potential successor to U.S. Sen. Jim Inhofe, who would be up for re-election in 2020, when he turns 86.

Inhofe has not said whether he'll seek another term, but he has always been very complementary of Pruitt and, publicly at least, seems to regard Pruitt as a worthy protege.

In a piece published Wednesday morning, Politico suggests some of Pruitt's EPA initiatives are regarded as political theater. His proposed televised debates on climate change are viewed with particular skepticism, according to the piece.

"The man's running for Senate (in 2020)," says David Bookbinder of the Niskanen Center, a libertarian-leaning policy institute that favors federal regulation of greenhouse gases. "Everything he says is calculated toward securing the Republican nomination in Oklahoma and then winning the general election there."

Pruitt has been and continues to be the subject of intense scrutiny in Washington. Most recently, reporters have been reexamining Pruitt's handling five years ago of a state auditor and inspector's report on a trust created to administer relocation of residents in the area of Tar Creek in Ottawa County.

Pruitt, who was attorney general at the time, took the report to the state's multi-county grand jury, but no action was taken. Pruitt subsequently refused to release the report, saying he believed it might cast private citizens in an unfavorable light.

At the time, Auditor and Inspector Gary Jones, now a candidate for governor, disagreed with Pruitt.

More recently, as a result of Open Records Act requests for the audit, Jones' office asked current Attorney General Mike Hunter for guidance on the matter.

In a letter dated Aug. 3, Senior Deputy Attorney General Tom Gruber told Jones' office "this audit shall remain a confidential criminal investigatory file in the Office of the Attorney General and will not be released."

A long record in public office can be fertile ground for political foes. The Politico piece says that while Pruitt's energy allies want a more favorable regulatory environment, they don't necessarily want a showdown on environmental science, because that's a fight they could lose.

And if they lose, so does Scott Pruitt.

___

Jessica Sparacino

US Environmental Protection Agency

Office of Public Affairs Intern

(202) 564-5327

WJCN 2502J

To: AO OPA OMR CLIPS[AO_OPA_OMR_CLIPS@epa.gov]
From: Sorokin, Nicholas
Sent: Fri 7/14/2017 4:12:12 PM
Subject: Inside EPA: Communities Ready Task Force To Resist Pruitt Superfund Reform Effort, 7/14/17

Inside EPA

https://insideepa.com/daily-news/communities-ready-task-force-resist-pruitt-superfund-reform-effort

Communities Ready Task Force To Resist Pruitt Superfund Reform Effort

By Suzanne Yohannan, 7/13/17

Grassroots community groups are forming a task force to help them push back against EPA Administrator Scott Pruitt's efforts to reform the Superfund program, arguing that his endeavor raises significant concerns about curtailing cleanup oversight and planning to come up with alternative approaches to offer the administrator.

Pruitt's May 22 memo creating an internal agency task force to reexamine Superfund and recommend revisions "raises major concerns about decreasing cleanup oversight, privileging corporate interests over public health, and a lack of community involvement," says a July 12 email to community groups from Lois Gibbs, the long-time Superfund activist and founder of The Center for Health, Environment & Justice (CHEJ), the group leading the effort.

"The focus of Superfund cleanup must place public health as a priority, when weighed against private interests and money," the nascent task force says in a **draft memorandum**, signaling the task force plans to push for stricter cleanup requirements, limited flexibility for responsible parties and greater consultation with affected communities.

For example it is seeking to limit EPA's ability to avoid listing contaminated sites on the National Priorities List (NPL), limit the use of containment remedies, ensure public health remains a higher priority goal for cleanups than economic development, strengthen health studies at contaminated sites, and reinstate the expired Superfund taxes, among other measures.

While details of Pruitt's plans are not available, many of the groups' calls are at odds with approaches that Pruitt is expected to adopt.

In the email, Gibbs says that the Trump administration and Pruitt "claim to desire to return Superfund cleanups 'to their rightful place at the center of the EPA's core mission,' however their actions speak differently: their proposed budget includes a 30% cut in funding to the Superfund."

"We aren't going to let him get away with this," she writes in the email.

She says organizers from communities around Superfund sites have coalesced to create the People's Task Force "to advocate our recommendations on the future of Superfund, based on our years of on-the-ground experience."

The People's Task Force recommendations include 20 initial signatory groups, including Center for Public Environmental Oversight, Edison Wetlands Association, Maryland Environmental Health Network, Tri-Valley Cares and others.

Several of the groups are located adjacent to Superfund sites, including LEAD Agency, Inc., which seeks to address the Tar Creek Superfund Site in Picher, OK; Citizens Against Toxic Exposure, which advocates on the Escambia Treating Company site in Pensacola, FL; Food & Water Watch, which works on the Gowanus Canal Superfund Site in Brooklyn, NY; and many others.

CHEJ is seeking additional signatures from environmental and political groups and local Superfund advocacy groups, the email says. The sign-on web page indicates CHEJ plans a media release soon, alluding to a possible news release on July 25.

CHEJ could not be reached at press time to respond to questions about the effort.

Pruitt's Reforms

The new task force is seeking to influence Pruitt as he works to overhaul aspects of the Superfund program.

In his May 22 memo, Pruitt notes complaints of Superfund cleanups taking too long to commence and complete, and assigned an internal task force, led by banker Albert Kelly, to produce recommendations within 30 days on streamlining the Superfund program.

The memo called on the internal task force to make recommendations on "how the agency can restructure the cleanup process, realign incentives of all involved parties to promote expeditious remediation, reduce the burden on cooperating parties, incentivize parties to remediate sites, encourage private investment in cleanups and sites and promote the revitalization of properties across the country."

The EPA task force completed its work and Pruitt was expected to be briefed in late June **on the recommendations**, an informed source says.

Details have not emerged of those recommendations, but an EPA spokeswoman said July 13 that the agency “will have more information to share on the Superfund task force’s report soon.”

While details of EPA's plans are not available, Sen. Steve Daines (R-MT), who faces home state concerns over slow cleanups due to planned budget cuts, recently released an outline of recommendations for improving the program's implementation, including limiting the use of the NPL, prioritizing the program for funding and revising metrics for determining cleanup success, that could be viewed as a model for how EPA will proceed.

But the People’s Task Force's recommendations criticize aspects of Pruitt's May 22 memo and recent industry calls for certain Superfund changes.

For example, they take issue with the memo's proposal to lower administrative and overhead costs, with the groups noting that such spending mainly funds enforcement and community involvement. "We strongly caution that these are not corners to be cut -- without proper oversight and public accountability, the Superfund would lose much of its remaining efficacy," the groups say.

In their recommendations, the groups that comprise the People's Task Force also express concern over industry proponents' calls for developing "exit strategies," which usually include removing sites from the NPL. They say proponents of that approach concurrently push for containment-type cleanup strategies rather than full removal or complete remediation required by law.

With such "Band-Aid" methods, "exit strategies will not be possible, as the sites require continual maintenance and monitoring," the groups say.

Therefore, these two industry goals are not compatible, they say. "If Responsible Parties want their sites to be delisted from the NPL, they must either pursue complete cleanup or accept the necessary continual oversight to ensure that toxic hazards are under control," they say.

They also question any potential expansion of the Superfund Alternative Approach (SAA) -- the approach advocated by Daines that entails the same cleanup process and standards but avoids an NPL listing.

PRP Benefits

But the community groups say while the SAA offers benefits to potentially responsible parties (PRPs), it impedes citizen participation that the Superfund program ordinarily provides.

For instance, under the alternative approach, PRPs, rather than EPA -- a neutral party -- award technical assistance grants, when provided, to communities. The approach allows PRPs to avoid the stigma of NPL listings as well as declaring a Superfund liability on financial documents -- which the groups say can have a significant impact particularly if a company is sold. The alternative approach also raises concerns over decreased community input and EPA oversight,

they say.

The groups also question the memo's failure to list communities among the stakeholders with which EPA wants to improve interactions. "These communities have the right to information and input on these decisions upon which their health and welfare hinges," the groups say. "Economic development, while important to community revitalization, can never supersede public health."

They also call for reinstating the "polluters pay" tax under Superfund -- a long-time issue that has failed to gain any traction in Congress in recent years -- if the agency, as Pruitt says, is committed to restoring Superfund cleanups "to their rightful place at the center of the agency's core mission."

Further, they take aim at Pruitt's advocacy for using private investment and "alternative funding mechanisms" for the program. These "can't come close to compensating for the Superfund budget cuts and the high volume of abandoned sites," the groups say.

The groups also argue EPA transparency is key to improving relations between EPA and stakeholders. "Cleanup goals must be set in an explicit and interactive manner, beginning with the disclosure of all site information as soon as it is available," the recommendations say.

In her email on the task force, Gibbs notes that EPA under Pruitt "has been markedly secretive." She alleges, "unlike previous administrators, he has never made his schedule publicly available, ignores Freedom of Information Act requests, and has imposed silence upon the Administrative Office's phone line." He has also not disclosed details about the Superfund task force, such as who staffed it and its recommendations.

Nicholas Sorokin

Office of Media Relations Intern

U.S. Environmental Protection Agency

Telephone: (202) 564-5334

sorokin.nicholas@epa.gov

To: Bennett, Tate[Bennett.Tate@epa.gov]
From: Morning Energy
Sent: Mon 2/26/2018 3:06:48 PM
Subject: POLITICO's Morning Energy, presented by Chevron: In Pruitt era, if FOIAs fail, sue — What's next for carbon capture? — Trump to consider Pruitt, Perdue RFS proposal

By Kelsey Tamborrino | 02/26/2018 10:00 AM EDT

With help from Eric Wolff, Alex Guillén and Darius Dixon

IF ALL ELSE FAILS, SUE: EPA has experienced a surge in open records lawsuits following the inauguration of Donald Trump, a POLITICO review found. The lawsuits show a heightened sense of secrecy in the agency tasked with protecting the environment, as outside groups question the administrator's travels, meetings and policy decisions. Critics of the agency say the suits demonstrate just how far EPA is willing to go to flout FOIA under Scott Pruitt's tenure.

By the numbers: The lawsuits have come from a range of open government groups, environmentalists and even conservative organizations, Emily Holden reports, after they hit a wall trying to pry information out of Pruitt's agency. All told, plaintiffs have filed 55 public records lawsuits against EPA since Trump's inauguration, according to a review of a database of cases compiled by The FOIA Project, an initiative run by the Transactional Records Access Clearinghouse at Syracuse University. Forty-six of those lawsuits came in 2017 - making it the busiest calendar year by far, according to data stretching back to 1992. The second-busiest year was 2015, when plaintiffs filed 22 such suits against the agency, Emily reports. George W. Bush's EPA faced only 57 FOIA lawsuits during his entire presidency, according to the database's list of cases.

According to a separate data analysis that the Project on Government Oversight conducted for POLITICO, EPA has been especially slow to resolve information requests directed specifically at Pruitt's office. The data show that EPA has not started evaluating the vast majority of requests for information on Pruitt and has closed less than one-fifth of the requests directed at the administrator's office. From Jan. 20, 2017, to the end of last year, EPA received 11,431 FOIA requests, up about 17 percent compared with an equivalent period during Obama's last year in office, according to the analysis by POGO.

EPA spokeswoman Liz Bowman tells Emily the agency is focused on clearing a backlog of requests left over from previous administrations, while responding to "the large volume of incoming requests." EPA had more than 650 requests open from previous years as of early October and has since closed 60 percent of them, Bowman said. Read the full story here.

WELCOME TO MONDAY! I'm your host Kelsey Tamborrino, and Andeavor's Stephen Brown was first to identify Frances Perkins as the first woman appointed to a Cabinet position, which was Labor secretary. For today: What was the name of the first female House page? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy, and @POLITICOPro.

WHAT NOW? The surprise inclusion of a carbon capture and sequestration tax credit in the

recent budget package has spurred optimism among its supporters, who ask how they can make a technological leap in the fight against climate change. But optimism aside, Pro's Anthony Adragna reports getting major new projects off the ground will likely remain a tough sell.

Sen. Heidi Heitkamp, who spearheaded the measure, is aiming to bring down the project costs of CCS technology, by allowing a broader group of facilities like factories and ethanol plants to claim the tax credit. Oil producers who use captured carbon for enhanced oil recovery will be eligible for a $35-per-ton tax credit, and anyone who permanently stores carbon underground can claim a $50 per ton. "Trust me, people are going to take advantage of this credit and, as a result, technology for carbon capture and sequestration and utilization is going to accelerate," she said. Heitkamp tapped a diverse array of allies ranging from climate hawks like Sheldon Whitehouse to pro-coal Republicans like John Barrasso and outside pro-business groups to overcome resistance from House Speaker Paul Ryan and House Ways and Means Chairman Kevin Brady.

Some critics see the credit as an unnecessary reward for fossil fuel companies whose climate benefits are counteracted by spurring additional oil production. The Natural Resources Defense Council, for example, has pulled out of the newly rebranded Carbon Capture Coalition, saying it does not support "subsidies for enhanced oil recovery." But Whitehouse said it was worth it to get Congress on the record about what a ton of carbon should cost. "Unfortunately, we had to build it into the tax code as a benefit rather than putting it in as a fee, which would be a much more economy-wide way to go, but I'll take that opening because now we're in the conversation about paying for carbon-free power," Whitehouse said. Read more.

TRUMP TO CONSIDER PRUITT, PERDUE RFS PROPOSAL: Pruitt and Agriculture Secretary Sonny Perdue will meet with Trump today to present a package of changes to the Renewable Fuel Standard to end tensions over the program between corn farmers and refiners. The two men will propose capping the price of biofuel credits (called Renewable Identification Numbers), a year-round waiver for the sale of 15 percent ethanol gasoline, the creation of credits for exported ethanol, and a transparency measure intended to cut Wall Street investors out of trading in the program. All of the proposals would be executed administratively, rather than legislatively. The pitch to Trump precedes a Tuesday meeting between the president and Sen. Chuck Grassley, Joni Ernst, Ted Cruz and Pat Toomey.

Basically the Cruz proposal: Cruz has been proposing the waiver-for-RIN-cap package for months now and getting nowhere with corn-staters. The addition of allowing credits for exports, which Pruitt floated and abandoned last year after an uproar from Gang Grain, seems unlikely to add to its appeal, though ethanol producers have expressed openness to the transparency measure. A refining source says the legal authority for some of these measures is "highly doubtful, but by the time the rule is final and then litigated, authors will be long gone from the scene. Think at least 2-2.5 years. God only knows what gyrations the market will endure in the interim."

Independent refiners are in: Another source says the proposals "would result in more predictability in the RINs market and in expanded biofuels sales and higher blends. That's the sort of win-win Cruz and Toomey seem to have been referring to. And this process seems not to

require legislative action, therefore ensuring faster results."

Catching the president's eye: Ahead of the Tuesday meeting, Fuels America will launch a TV ad on "Fox & Friends" in the D.C. market starting today through Tuesday. The ad thanks Trump for his commitment to the RFS. Watch it here.

POWER TO THE STATES : Democratic governors across the U.S. are merging to fight back against administration policies they find hard to swallow, POLITICO's Edward-Isaac Dovere and Gabriel Debenedetti report. The 16 governors are looking to return power to the state-level on issues including climate and infrastructure, and they used this weekend's National Governors Association conference to boast of "pushback to damaging Trump policies." "We have a national administration that is not keeping with where the American people are, and when it becomes as evident as it is, then it's incumbent on people with half a brain to figure out a way around that," said Connecticut Gov. Dannel Malloy, a member of the Climate Alliance formed in the wake of Trump's pullout from the Paris climate agreement. Read more.

MEN AT WORK: House Natural Resources Chairman Rob Bishop took a bipartisan congressional delegation to Australia and New Zealand for energy and defense-related activities, a committee aide told Anthony on Friday. The lawmakers were there to look at energy activities in Australia and examine New Zealand's deregulation of its energy sector and learn about "the strategic importance of the two nations as a counterbalance to less-friendly powers in the Pacific," the aide said.

MURRAY-OLIVER CASE DISMISSED: A West Virginia judge dismissed the defamation lawsuit brought by coal magnate Bob Murray against HBO comedian John Oliver, following a June segment on Murray and his coal companies, where Oliver said Murray looked like a "geriatric Dr. Evil." The court said Murray's company failed to state a claim, according to a two-page ruling posted by The Hollywood Reporter. Murray's company told the Hill it plans to appeal the decision to West Virginia's Supreme Court "immediately."

SPEAKING OF COAL: Interior Secretary Ryan Zinke headed to Pennsylvania coal country this weekend to announce $300 million in grants to states and tribes to reclaim and repurpose abandoned mine lands. Picture here.

- Zinke also announced a $60 million cooperative agreement with the Recreational Boating and Fishing Foundation on Friday to retain and recruit recreational anglers and boaters of all ages. Zinke made the announcement prior to attending a "Saluting the Nation's Governors as Champions of the Great Outdoors" event, hosted by The Outdoor Recreation Roundtable and The Great Outdoors Month Council, according to Interior.

PRUITT PLAYS THE HITS AT CONSERVATIVE CONFAB: Pruitt largely stuck to his stump speech during a 20-minute Friday night headlining appearance at CPAC's Ronald Reagan dinner. He said the Obama administration "weaponized against certain sectors of our economy," especially coal; touted his deregulatory efforts; said America is "blessed" with natural resources to use; dinged the Obama administration for environmental disasters on its watch, like Gold King and Flint; blamed Obama for growing the Superfund list; and said Trump has "courage" and is

about "getting results."

On WOTUS: Pruitt noted Trump assigned him to pull back on federal water jurisdiction, and alleged WOTUS was solely a power grab by the Obama administration unrelated to protecting water quality. He added: "Make no mistake about it. It's not about water quality, it's not about that. It truly is about power and jurisdiction and oversight that was being stretched so far." Pruitt got applause from the crowd when he mentioned the new version of WOTUS will be based on Justice Antonin Scalia's part of the Rapanos ruling.

He'll always have the Paris pullout: Asked what he was proudest of, Pruitt immediately mentioned getting the president to announce he will withdraw from the Paris climate accord. Trump "knocked it out of the park," Pruitt said.

Following the appearance at CPAC, Pruitt appeared on Fox News for a one-on-one interview with Jeanine Pirro discussing EPA's sue-and-settle policy, the end of the "war on coal" and the move to de-regulation. Watch here.

** **A message from Chevron:** When an endangered butterfly was found near a Chevron refinery, we protected the habitat and still plant the only thing they eat-buckwheat. Watch the video: http://politi.co/2sNtZTu **

ZINKE 'OVER HIS SKIS': The White House was not pleased with a July 2017 GQ profile of Zinke, according to FOIA documents tweeted out by Huffington Post's Chris D'Angelo. According to an email from Andrew Hemming to a number of White House staffers - with the subject line, "Flagging - Zinke a bit out over his skis in a GQ interview" - the Cabinet communications staffer was concerned with a few "eyebrow-raising" answers given by Zinke. Among those were his statements that his Trump Tower meeting with the president-elect lasted "100 seconds" - and when Trump suggested he might tap him to head Veterans Affairs, Zinke quipped "I don't think you hate me that much." The White House contacted Interior about the interview, to which Interior drafted a statement that said the reporter of the profile had "selectively used quotes out of context to write a story that fit her pre-conceived narrative." See the thread here.

FERC ANOTHER DAY: The nation's electricity regulators were slated to appear in front of a House Energy and Commerce subcommittee this Thursday but the hearing was canceled late last week. The hearing was announced several weeks ago but was postponed due to "a change in the House schedule," a spokesman said. A new hearing date hasn't been setup yet. The House has canceled votes for Wednesday and Thursday when the late Rev. Billy Graham will lie in honor in the Capitol.

SPOTTED: Former Energy Secretary Ernest Moniz on a flight Sunday night from Boston to DCA.

ENERGY PAC ENDORSES 2 MORE: The ClearPath Action Fund announced today that it's endorsing Florida Rep. Carlos Curbelo and Nevada Sen. Dean Heller, Pro's Elena Schneider reports. "Rep. Curbelo and Sen. Heller have really put their shoulders to the wheel for clean

energy, for the good of their constituents and for the country," said Jay Faison, the founder of the super PAC. Curbelo is co-founder and co-chair of the Climate Solutions Caucus.

PREPA LOANED MILLIONS FOR POWER: The Puerto Rico Power Authority accepted an emergency loan of $300 million from the island's treasury on Friday, allowing the utility to avert any power cuts to customers. "The $300 million loan and cost-savings from PREPA's Strategic Emergency Operations Plan will give PREPA needed liquidity to mid-April," said Ernesto Sgroi, president of the PREPA governing board.

MOVER, SHAKER: The National Wildlife Federation announced today Sarah Laskin will join the organization as vice president of its national advocacy center in D.C. Laskin previously worked at the National Geographic Society as senior vice president and COO for science and exploration programs.

- **Today is Robbie Myers first day** as digital director for the Energy Department. He previously was digital director at the Senate Republican Conference.

MAIL CALL! Sens. Michael Bennet and Tim Scott sent a letter last week to the president, urging him to lift his planned 30 percent tariff on imported solar panels and solar cells. Read the letter here.

QUICK HITS

- Left to Louisiana's tides, a village fights for time, The New York Times.

- Zinke held onto undisclosed shares in gun company, the Huffington Post.

- U.S. lands agency makeover would diminish Washington's power, Associated Press.

- The Energy Department took down anti-leaking posters after an investigation, BuzzFeed.

- PJM prepares response to FERC in grid resilience proceeding, S&P Global.

- Oklahoma judge says suit over Tar Creek audit can proceed, Associated Press.

THAT'S ALL FOR ME!

** **A message from Chevron:** This is a story about DOERS, butterflies, and buckwheat. In '75, the endangered El Segundo Blue butterfly was found near a Chevron refinery. We protected the habitat and planted the only thing they eat-buckwheat. Watch the video: http://politi.co/2Fkoq1m **

To view online:
https://www.politico.com/newsletters/morning-energy/2018/02/26/in-pruitt-era-if-foias-fail-sue-114961

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To: Cory, Preston (Katherine)[Cory.Preston@epa.gov]; Cory, Preston (Katherine)[Cory.Preston@epa.gov]
Cc: Bennett, Tate[Bennett.Tate@epa.gov]
From: Hanson, Andrew
Sent: Tue 7/11/2017 7:35:52 PM
Subject: FW: Multi-state comment letter on definition of "waters of the United States"
Comments of West Virginia, Wisconsin, and 18 other States on definition of 'waters of the United States' (M0207545xCECC6)-c1.PDF
WOTUSFedCommentsByState.docx

Hey –

I know you have these, but wanted you to have them at your fingertips for SP's meeting with the AGs.

Also, though included in the attached overview, the Govs include:

AL – Bill Walker

AZ – Doug Ducey

AR – Asa Hutchinson

HI – David Ige

ID – Butch Otter

IA – Kim Reynolds

KS – Sam Brownback

ME – Paul LePage

MS – Phil Bryant

MO – Eric Greitens

NE – Pete Ricketts

NV – Brian Sandoval

NH – Chris Sununu

ND – Doug Burgum

SC – Henry McMaster

WY – Matt Mead **One for WY, one for NGA

NGA – Brown (CA), Mead (WY)

WGA – Bullock (MT), Daugaard (SD)

Office of Attorney General
State of West Virginia

Patrick Morrisey
Attorney General

Office of Attorney General
State of Wisconsin

Brad D. Schimel
Attorney General

June 19, 2017

The Honorable E. Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., N.W.
Washington, DC 20460

Submitted via electronic mail

Re: Comments of the States of West Virginia, Wisconsin, Alabama, Alaska, Arkansas, Georgia, Indiana, Kansas, Louisiana, Michigan, Missouri, Nevada, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Texas, and Utah, and the Commonwealth of Kentucky on the U.S. Environmental Protection Agency's request for comment on the definition of "waters of the United States."

Dear Administrator Pruitt:

As representatives of our States, we urge the Environmental Protection Agency ("EPA") to adopt a definition of "waters of the United States" under the Clean Water Act of 1972 ("CWA") that preserves the important role of the States in protecting the nation's water resources.

In 2015, the EPA and the U.S. Army Corps of Engineers (the "Corps") (collectively the "Agencies") adopted the WOTUS Rule, *see* "Clean Water Rule: Definition of 'Waters of the United States,'" 80 Fed. Reg. 37,054 (June 29, 2015), which came under immediate challenge. Thirty States, including the signatories of this letter, and other parties sought judicial review, resulting in orders from two federal courts staying implementation of the WOTUS Rule. The WOTUS Rule is unlawful because it conflicts with both the CWA's text and the U.S. Supreme Court precedent concerning the CWA and because it significantly impinges upon the States' traditional role as the primary regulators of land and water resources within their borders.

ED_001863D_00000120-00001

Now the Agencies have an opportunity to pursue a lawful rule that adheres to the text of the CWA and U.S. Supreme Court precedent. We are encouraged by EPA's outreach to state and local governments at this early stage in the process of replacing the Rule, and we urge EPA to continue to engage with States throughout the rulemaking process. We write to suggest how the Agencies can write a rule that respects Congress's instruction in the CWA to "recognize, preserve, and protect the primary responsibilities and rights of States . . . to plan the development and use . . . of land and water resources . . . ." 33 U.S.C. § 1251(b). In particular, we urge EPA and the Corps to adopt an approach consistent with Justice Scalia's plurality opinion in *Rapanos v. United States*, 547 U.S. 715 (2006), as urged by the President's recent executive order. Indeed, many of the undersigned States believe that Justice Scalia's plurality opinion identifies the outermost bound of permissible federal jurisdiction authorized by the statute, and many of the undersigned States would consider bringing another legal challenge against any regulatory definition of "waters of the United States" that exceeds the scope defined by Justice Scalia's plurality opinion. In the alternative, if EPA and the Corps wish to adopt an approach tailored to Justice Kennedy's *Rapanos* concurrence—which the States do not believe is necessary, and many States believe would be unlawful and plainly in excess of EPA's statutory jurisdiction—the States urge that any such approach should be carefully tailored to addressing the concerns that Justice Kennedy raised regarding federalism and the traditional authority of the States as principal regulators of waters within their borders.

I. Background

A. The Clean Water Act

The CWA provides that the Agencies have regulatory authority over "navigable waters," defined as "waters of the United States," 33 U.S.C. §§ 1344, 1362(7), which triggers numerous regulatory requirements. Any person who causes pollutant discharges into "waters of the United States" must obtain a permit under the section 402 National Pollutant Discharge Elimination System ("NPDES") program, *id.* § 1342, or under section 404 of the CWA for dredged or fill material, *id.* § 1344, subject to certain exclusions. "'The discharge of a pollutant' is defined broadly to include 'any addition of any pollutant to navigable waters from any point source,' and 'pollutant" is defined broadly to include not only traditional contaminants but also solids such as "dredged spoil, . . . rock, sand, [and] cellar dirt.'" *Rapanos v. United States*, 547 U.S. 715, 723 (2006) (plurality opinion) (citing 33 U.S.C. §§ 1362(12), 1362(6)). Obtaining a permit is an expensive process that can take years and cost tens of thousands of dollars. *See* 33 U.S.C. §§ 1342, 1344. Discharging into "waters of the United States" without a permit can subject a farmer or private homeowner to criminal and civil penalties, including fines of up to $51,570 per violation, per day. 33 U.S.C. §§ 1311, 1319, 1365; 74 Fed. Reg. 626, 627 (2009).

Federal jurisdiction under the CWA also imposes costs specially on the States. Some of those costs relate to permitting under the CWA. In forty-six States, it is the States and not the federal government that have primary NPDES permitting responsibilities under 33 U.S.C. § 1342(b). NPDES Program Authorizations, https://www.epa.gov/npdes/npdes-program-authorizations (last visited May 24, 2017). In addition, all States must create water quality

standards for those "waters of the [United] Sta te[s]" within their borders, 33 U.S.C. § 1313, and States must issue water quality certifications for every federal permit that is issued by EPA or the Corps within their borders. *Id.* § 1341. Every two years, States also must report to EPA on the condition of those waters, *id.* § 1315, and if waters do not meet their designated standards, the States must develop detailed pollution diets for those waters and submit those diets to EPA for approval, *id.* § 1313(d).

Importantly, the States have robust programs to protect their own waters, regardless of whether those wa ters are regulated under the CWA. *See, e.g.*, N.D. Cent. Code §§ 61 -28-01 *et seq.*; Mont. Code Ann. §§ 75-5-101 *et seq.*; N.M. Stat. Ann. §§ 74-6-4 *et seq.*; Mo. Rev. Stat. §§ 644.006 *et seq.*; Ark. Code Ann. §§ 8-4-101 *et seq.*; Tex. Water Code §§ 26.001 *et seq.*; Ky. Rev. Stat. §§ 224.70-100 *et seq.*

B. Supreme Court Decisions Rejecting The Agencies' Overbroad Interpretations Of "Waters Of The United States"

Twice in the last sixteen years, the Supreme Court has rejected attempts by EPA and the Corps to extend their jurisdiction beyond the CWA. In *Solid Waste Agency of Northern Cook County v. U.S. Army Corps of Engineers*, 531 U.S. 159 (2001) ("*SWANCC*"), the Supreme Court rejected the Corps' asser tion of jurisdiction over waters "[w]hich are or would be used as habitat" by migratory birds. *Id.* at 164. The Court concluded that the CWA does not reach "nonnavigable, isolated, intrastate waters," such as seasonal ponds. *Id.* at 171. The Court explained that "federal jurisdiction over ponds and mudflats falling within the 'Migratory Bird Rule' would result in a significant impingement of the States' traditional and primary power over land and water use," *id.* at 174, and it required "a clear indication tha t Congress intended that result," *id.* at 172. But the Court found no clear statement authorizing the Corps' expansive view; to the contrary, "Congress chose to 'recognize, preserve, and protect the primary responsibilities and rights of States . . . to plan the development and use . . . of land and water resources . . . .'" 33 U.S.C. § 1251(b).

Next, in *Rapanos*, the Supreme Court rejected the Corps' assertion of authority over intrastate wetlands that are not significantly connected to navigable -in-fact waters. The Court's majority consisted of a four -Justice plurality opinion written by Justice Scalia and Justice Kennedy's opinion concurring in the judgment.

Pointing to several sources for statutory construction, the plurality concluded that, "on its only plausible interpretation," CWA jurisdiction extends "only [to] those relatively permanent, standing or continuously flowing bodies of water 'forming geographic features' that are described in ordinary parlance as 'streams[,] . . . oceans, rivers, [and] l akes,'" *Rapanos*, 547 U.S. at 739 (Scalia, J., plurality) (quoting *Webster's New International Dictionary* 2882 (2d ed. 1954)), and "wetlands with a continuous surface connection to" those waters, *id.* at 742. Specifically, the plurality based this conclusion on "[t]he only natural definition of the term 'waters,' [the Court's] prior and subsequent judicial constructions of it, clear evidence from other provisions of the statute, and th[e] Court's canons of construction." *Id.* at 731.

In his separate opinion, Justice Kennedy also rejected the Corps' broad assertion of authority but on a different ground, stating that the Agencies only have authority over waters that are navigable-in-fact and waters with a "significant nexus" to such navigable waters. 547 U.S. at 779 (Kennedy, J., concurring in the judgment) (citing *United States v. Appalachian Power Co.*, 311 U.S. 377, 407–08 (1940)). On Justice Kennedy's analysis, a water has a "significant nexus" if it "significantly affect[s] the chemical, physical, and biological integrity of" a navigable water. *Id.* at 779–80. Accordingly, Justice Kennedy rejected jurisdiction over all "wetlands (however remote)" or all "continuously flowing stream[s] (however small)." *Id.* at 776; *see also id.* at 769 ("merest trickle, [even] if continuous" is insufficient." *Id.* at 780. Justice Kennedy explained that the Corps' approach "would permit federal regulation whenever wetlands lie alongside a ditch or drain, however remote and insubstantial, that eventually may flow into traditional navigable waters." *Id.* at 778.

In the years since *Rapanos*, the courts of appeals have disagreed over the controlling effect of the two opinions composing the majority. Under *Marks v. United States*, 430 U.S. 188 (1977), "[w]hen a fragmented Court decides a case[,] . . . the holding of the Court may be viewed as that position taken by those Members who concurred in the judgment on the narrowest grounds." *Id.* at 193 (citation omitted). In conducting the *Marks* analysis of *Rapanos*, the courts of appeals have reached different results. *Compare United States v. Donovan*, 661 F.3d 174, 176 (3d Cir. 2011) (holding the Agencies may assert jurisdiction over waters that satisfy either test), *United States v. Bailey*, 571 F.3d 791, 799 (8th Cir. 2009) (same), and *United States v. Johnson*, 467 F.3d 56, 66 (1st Cir. 2006) (same), *with United States v. Robison*, 505 F.3d 1208, 1221 (11th Cir. 2007) (holding Justice Kennedy's test governs), *N. Cal. River Watch v. City of Healdsburg*, 496 F.3d 993, 999–1000 (9th Cir. 2007) (same), and *United States v. Gerke Excavating, Inc.*, 464 F.3d 723, 724 (7th Cir. 2006) (same).

C. Two Federal Courts Block The WOTUS Rule As Unlawful And Harmful To The States

In June 2015, EPA and the U.S. Army Corps of Engineers ("Corps") (collectively "the Agencies") issued the final Clean Water Rule: Definition of "Waters of the United States" ("WOTUS Rule"), 80 Fed. Reg. 37,053 (June 29, 2015). The WOTUS Rule asserted sweeping jurisdiction over usually dry channels occasionally carrying "[t]he merest trickle[s]" into navigable waters. *Rapanos*, 547 U.S. at 769 (Kennedy, J., concurring in the judgment). The WOTUS Rule also covered waters merely because they are somewhat near such a dry channel and land features that connect to navigable waters only, if ever, after a once-in-a-century rainstorm.

Our States, among others, filed suit in various federal courts because the WOTUS Rule violates the CWA, the Administrative Procedure Act, and the U.S. Constitution. [1] The WOTUS

[1] *See Murray Energy Corp. v. EPA*, No. 15-3887 (and consolidated cases) (6th Cir.); *North Dakota v. EPA*, No. 3:15-cv-59 (D. N.D. filed June 29, 2015); *Ohio v. U.S. Army Corps of*

Rule violates the CWA under either the *Rapanos* plurality or Justice Kennedy's concurrence. And even if the WOTUS Rule were not prohibited by the Supreme Court's clear directives, it is unlawful because it is not cle arly permitted by the language of the CWA. As the Supreme Court held in *SWANCC*, federal regulation of vast numbers of local land and water features within the core state function requires a clear statement from Congress. Moreover, the Agencies adopted the WOTUS Rule in violation of the Administrative Procedure Act by adopting five distance -based components and one unduly narrow exclusion never even arguably presented in the Agencies' proposed rule and lacking record support. Finally, the WOTUS Rule violates the Constitution by intruding on the States' reserved authority under the Tenth Amendment and exceeding Congress's authority under the Commerce Clause.

Reflecting the strength of these challenges, the WOTUS Rule has been stayed by two federal courts. The day before the WOTUS Rule's effective date, the U.S. District Court for the District of North Dakota stayed implementation of the Rule in thirteen plaintiff -States pending judicial review of the Rule. *North Dakota v. U.S. EPA* , 127 F. Supp. 3d 1047 (D. N. D. 2015). Then on October 9, 2015, the U.S. Court of Appeals for the Sixth Circuit stayed implementation of the WOTUS Rule nationwide, finding that the Rule was likely unlawful. *In re EPA*, 803 F.3d 804 (6th Cir. 2015).[2]

D. The Executive Order Instructing the Agencies to Rescind or Revise the Rule and EPA's Plan to Implement the Executive Order.

In February 2017, the President issued an Executive Order instructing EPA and the Corps to review the WOTUS Rule and issue for notice and comment a proposed rule re vising or rescinding the rule as appropriate. Exec. Order No. 13778, 82 Fed. Reg. 12,497 (Mar. 3, 2017). The Order further instructs the Agencies to consider interpreting the term "navigable waters" as defined in 33 U.S.C. § 1362(7) in the Clean Water Act consistent with the plurality opinion of Justice Antonin Scalia in *Rapanos v. United States*, 547 U.S. 715 (2006).

The Agencies have adopted a two-step approach for implementing the Executive Order. First, the Agencies intend to propose withdrawing the WOTUS Rule and re -promulgating the 1986 rule. Second, the Agencies will propose a new definition of "waters of the United States"

Eng'rs, No. 2:15-cv-2467 (S.D. Ohio filed June 29, 2015); *Texas v. EPA*, No. 3:15-cv-162 (S.D. Tex. filed June 29, 2015); *Georgia v. McCarthy*, No. 2:15-cv-79 (S.D. Ga. filed June 30, 2015); *Oklahoma v. EPA*, No. 4:15-cv-381 (N.D. Okla. filed July 8, 2015).

[2] The Sixth Circuit also decided that it had jurisdiction to consider challenges to the WOTUS Rule in the first instance under 33 U.S.C. § 1369(b)(1). *In re U.S. Dep't of Defense, U.S. E .P.A. Final Rule: Clean Water Rule: Definition of Waters of the U.S.* , 817 F.3d 261 (6th Cir. 2016). In September, 2016 the National Association of Manufacturers filed a petition for a writ of certiorari with the United States Supreme Court appealing that decision. The U.S. Supreme Court granted the petition. *Nat'l Ass'n of Mfrs. v. Dep't of Defense*, 137 S. Ct. 811 (Jan. 13, 2017). The case has not yet been scheduled for oral argument.

consistent with Justice Scalia's *Rapanos* opinion. EPA has sought comment from state and local government on the federalism aspects of a new definition.

II. Discussion

As officials from States, we write to explain how the Agencies should define "waters of the United States" consistent with the role that States currently play in the management of land and water use.

As a threshold matter, we think there are good arguments that federal jurisdiction under the CWA extends only to navigable waters. The text of the CWA defines "navigable waters" as "waters of the United States." 33 U.S.C. § 1362(7). And "[f]or a century prior to the CWA, [the Supreme Court] had interpreted the phrase 'navigable waters of the United States' in the Act's predecessor statutes to refer to interstate waters that are 'navigable in fact' or readily susceptible of being rendered so." *Rapanos*, 547 U.S. at 723 (plurality opinion) (quoting *The Daniel Ball*, 10 Wall. 557, 563 (1871)). That reading also links federal jurisdiction under the CWA with Congress's constitutional authority to regulate commerce "among the several States," U.S. Const. art. I, § 8, cl. 3, which is conducted through navigable waterways.

However, in light of the Supreme Court's decision in *Rapanos*, it may be appropriate for the Agencies to look to the views of the Justices who made up the controlling majority in that case. As between the views expressed by those Justices, we urge the Agencies to adopt a rule defining "waters of the United States" in the manner identified in Justice Scalia's plurality opinion because that approach is more consistent with the text and purpose of the CWA. Indeed, as noted above, many of the undersigned States believe that the Agencies' jurisdiction to regulate "waters" extends no farther than Justice Scalia's plurality opinion in *Rapanos*, and those States likely would challenge any regulatory definition drawn from Justice Kennedy's concurrence in *Rapanos*. Alternatively, should the Agencies decide to take the approach of Justice Kennedy's concurrence, over the undersigned States' objections, we respectfully urge the Agencies to take into account the extent to which the States already protect land and water resources within their borders.

A. The Agencies Should Adopt the Scalia Plurality Test as Their Approach to CWA Jurisdiction.

The Agencies should base their approach on the *Rapanos* plurality because it better comports with the text of the CWA. Such a rule would provide for federal jurisdiction over "only those relatively permanent, standing, or continuously flowing bodies of water 'forming geographic features' that are described in ordinary parlance as 'streams[,] . . . oceans, rivers, [and] lakes,'" *Rapanos*, 547 U.S. at 739 (Scalia, J., plurality) and "wetlands with a continuous surface connection to" those waters, *id.* at 742 (Scalia, J., plurality). As the plurality explained, this conclusion follows from several sources of statutory construction.

For example, the plurality focused on Congress's use of the term "the waters" —in particular, "[t]he use of the definite article ('the') and the plural number ('waters')." *Id.* at 732. This term refers "plainly" not to "water in general" but "more narrowly to water '[a]s found in streams and bodies forming geographical features such as oceans, rivers, [and] lakes." *Id.* at 732 (quoting Webster's New International Dictionary 2882 (2d ed. 1954)). The se are all "continuously present, fixed bodies of water ," and not "ordinarily dry channels through wh ich water occasionally or intermittently flows," such as "transitory puddles or ephemeral flows of water." *Id.* at 733.

In addition, the plurality determined that the CWA's use of the term "navigable waters" further confirmed that jurisdiction is limited to "relatively *permanent* bodies of water." *Id.* at 734 (emphasis in original). That is because the CWA "adopted that traditional term from its predecessor statutes," and the "traditional understanding" of the term "navigable waters" included only "discrete *bodies* of water." *Id.*

The plurality also found "[m]ost significant of all" that the CWA itself categorizes channels that carry intermittent flows of water, such as pipes, ditches, channels, tunnels, conduits, and wells, as "point sources" and not "navigab le waters" *Id.* at 735. The plurality highlighted the CWA's definition of "discharge of a pollutant," which uses the terms "point sources and "navigable waters" as distinct categories. Under the statute, a "discharge of a pollutant" consists of "any additio n of any pollutant *to* navigable waters *from* any point source." As the plurality explained, this definition "would make little sense if the two categories" —point source and navigable waters—"were significantly overlapping." *Id.*

Finally, the plurality explained that even if there were ambiguity as to the meaning of "waters of the United States," the *SWANCC* clear statement rule would prohibit the Corps' interpretation. *Id.* at 737 –38. The extensive federal jurisdiction would allow t he federal government to exercise the "quintessential state and local power" of regulating "immense stretches of intrastate land." *See id.* at 738. The plurality explained that as in *SWANCC*, it would expect a clear statement from Congress authorizing such a n "intrusion into traditional state authority." *Id.*

The test that Justice Scalia 's plurality opinion proposed also forwards the CWA's purpose of "recogniz[ing], preserv[ing], and protect[ing] the primary responsibilities and rights of States . . . to plan the development and use . . . of land and water resources . . . ." 33 U.S.C. § 1251(b). This approach would preserve the role of the States as the primary regulators of land and water resources by allowing for federal jurisdiction over only relatively per manent bodies of water. The definition leaves within state control local non -navigable intrastate topographical features that most benefit from the "local policies 'more sensitive to the diverse needs of a heterogeneous society,'" *Bond v. United States* , 13 1 S. Ct. 2355, 2364 (2011) . Those features vary greatly across the country from dry arroyos in New Mexico to ephemeral drainages in Wyoming to swales in Ohio farmland to prairie potholes in North Dakota to thousands of square miles of Alaskan land that is frozen most of the year. The States take very seriously the task of

preserving the land and water resources within their borders consistent with local needs and act accordingly to protect those resources.

B. If the Agencies Reach Waters Beyond the Plurality Test, They Should Carefully Consider the Extent to Which the States Already Protect Those Waters.

Though we believe the Agencies should adopt the plurality approach, we recognize that the Agencies may conclude that they want to rely upon Justice Kennedy's concurrence. To be clear, we do not believe that the Agencies should do so, and many of the undersigned States likely would challenge such approach in Court. But should the Agencies nevertheless decide to follow such an approach, over the objections of the undersigned States, we urge them to carefully consider, at the very least, the extent to which States already fully protect these waters under state law and to build any approach around that understanding.

In particular, to the extent the Agencies extend jurisdiction under Justice Kennedy's approach, in order to remain true to that approach, they should do so only where the Agencies have determined that the State's permitting program has failed with respect to a particular body of water, such that *the water* would—unless subject to federal regulation—have a significant, detrimental effect on the "chemical, physical, and biological integrity" of navigable waters. *Rapanos*, 547 U.S. at 780 (Kennedy, J., concurring). The reason for this approach is that regulation of non-navigable waters is *only* justified under Justice Kennedy's approach in order to *protect* navigable waters that are the subject of interest under the CWA. *Id.* If a state is *already* adequately protecting those non-navigable waters, such that there is no significant impact on the "chemical, physical, and biological integrity" of navigable waters, no possible rationale for imposing federal regulatory control over that water exists.

In order to implement Justice Kennedy's approach rigorously and consistent with the CWA's respect for state primacy over local water and land use planning, a three-step inquiry would be required to remain true to Justice Kennedy's approach. *First*, the Agencies should be required to make an initial determination that the State's permitting program has failed to regulate a water to such a degree that it would, unless subject to regulation under the CWA, "significantly affect the chemical, physical, and biological integrity of" navigable waters. That finding would consist of defining a water that the State has failed to protect. Then the Agencies would need to show that the State's failure to regulate that water significantly would affect the chemical, physical, and biological integrity of navigable waters, unless that water were made subject to CWA oversight. *Second*, the Agencies should be required to provide the State with the opportunity to challenge the determination through an administrative process. Specifically, the State should have the right to file an administrative appeal and participate in a hearing on the matter. *Third*, the State should have the opportunity to file and complete an appeal of the decision by the Agency to a federal court before the designation would take effect.

Such an approach would at least begin to recognize important federalism principles. Again, the CWA was designed to "recognize, preserve, and protect the primary responsibilities and rights of States . . . to plan the development and use . . . of land and water resources . . . ." 33

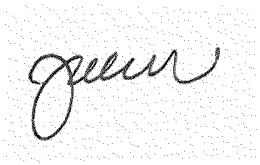
U.S.C. § 1251(b). Thi s approach would allow the States some flexibility to design state law in order to protect the water resources within their borders. It also would provide any State for which EPA attempts to designate certain waters an opportunity to explain to EPA why its regulatory program is sufficient to protect those waters and conte st EPA's determination that those waters significantly affect navigable waters. And it would allow the State to challenge such a determination in a federal court before the Agencies assert jurisdiction based on the determination. These important safeguards would go some way to protecting state interests against broad assertions of federal autho rity, such as those claimed in the WOTUS rule, that violate the CWA and impinge on the States' traditional aut hority over land and water use. Again, however, we believe that the plurality opinion in *Rapanos* establishes the outermost bound of permissible federal jurisdiction under the law.

* * *

We appreciate this opportunity to provide our views on this important matter to the Agencies. We encourage the Agencies to continue to engage with States and state agencies throughout the rulemaking process. We l ook forward to working with the Agencies in the future on these important issues for the citizens of our States.

Sincerely,

Patrick Morrisey
West Virginia Attorney General

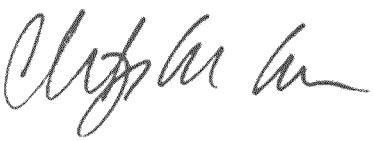


Jahna Lindemuth
Alaska Attorney General

Brad D. Schimel
Wisconsin Attorney General

Leslie Rutledge
Arkansas Attorney General

Steve Marshall
Alabama Attorney General



Christopher M. Carr
Georgia Attorney General

Curtis T. Hill, Jr.
Indiana Attorney General

Derek Schmidt
Kansas Attorney General

Andy Beshear
Kentucky Attorney General

Jeff Landry
Louisiana Attorney General

Bill Schuette
Michigan Attorney General

Joshua D. Hawley
Missouri Attorney General

Adam Paul Laxalt
Nevada Attorney General

Wayne Stenehjem
North Dakota Attorney General

Mike DeWine
Ohio Attorney General

Mike Hunter
Oklahoma Attorney General

Alan Wilson
South Carolina Attorney General

Marty Jackley
South Dakota Attorney General

Ken Paxton
Texas Attorney General

Sean D. Reyes
Utah Attorney General

WOTUS Commenters as of July 11, 2017

At a glance: **19 Governors (16 individual, 4 co-signatories for WGA and NGA, Mead signing twice)**
2 Lieutenant Governors
20 Attorneys General (all signed one letter)
18 Intergovernmental Associations
61 cabinet-level state agencies

ALABAMA

Attorney General Steve Marshall
Alabama Department of Agriculture

ALASKA

Governor Bill Walker
Attorney General Jahna Lindemuth

ARIZONA

Governor Doug Ducey
Apache County, District 3
Eastern Arizona Counties Organization
Gila County Board of Supervisors (Cline)
Gila County Board of Supervisors (Humphrey)
Gila County Board of Supervisors (Martin)
**Gila County Board of Supervisors letter with 3 signatures
Graham County Board of Supervisors
Greenlee County Board of Supervisors
Navajo County Board of Supervisors (Thompson
Navajo County Board of Supervisors (Whiting)
Pima County

ARKANSAS

Governor Asa Hutchinson
Attorney General Leslie Rutledge
Arkansas Department of Agriculture
Benton County (judge)
Boone County (judge)
Carroll County (judge)

Craighead County (judge)
Faulkner County (justice of the peace)
Greene County (judge)
Hot Spring County (Dist 10 justice)
Logan County, (Dist 2 & 3 justice)
Logan County (Dist 5 justice)
Marion County (judge)
Mississippi County (judge)
Newton County (judge)
Poinsett County (judge)
Polk County (judge)
Pope County (Dist 6 & 9 justice)
Pope County (judge)
Pulaski County (justice)
Saline County (judge)
Searcy County (clerk)
Sebastian County (judge)
Sebastian County (Dist 10 justice)
Stone County (Clerk)

CALIFORNIA

Association of California Water Agencies
California Association of Sanitation Agencies
California Department of Transportation
California Storm Water Quality Association
City of Azusa (city mgr)
City of Corona (city mgr)
City of Lake Forest (env. mgr)
City of Manteca (mayor)
City of San Juan Capistrano (city mgr)
City of Santa Ana (engineer)
Del Norte County Board of Supervisors
Elsinore Valley Municipal Water District
La Mesa (Helix) Water District
Los Angeles County Department of Public Works
Orange County Public Works
Riverside County Flood Control District
Rural County Representatives of California
San Diego County Water Authority
San Diego County Planning and Development Services
San Gabriel Valley Council of Governments
Sanitation Districts of Los Angeles County
Santa Fe Irrigation District
Santa Margarita Water District
Tuolumne County Board of Supervisors
Western Municipal Water District

COLORADO

**Joint letter: Colorado Department of Agriculture
Colorado Department of Natural Resources
Colorado Department of Public Health and Environment
City of Aurora Water Administration
Huerfano County Water Conservation District
Northwest Colorado Council of Governments
Pitkin County (attorney)

CONNECTICUT

Connecticut Department of Energy and Environmental Protection

FLORIDA

Florida Department of Agriculture and Consumer Services
Florida Department of Environmental Protection
Charlotte County Board of Commissioners

GEORGIA

Attorney General Christopher Carr
Georgia Department of Natural Resources

HAWAII

Governor David Ige

IDAHO

Governor Butch Otter **joint letter with
Idaho Department of Agriculture
Idaho Department of Environmental Quality
Idaho Department of Water Resources
Idaho Association of Counties

ILLINOIS
Illinois Environmental Protection Agency

INDIANA

Attorney General Curtis Hill, Jr.
Indiana Department of Environmental Management
Association of Indiana Counties
County Supervisors Association of Indiana
Blackford County Surveyors
Hamilton County Surveyors
Hancock County Surveyors

IOWA

Governor Kim Reynolds **joint letter with
Lt. Governor Adam Gregg

Buchanan County

KANSAS

Governor Sam Brownback
Attorney General Derek Schmidt

KENTUCKY

Attorney General Andy Beshear
Energy and Environment Cabinet (Secretary)

LOUISIANA

Attorney General Jeff Landry
Louisiana Department of Environmental Quality (Secretary)
Jefferson Parish Department of Environmental Affairs

MAINE

Governor Paul LePage

MASSACHUSETTS

Massachusetts Department of Environmental Protection

MICHIGAN

Attorney General Bill Schuette
**Joint letter: Michigan Department of Agriculture and Rural Development and
Michigan Department of Environmental Quality

MINNESOTA

**Joint letter: Minnesota Department of Natural Resources
Minnesota Pollution Control Agency

MISSISSIPPI

Governor Phil Bryant
Forrest County (supervisor)

MISSOURI

Governor Eric Greitens **joint letter with
Missouri Department of Natural Resources
Attorney General Josh Hawley

MONTANA

Montana Department of Environmental Quality, Department of Natural Resources and Conservation

NEBRASKA

Governor Pete Ricketts **joint letter with
Nebraska Department of Agriculture
Nebraska Department of Environmental Quality
Nebraska Department of Natural Resources

NEVADA

Governor Brian Sandoval
Attorney General Adam Paul Laxalt
Nevada Division of Environmental Protection

Nevada Association of Counties
Clark County Regional Flood Control District
Humboldt River Basin Authority

NEW HAMPSHIRE

Governor Chris Sununu

NEW MEXICO

New Mexico Department of Agriculture

NEW YORK

New York State Department of Environmental Conservation

NORTH CAROLINA

Lieutenant Governor Dan Forest
North Carolina Department of Environmental Quality (Secretary)

NORTH DAKOTA

Governor Doug Burgum
Attorney General Wayne Stenehjem

OHIO

Attorney General Mike DeWine
Ohio Environmental Protection Agency
Ohio Department of Transportation
Ohio Department of Agriculture
Ohio Department of Natural Resources, Division of Mineral Resources
Ohio Department of Natural Resources, Division of Oil and Gas Resources Management

OKLAHOMA

Attorney General Mike Hunter
**Joint letter: Commissioner of Agriculture
Secretary of Energy and Environment
Secretary of Transportation

OREGON

**Joint letter Oregon Department of Environmental Quality
Oregon Department of Fish and Wildlife
Oregon Department of Forestry
Oregon Department of State Lands
Jackson County Road Department
Yamhill County Commission

PENNSYLVANIA

**Joint letter: Pennsylvania Department of Agriculture
Pennsylvania Department of Conservation and Natural Resources
Pennsylvania Department of Environmental Protection
Pennsylvania Fish and Boat Commission
Pennsylvania Department of Transportation (nat res. staff)

SOUTH CAROLINA

Governor Henry McMaster
Attorney General Alan Wilson
Dorchester County Administrator

SOUTH DAKOTA

Attorney General Marty Jackley
South Dakota Department of Environment and Natural Resources
Pennington County Board of Commissioners

TENNESSEE

**Joint letter: Tennessee Department of Agriculture and
Tennessee Department of Environment and Conservation

TEXAS

Attorney General Ken Paxton
Railroad Commission of Texas (All three commissioners)
Texas Commission on Environmental Quality
Texas Department of Agriculture
Texas Department of Transportation

Texas General Land Office

UTAH

Attorney General Sean Reyes
Public Lands Policy Coordination Office (director)
Duchesne County Commission

VIRGINIA

Commonwealth of Virginia Department of Agriculture and Consumer Services
Spotsylvania County (engineer)

WASHINGTON

Washington Department of Ecology

WEST VIRGINIA

Attorney General Patrick Morrisey
West Virginia Department of Environmental Protection

WISCONSIN

Attorney General Brad Schimel
Wisconsin Department of Natural Resources

WYOMING

Governor Matt Mead **Signed own letter for WY and co-signed NGA leadership letter with Brown (CA)
Wyoming Association of Conservation Districts
Wyoming County Commissioners Association
Wyoming Department of Environmental Quality
Wyoming Coalition of Local Governments

INTERGOVERNMENTAL ASSOCIATIONS

****Joint Letter from the National Association of Counties, National League of Cities, U.S. Conference of Mayors**

Association of Clean Water Administrators
Association of State Floodplain Managers
Association of State Wetland Managers
Environmental Council of the States
National Association of Conservation Districts
National Association of Clean Water Agencies
National Association of State Departments of Agriculture
National Association of Flood and Stormwater Management Agencies
National Conference of State Legislatures
National Governors' Association – Gov. Edmund Brown (CA) and Gov. Matt Mead (WY)
National Municipal Storm Water Alliance
National Water Resources Association
New England Interstate Water Pollution Control Commission
Western Governors' Association – Gov. Steve Bullock (MT) and Gov. Dennis Daugaard (SD)
Western States Water Council

****Joint Letter signed by Attorneys General from 20 states**

To: Bennett, Tate[Bennett.Tate@epa.gov]
From: Nolan, Rich
Sent: Thur 12/7/2017 1:11:41 PM
Subject: Re: Morning Energy: Pruitt heads to House grilling today — Major flop in Alaska lease sale bodes ill for ANWR estimates — McIntyre gets sworn in at FERC today

Sending 5

On Dec 7, 2017, at 7:43 AM, Bennett, Tate <Bennett.Tate@epa.gov> wrote:

Usual suspects

On Dec 7, 2017, at 7:40 AM, Nolan, Rich <RNolan@nma.org> wrote:

Begin forwarded message:

From: "POLITICO Pro Energy" <politicoemail@politicopro.com>
Date: December 7, 2017 at 5:45:03 AM EST
To: <rnolan@nma.org>
Subject: Morning Energy: Pruitt heads to House grilling today — Major flop in Alaska lease sale bodes ill for ANWR estimates — McIntyre gets sworn in at FERC today
Reply-To: "POLITICO subscriptions" <reply-fe871372766d01787c-630326_HTML-637936621-1376319-0@politicoemail.com>

By Anthony Adragna | 12/07/2017 05:43 AM EDT

With help from Emily Holden, Eric Wolff and Alex Guillén

WELCOME TO CONGRESS, MR. PRUITT: EPA Administrator Scott Pruitt makes his long-awaited first appearance before a House Energy and Commerce subpanel this morning where he's expected to get grilled on a host of issues. The session will be broken into two segments — 10-11 a.m. and then 2 p.m. onwards — to allow Pruitt to attend a White House meeting on biofuels (more on that below). Look for E&C Environment Chairman John Shimkus to recognize the arrangement is "not ideal, but gives members maximum ability to personally question the administrator about the agency's mission" during his opening remarks.

What Republicans will say: Expect Chairman Greg Walden to press Pruitt on budget transparency and his plans to address staffing issues: "I expect that 'Back to Basics' is not an abdication of environmental protection, but rather a

rededication to mastering the most fundamental aspects of EPA's mission," he'll say, according to prepared remarks glimpsed by ME. Shimkus said his questions could touch on a range of topics, including TSCA, brownfields, safe drinking water and the agency's staffing.

And Democrats? "We're all noticing the orientation toward the environment is completely different with respect to budgeting, with respect to climate change, potentially with respect to methane, particulates," Rep. Scott Peters, a subcommittee member, told ME. "So, I just think we want to get a sense of where he's going and how he'll measure success." The committee's top Democrat, Frank Pallone, wouldn't reveal what he intends to grill Pruitt about when ME caught up to him in the hall.

Pro's Alex Guillén's expectations for Pruitt's first Capitol Hill appearance in six months: "Lawmakers have probably built up some serious questions in that time, so we could see questioning on practically any issue before EPA: the Clean Power Plan repeal effort; the Waters of the U.S. rewrite; Superfund work; proposed budget cuts; Pruitt's decision earlier this year not to ban chlorpyrifos; and his increased security and travel. Pruitt's prepared testimony offers a standard overview of his EPA philosophy."

Rally time: Environmental and public health advocates, including the Union of Concerned Scientists, Sierra Club, Business Forward and the Alliance of Nurses for Healthy Environments, will rally outside Rayburn at 9:20 a.m. to draw attention to Pruitt's lagging enforcement efforts, spending habits and overhauls of science advisory panels. Ahead of the session, the Environmental Defense Fund updated their "Pruitt Playbook" and the Union of Concerned Scientists offers some suggested questions to ask.

If you go: The hearing kicks off at 10 a.m. in Rayburn 2123.

WHY PRUITT'S LEAVING: Sen. Ted Cruz has secured a meeting today at 11:30 a.m. with President Donald Trump and several Cabinet members, including Pruitt, for what he told ME is likely to be a "free-ranging discussion" about biofuels and the recent fights over the Renewable Fuel Standard. His message? "We need to find a solution that is a win-win. That is a win for corn farmers across the Midwest but at the same time is a win for blue-collar union members who work in refineries and right now are being bankrupted by a regulatory system that isn't working," the Texas Republican said. Other Senate Republicans are expected to attend as well (perhaps the ones who signed this letter). Remember Cruz still has a hold on Bill Northey's USDA's farm and conservation mission nomination, so watch to see if that's lifted as the most immediate outcome of the session.

Oilies only: Sen. Chuck Grassley wasn't invited to the meeting, his spokesman said, but not to worry: Grassley has said that a White House RFS meeting would

be "a waste of time." And if there's one thing energy world knows now, it's that if you don't have Gang Grain, you got nothing.

WELCOME TO THURSDAY! I'm your host Anthony Adragna, and no one was able to name the Father Millet Cross national monument (which has since been transferred by Congress to a state park) as our nation's smallest at just 0.0074 acres when designated. For today: Which state currently has the most national monuments at 18? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter @AnthonyAdragna, @Morning_Energy and @POLITICOPro.

ARCTIC LEASE SALE FLOP: Despite touting the "largest ever" lease sale in the National Petroleum Reserve-Alaska, BLM received just bids on seven of the 900 tracts offered, Pro's Ben Lefebvre reports . Those bids, generating just $1.2 million in high bids, came jointly by ConocoPhillips and Anadarko for 80,000 acres, or less than 1 percent of the acreage offered. The highest bid amount was $14.99 per acre. The relatively low amount could undercut GOP arguments that opening up the nearby Arctic National Wildlife Refuge would generate $1 billion in revenue. Leasing of state land did quite a bit better, according to the Anchorage Daily News.

For perspective: At the price of $14.99/acre, "leasing the entirety of the Arctic Refuge Coastal Plain's 1.5 million acres would raise slightly more than $11 million in revenue for the federal government, a far cry from the billion dollar lie that Trump and Republicans are feeding the American public," the Alaska Wilderness League's Kristen Miller said in a statement. Remember the Republican budget calls for Senate ENR to kick in $1 billion in revenue (which CBO said would come through ANWR drilling), though the lease results seem to bolster skepticism from environmental advocates and Democrats about those estimates.

Situational awareness: Energy Chairman Lisa Murkowski was named a tax conferee late Wednesday, along with Sens. Orrin Hatch, Mike Enzi, John Cornyn, John Thune, Rob Portman, Tim Scott and Pat Toomey . "With Congressman [Don Young] representing the House of Representatives on our energy provisions, Alaskans will have a very strong voice at the table to ensure this bill crosses the finish line," she said in a statement.

No (strategic petroleum) reservations: Count Shimkus, a tax conferee, among the backers of the Senate's approach of selling off 7 million barrels from the Strategic Petroleum Reserve as part of the final tax package H.R. 1 (115). "There was a reason to have the SPR," he told ME. "There is a credible reason to debate whether, for now and in the immediate future, there is a need." He also said he's a "big ANWR supporter" and that he doesn't see the Arctic drilling provision getting pulled from the final version.

INHOFE, PRUITT'S TOXIC LEGACY: POLITICO Magazine's Malcolm Burnley takes a deep dive into the contaminated Oklahoma region of Tar Creek, an area so poisonous that only 10 holdouts live there, and he finds a buyout program for residents that left Sen. Jim Inhofe awash in scandal and litigation. Then-Attorney General Scott Pruitt ultimately concluded an audit into possible criminal wrongdoing didn't warrant charges and he shielded his review from public release, only to have some in the state believe his efforts were designed to spare Inhofe embarrassment. Many residents in the polluted zone of Tar Creek continue to express shock that no one was prosecuted over what happened in their federal buyout program

Pruitt and Inhofe flatly denied there was any political motivation in shielding the audit. "It was important to protect the individuals' reputation that were in that investigation," Pruitt said in an interview. "You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys." One interesting fact though: Ryan Jackson, now Pruitt's chief of staff, was once Inhofe's point person on the Tar Creek issue. Photo gallery here.

Pruitt's new gig: Trump named the EPA administrator to chair the Gulf Coast Ecosystem Restoration Council, a group formed after the Deepwater Horizon oil spill restore the ecosystems and economies of the Gulf Coast, your ME host reports. Pruitt named Kenneth Wagner, a senior adviser, to be his designee on the council.

MAY FERC NOW BE WHOLE: New FERC Chairman Kevin McIntyre will be sworn in today, bringing the five-member agency to full power, Pro's Eric Wolff reports. His swearing-in will put to rest rumors that either the Trump administration or McIntyre himself were delaying his start date to give current Chairman Neil Chatterjee enough service time to make staffing changes

MORE HEARINGS COMING ON CLEAN POWER PLAN: EPA announced Wednesday it would hold additional public hearings on its plan to repeal the Clean Power Plan in San Francisco; Gillette, Wyo.; and Kansas City, Mo., Pro's Emily Holden reports. Pruitt said the change was "due to the overwhelming response" and the agency will announce the dates and locations of the meetings in the coming weeks.

SPLIT OVER EXTENDERS? Ways and Means Chairman Kevin Brady told reporters Wednesday he doesn't like the idea of moving a package of extenders this year but hasn't made a final decision yet, Pro Tax's Brian Faler reports . "It's horrible policy and process," he said. But those comments come as Thune, the Senate's number three Republican, said lawmakers will revive biodiesel, geothermal and other energy-related breaks along with other "cats and dogs." Doing an extenders package as the chambers work to iron out differences between their broader tax bills is likely to test tax writers' bandwidth.

Shutdown watch: Congressional leaders head to the White House for a meeting with Trump on government funding today, but GOP lawmakers expect to pass a two-week spending package despite internal division within their party, POLITICO's Rachael Bade and Sarah Ferris report. House Freedom Caucus leaders have been asking for a commitment GOP leadership does not believe it can give them: a promise to "hold the line" and refuse Senate Democrats' demands for increased spending on non-defense programs.

House Democrats, including Minority Whip Steny Hoyer, hold a press conference at 10 a.m. in Cannon 234 to call on Republicans to take up additional federal assistance for Puerto Rico and the U.S. Virgin Islands. Watch here.

ICYMI: Both sides framed their arguments at a hearing of the U.S. Trade Representative over whether to impose tariffs on solar equipment imports in language aimed at swaying Trump, Pro's Eric Wolff reports.

PATAGONIA SUES OVER BEARS EARS: A coalition of groups, including Patagonia, became the latest to file a lawsuit challenging the Trump administration's downsizing of Bears Ears National Monument on Monday. Link to the lawsuit filed in Washington federal court here.

ENDANGERMENT FINDING PUSHBACK STALLS: Conservative state lawmakers and businesses that are members of the American Legislative Exchange Council on Wednesday shot down an effort to urge Pruitt to challenge a science-based endangerment finding that requires EPA action on greenhouse gas emissions. "In subcommittee, a substantive conversation occurred where arguments were made for and against the draft model policy," said Bill Meierling, executive vice president of external relations for the group. "After debate, it was clear that neither the public nor the private sector supported the draft as written."

Meierling added that "ALEC members prefer to advance policy only after a consensus opinion has been reached." Reports suggested later the resolution had been pulled in the aftermath of strong opposition, including from Exxon Mobil. Pruitt was expected to speak at the ALEC meeting on Friday but canceled due to a "scheduling conflict," Meierling said.

NO COMMENT: Murkowski forcefully urged Sen. Al Franken to step down amid sexual harassment allegations on Wednesday, but a spokeswoman declined to state whether Roy Moore would be welcome on her committee if he wins the Alabama special election next week. "We aren't commenting until after the special election and decisions about committee seats are made by conference," she said. Outgoing Alabama Sen. Luther Strange currently has a slot on the energy panel.

THERE'S ALWAYS A TIE: Congressional Democrats said Tuesday they have evidence then-national security adviser Michael Flynn sent assurances to former

business partners that a U.S.-Russia energy partnership in the Middle East, which reportedly would have included more than two dozen nuclear plants in the region, was "good to go," POLITICO's Kyle Cheney reports. The revelations from a whistleblower came in a letter released Tuesday.

MAIL CALL! LET'S BOOST EFFICIENCY CAPS! A collection of energy efficiency organizations, led by the Alliance to Save Energy, sent a letter to congressional appropriators on Wednesday urging them to boost "budget cap allocations for federal energy efficiency programs." Failure to do so could result in steep cuts to EPA and DOE programs across the board, the groups warn. Link here.

TAKE A GLANCE! LESSONS FROM THE RFS: The American Enterprise Institute is out with a report looking at policymaking lessons from the RFS. It argues the biofuels mandate would be better as a rate standard than a volume standard, EPA should issue multiyear rather than annual rules and that uncertainty should be explicitly incorporated into future rulemakings, among other things.

BAD SOLAR ACTORS: Campaign for Accountability released the results of a years-long investigation concluding two companies — Vivint and SolarCity — received more complaints about their sales tactics than others in the solar industry. "Unfortunately, the deceptive sales tactics of solar companies, like Vivint and SolarCity, are making rooftop solar a risky bet," Daniel Stevens, the group's executive director, said in a statement. Read it here.

DREAMS TURNED REALITY? The Center for Western Priorities is out with a report finding the Trump administration has already granted 13 of the energy industry's 24 top priorities. Read it here.

SUGGESTIONS GIVEN: American Council for Capital Formation released a paper this morning with ten ideas for improving the regulatory process. It's the product of a November 2016 roundtable with Sens. Mike Rounds, Angus King, James Lankford and others. Link here.

MOVER, SHAKER: Michael Boucher has joined Crowell & Moring LLP environment and natural resources practice as a partner in Washington. He joins from Dentons US LLP, where he led that firm's chemical, pesticide, and consumer product regulation team.

QUICK HITS

— California AG on Trump EPA: 'It's almost as if they believe they're above the law'. The Hill.

— Wall Street's Fracking Frenzy Runs Dry as Profits Fail to Materialize. Wall Street Journal.

— The IHS Markit electric resiliency study - much less than meets the eye. Utility Dive.

— Patagonia sues over Trump's monuments order. AP.

— Volkswagen Official Gets 7-Year Term in Diesel-Emissions Cheating. New York Times.

— Pipeline explodes in southeastern New Mexico oil patch. AP.

— Christie backs nuclear subsidies but won't sign 'wish list' bill from environmental groups. POLITICO New Jersey.

HAPPENING TODAY

9:00 a.m. — The Washington International Trade Association holds an event as part of its NAFTA series: "Energy and the NAFTA," Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Ave. NW

10:00 a.m. — EPA Administrator Scott Pruitt appears before the House Energy and Commerce Environment Subcommittee, Rayburn 2123

10:00 a.m. — "Transforming the Department of the Interior for the 21st Century," House Natural Resources Oversight and Investigations Subcommittee, Longworth 1324

11:00 a.m. — The World Bank conference call briefing on the One Planet Summit, RSVP: himtiaz@worldbankgroup.org

12:00 p.m. — "The Business Case for Tax Incentives Promoting Energy Efficiency," Alliance to Save Energy, Rayburn 2203

2:00 p.m. — The House Natural Resources Federal Lands Subcommittee holds a hearing on various bills, Longworth 1324

2:00 p.m. — "OPEC's World Oil Outlook 2017," Center for Strategic and International Studies, 1616 Rhode Island Avenue, NW

THAT'S ALL FOR ME!

To view online:
https://www.politicopro.com/newsletters/morning-energy/2017/12/pruitt-heads-to-house-grilling-today-043377

Stories from POLITICO Pro

Biofuel backers claim victory in EPA battle Back

By Eric Wolff | 10/20/2017 05:37 PM EDT

Biofuels backers were breathing a sigh of relief on Friday after EPA Administrator Scott Pruitt backed away from changes to the Renewable Fuels Standard, a reversal that left oil refiners frustrated.

Pruitt acceded to demands from Sen. Joni Ernst that he publicly promise not to pursue plans to change the biofuel program rules — changes that had been sought by oil refiners who have long complained about the costs of implementing the program that many see as a giveaway to the corn states.

Pruitt's letter to Ernst, Sen. Chuck Grassley and five other Midwestern Republican senators delivered what they'd asked for: A promise not to expand the group of companies required to comply with the program, to keep the biodiesel volume requirements at levels proposed in July, to not alter the policy that strips RFS credits from exported ethanol, and to explore allowing year-round sale of gasoline with 15 percent ethanol nationwide.

The quick reversal by Pruitt — at the direction of President Donald Trump — showed the influence of the biofuel lobby, corn growers and farm-state lawmakers to scuttle changes in the decade-old policy sought by the energy industry.

"This was a basket of bad ideas for biofuels," said Brooke Coleman, head of the industry lobby group Advanced Biofuels Business Council. "And there's no way that we could have any other response than to take this approach. [Pruitt] didn't kick tires on changing the RFS, he tried to take a baseball bat to the program, and the response was matching and in response to, from a magnitude perspective, to the initial foul."

The push by the senators, as well as Midwestern governors, "made a huge difference in this matter," said Michael McAdams, head of the Advanced Biofuels Association. "In addition, the collective unity of the entire biofuels industry, including those who distribute and market these fuels, made a significant impression on the importance and support for the RFS program."

But oil refiners who have said the high cost of biofuel credits, called Renewable Identification Numbers, was costing them hundreds of millions of dollars, lamented the power of the biofuels lobby and the corn-belt lawmakers.

"The [Pruitt] letter is a result of political pressure applied by Midwestern politicians," said one refining source. "Some Midwesterners cannot accept any premise that the RFS could be improved. As a result, their overreaction included

everything from holds on confirmations to even more personal threats launched at the White House and EPA."

The unified and vociferous campaign by the biofuels industry in attacking the proposal that would have lowered biodiesel volume mandates surprised some in the refining industry, as well as the political staff in the EPA, sources tell POLITICO.

The Trump administration's embrace of the oil industry had raised refiners' hopes that it could have the best opportunity in years for significant RFS changes, and refining giant Valero Energy, along with a group of Pennsylvania companies, believed they would get relief from what they considered an onerous program.

But Grassley took to the Senate floor to blast Pruitt's biofuel plans as a "betrayal" of Trump's promises to protect ethanol, and he arranged a call with Trump and Pruitt that led to the meeting in his office with Pruitt and Ernst as well as Deb Fischer (Neb.), John Thune (S.D.), Ben Sasse (Neb.), Pat Roberts (Kan.) and Mike Rounds (S.D.). Following that meeting, Ernst demanded the public statement from Pruitt, and said she would withhold her support for Bill Wehrum, who was nominated to run the agency's air office, forcing a delay in the Environment and Public Works Committee's vote until next week.

Ernst spokeswoman Brook Hougeson told POLITICO, "Now that Sen. Ernst has received the assurances that the EPA will support the spirit and the letter of the RFS, she will support Mr. Wehrum."

Valero was disappointed its efforts to change the program had been shot down by the fierce political opposition.

"These senators have intervened in a regulatory process, and the proposals and concepts in the letter address RFS implementation problems to which these senators have offered no constructive solutions," Valero said in a statement. "The only unifying principle of their bullying opposition seems to be a desire to maintain the status quo at all costs and to protect windfall profits associated with unregulated trading of renewable identification numbers, or RINs. Their position advances neither the goals nor the efficient implementation of the RFS, and places U.S. manufacturing jobs at risk."

But in a statement, the White House made clear that Trump remained fully behind the biofuels program.

"President Donald J. Trump promised rural America that he would protect the Renewable Fuel Standard, and has never wavered from that promise," spokeswoman Kelly Love said in a statement. "The president has had constructive conversations with several key officials about the RFS over the past week, and he understands their concerns. The Trump administration will protect the RFS and

ensure that our Nation's hardworking farmers continue to fuel America."

One energy executive said the biofuel backers were victorious because they were unified in their support for the RFS, while Republicans, the oil industry, and even the refiners were not on the same page.

"The ethanol boys won this round, no doubt, but at a pretty high cost," said Stephen Brown, vice president for federal government affairs for Andeavor. "The refining industry is anything but united on the RFS beyond a sunset as individual companies have each made investments and honed mitigation strategies to comply with the statute. As those investment decisions become increasingly operationally embedded, the industry will continue to splinter on the suite of RFS issues."

But some producers are still wary of Pruitt's pledge in his Thursday letter, and they note that he promised to release a final rule in which none of the mandatory volumes will be less than he proposed in July. For some producers, those volumes were already too low.

"There's some work to do here," Coleman said. "We won't know until the rule is done. And we recognize it's an ongoing rulemaking, it's not like they're going or republish the rule, they've said what they can say. The final rule really matters."

To view online click here.

Back

'Largest ever' Interior Alaska oil lease sale draws little interest Back

By Ben Lefebvre | 12/06/2017 08:26 PM EDT

The Interior Department received only seven bids from two companies today in what it had billed as the "largest ever" oil and gas lease sale in the National Petroleum Reserve in Alaska.

The bids on the 10.3 million unleased acres in the NPR-A generated just $1.2 million in high bids, according to a Bureau of Land Management summary. The relatively low amount could undercut GOP arguments that opening up the nearby Arctic National Wildlife Refuge would generate $1 billion in revenue.

A BLM Alaska lease sale last year generated $18 million for 1.4 million acres offered.

Subsidiaries of ConocoPhillips and Anadarko were the only two companies that participated in the lease sale. The companies only bid for 80,000 acres, or less than 1 percent of the acreage offered. The highest bid amount was $14.99 per

acre.

Low oil prices and the relatively cheap and plentiful land available for hydraulic fracturing in the lower 48 has hurt oil company interest in the out-of-the-way fields of Alaska and the Gulf of Mexico. Interior Secretary Ryan Zinke and Sen. Lisa Murkowski (R-Alaska) have pushed to open more public land to drilling, however, saying that doing so is important to increase domestic energy production.

Zinke had previously said that today's "large and unprecedented sale in Alaska will help achieve our goal of American Energy Dominance."

An Interior spokesperson did not immediately respond to questions.

WHAT'S NEXT: Republicans hope to keep ANWR drilling provisions in their budget proposal.

To view online click here.

Back

Democrats worry Arctic National Wildlife Refuge being lost amid tax debate
Back

By Ben Lefebvre | 11/29/2017 05:17 AM EDT

Democrats' fight to keep oil and gas rigs out of the Arctic National Wildlife Refuge is losing ground as the Republican tax plan advances — and it's almost as if no one has noticed.

The prospect of drilling in the untouched Alaskan tundra is as close to reality as it's been in more than a decade, with none of the political drama that in past decades turned the refuge's fate into a top-tier rallying cry for liberals. Legislation to allow drilling in ANWR is quietly hitching a ride on the tax code overhaul that Senate Republicans hope to complete by the end of the week, overshadowed by larger debates on whether the bill is a giveaway to rich people and corporations at the expense of the poor and working class.

"It's really not gotten the attention that it should," Sen. Tammy Duckworth (D-Ill.), a member of the Energy and Natural Resources Committee, told POLITICO about the ANWR provision. "It's not just the budget discussion. It's about everything else that's going on, the flurry of all sorts of other news."

Angus King (I-Maine) said Republicans were trying to shield ANWR from opposition by adding it to the larger bill rather than bringing it to the floor

separately under rules, which would require it to win support from 60 senators to overcome a filibuster.

"Well, clearly the strategy is to try to get it through as part of this tax reform effort and thereby avoid a direct up-or-down vote," King said in an interview earlier this month.

The nonstop news cycle and preponderance of other concerns with the tax bill are making it difficult to focus on an issue that normally fires up Democratic voters.

"I do think that putting ANWR in the budget reconciliation package hasn't drawn as much extremist opposition because it is completely overshadowed by tax reform, which is the center of the package," said Chris Guith, senior vice president of the U.S. Chamber of Commerce's Global Energy Institute. "But there are some who aren't exactly supportive of tax reform that support ANWR, and it's possible to see ANWR bring a vote or two to help pass tax reform."

Senate Energy Chair Lisa Murkowski (R-Alaska) easily advanced legislation through her committee directing the Interior Department to hold two lease sales for drilling in ANWR over the next decade. It would raise $1 billion over that period, according to the Congressional Budget Office, making it eligible for inclusion in a budget reconciliation package that Democrats cannot filibuster.

The reconciliation package also will include Republicans' tax plan and a repeal of the Obamacare individual mandate. While Murkowski helped scuttle the Obamacare repeal push earlier this year, she says she supports ending the mandate. Murkowski's office did not respond to a request for comment.

ANWR, a swath of tundra on the northern Alaska coast, is home to polar bears, porcupine caribou and a landscape that hasn't been touched in thousands of years. Congress designated the 19 million-acre area a wildlife refuge in 1980, but it set aside a 1.5-million-acre parcel known as "10-02" for possible drilling if future lawmakers approved such a plan. The U.S. Geological Survey estimated in 1998 that part of ANWR could hold up to 12 billion barrels of oil, and President Donald Trump and Alaska Republicans have called it essential for their plans for American "energy dominance."

Sen. Susan Collins (R-Maine), who is undecided on the tax bill for a several reasons, said she will support an amendment on the Senate floor to eliminate the ANWR language, but she said success there is not a prerequisite for her to vote for the underlying bill. "No it is not, but I would certainly try to get it out of the package," Collins told reporters Tuesday. Collins was the only Republican to cross the aisle on an unsuccessful amendment to keep pro-drilling language out of the underlying budget resolution, meaning it is unlikely that she would be able to strip the ANWR provision from a reconciliation bill.

But Democrats say that passing a deficit-increasing tax bill in order to open ANWR would actually harm energy-producing states. That's because the $1.5 trillion shortfall from the GOP tax cuts would trigger required "pay-as-you-go" cuts to mandatory spending programs, according to a CBO analysis sent to House Minority Whip Steny Hoyer (D-Md.).

One of the programs on the pay-go chopping block would be the energy royalty revenue sharing program carried out through the Mineral Leasing Act. Cutting those payments would lose Alaska an estimated $15 million in energy royalty payments next year alone, an amount important to a state already facing budget shortfalls.

"Communities throughout the West would be impacted by the loss of revenue, which is used to support a variety of needs including infrastructure, school funding, conservation, and recreation," Hoyer said in a statement to POLITICO. "This is yet another example of the consequences associated with forcing through legislation to add $1.5 trillion to the deficit in order to give tax cuts to the wealthy."

Pay-go cuts also would hit popular programs like Medicare and student loans, but Congress can waive the law with 60 votes in the Senate. Democrats are not yet on board with that approach.

The current push to open ANWR, coming amid a swarm of competing headlines and buried in larger legislation, has come nearer to succeeding than the GOP's two previous attempts. President Bill Clinton vetoed a budget package in 1995 that included language opening ANWR, while a Democratic filibuster thwarted a second attempt in 2005.

Environmental groups have targeted public engagement at only a handful of congressional districts. The League of Conservation Voters spent $550,000 on television ads in three Republican congressional districts. The LCV also paid for a bipartisan polling firm to probe public opinion on opening ANWR, but even that focused only on registered voters in eight congressional districts.

"The reason they're trying to sneak it into the tax package is they know they don't have the votes otherwise," said Tiernan Sittenfeld, the league's senior vice president of government affairs. "They know they can't pass it under regular order, that's why they're doing a sneak attack."

Even ANWR supporters are staying out of the spotlight.

"I haven't seen any full-out, front-page ads, nothing like that," Alaska Oil and Gas Association President Kara Moriarty said. "We're a little battle-weary, to be honest. Alaskans support opening up ANWR. There's been a few statements reiterating that."

Nick Juliano contributed to this report.

To view online click here.

Back

The Environmental Scandal in Scott Pruitt's Backyard Back

By Malcolm Burnley | 12/06/2017 05:57 PM EDT

PICHER, Okla. — Tar Creek, Oklahoma, is breathtaking in a terrible way: At one time the world's deepest source of lead and zinc, the three-town region is now a cratered landscape so poisonous that no one, aside from 10 holdouts, can live there. Mountains of ashlike "chat," a toxic residue from lead-zinc milling, rise majestically among the remains of homes torn from their foundations. Abandoned pets forage around the ruins. A child's teddy bear lies sprawled in a ghostly living room. A gorilla statue fronts an empty high school, atop a sign proclaiming "1A Football State Champs, 1984."

Tar Creek is also part of the environmental legacy of one of the state's—and nation's—leading politicians, Senator Jim Inhofe, and his longtime ally, Scott Pruitt, the former Oklahoma attorney general who is now head of President Donald Trump's Environmental Protection Agency. After the EPA struggled to clean up the area, in 2006, Inhofe endorsed a plan in which a trust overseen by local citizens would use federal dollars to purchase homes and businesses in the toxic region so residents could move elsewhere. Then, when the plan proved so problematic that it spawned more than a half-dozen civil lawsuits and an audit into possible criminal wrongdoing, Pruitt, as the state's attorney general, invoked an exception to state freedom-of-information laws to keep the audit from being an open public record.

Now, that decision is coming into new light as many Oklahomans clamor for the audit to be released, suggesting that its revelations will prove embarrassing to Inhofe, who played a key role in designing the buyout plan, and cast doubt on Pruitt's decision not to move forward with charges. Last week, a Washington, D.C., nonprofit called the Campaign for Accountability raised the stakes even further, filing suit in Oklahoma courts to force the release of the audit.

"If you take a look at Scott Pruitt's record, you see a general disregard for transparency," said Daniel Stevens, the group's executive director. "I don't think it's outside our bounds to say that Pruitt is trying to hide evidence of criminal wrongdoing."

Pruitt, in an interview, dismissed the idea that he was covering anything up,

saying his former office's grand jury unit reviewed the audit and determined that no charges were warranted. He said he declined to make it public because he didn't want innocent people to be besmirched, even though the auditor rejected that reasoning and maintained it should be a public document. "It was important to protect the individuals' reputation that were in that investigation," Pruitt said.

Nonetheless, the mess at Tar Creek continues to follow Pruitt in other ways. As EPA administrator, he has assumed full responsibility for the still-faltering cleanup. And eyebrows were raised in Oklahoma this past January when, as Pruitt was awaiting confirmation for his EPA post, a White House spokesperson told Bloomberg News that the handling of Tar Creek was emblematic of Pruitt's philosophy: "national standards, neighborhood solutions."

Pruitt, in an interview, said he knew nothing about the Bloomberg article, saying only that he endorses the EPA's current work at Tar Creek and the principle of combining federal resources and state and local leadership, rather than the buyout that occurred before his time as EPA administrator, while he was Oklahoma's attorney general.

"I think as far as a model going forward outside of the buyout, what we're trying to do is have a renewed focus on what I think are some of the most beneficial things we can do for citizens across the country, and that's to address some of these legacy sites that have substantial environmental challenges that allow them to once again enjoy the communities in their backyard," he said.

But many residents of the Tar Creek area, who gave up their homes in a buyout they considered both coercive and corrupt, continue to blame Pruitt for the fact that no one was prosecuted. They described a program so rife with good-old-boy corruption that certain individuals received outsize payoffs while some homeowners got so little they couldn't relocate anywhere nearby; meanwhile, they said, the people hired to demolish the homes received inflated contracts through a flawed process.

"We were lied to and deceived from Day One," said Gloria Workman, who said her son has learning disabilities from growing up in the polluted zone of Tar Creek, which had lead-poisoning levels in children that were three times higher than those registered in Flint, Michigan, during the peak of its recent water crisis. "Not only were we losing our homes, we were raped in the process."

"It was a nightmare," said Mary Thompson, who was still awaiting a resolution from the trust when an EF4 tornado ripped through Tar Creek in 2008, throwing bodies and trailers through the sky, killing six people and destroying more than 100 homes. Without homes, many people took lower-than-expected buyout offers—however insufficient they were perceived to be—because they had nothing left, she said.

"They preyed on us after the tornado," said Thompson, whose home was leveled.

Nonetheless, Inhofe, in a 2015 news release touting the completion of the buyout, cast it as a success because it did not lead to an expanded federal role.

"This is an example of a government program created for a specific purpose and then dissolves after the job is completed," Inhofe proclaimed.

Now, he continues to defend it but sounds less celebratory. "The first thing to know about the Superfund site at Tar Creek is that it's what's called a 'mega-site' and that it is an exceptional circumstance in every way. You can't compare it to any other Superfund site in the country," Inhofe said in a statement to POLITICO. "The voluntary relocation assistance to get people out of harm's way was right for the situation at Tar Creek, but may not be for every other Superfund—that is why state and local partnership is critical."

To many former residents, who still want the investigative report by the state auditor to see the light of day, even these modest and conditional endorsements feel like slaps in the face.

"People hate the government out here, and it's because of things like this," said Aletha Redden, a lifelong resident of the area who has a Donald Trump bumper sticker on her pickup truck. "I want Scott Pruitt to know: This is not the model."

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A flat expanse of dusty roads and scrubby vegetation situated in the heart of Tornado Alley, the Tar Creek area was once the mainstay of the Quapaw Tribe, which was forcibly relocated there by the U.S. government in 1834. At the time, the territory had little economic value, but a half-century later, prospectors discovered enormously rich ore. By the turn of the 20th century, companies broke ground with drill rigs on Quapaw land.

Many of those firms made fortunes, luring white settlers into an uneasy state of coexistence with the Quapaw. Tar Creek proved to be the deepest reservoir of lead-zinc ore in the world, producing a whopping $1 billion in minerals between 1908 and 1950, according to the Oklahoma Historical Society. Picher, the largest of the mining towns, swelled to a population of 14,000.

Almost every aspect of life in Tar Creek traced back to the mines. The high school took on the mascot of a gorilla, a reference to workers in the mines who broke up boulders with hammers. Children played in sandboxes filled with chat, the chalky mining debris. Teenagers earned the nickname "chat rats" for climbing up the pillowy piles of toxic rubble throughout town and rolling tires down their slopes.

By the end of World War II, however, the boom was over. Most of the mining companies decamped for richer pastures. For the families left behind—including that of Yankees slugger Mickey Mantle, who grew up in the Tar Creek area in the 1940s—it was a slowly unfolding disaster. The extent of Tar Creek's collapse was reflected in the words of John F. Kennedy, who barnstormed into Joplin, Missouri—25 miles away from Tar Creek—in the closing days of the 1960 presidential campaign.

"My own judgment is I know no tougher occupation in the world that [sic] to be a miner, lead, zinc, coal. I am always glad to meet them because I think they live with peril," Kennedy declared. "They have as tough a life as there is. Every other one whose hand you shake has a finger off, a foot crushed, the chances of in 20 years their having a bad accident are more than any of the rest of us. And yet in this community and in West Virginia and Idaho and in other sections of the United States, there has been no group that has been harder hit, no group that has been more forgotten."

Indeed, after the last prospector looking for ore packed up and left in the mid-1970s, people looked to casinos and farming to make a living. But the residue from decades of mining was poisoning them. In 1979, acid mine water leached into the ground, threatening the area's aquifers, killing fish and turning creeks a rusty orange color. When the federal Superfund program—designed to clean up the nation's most polluted and contaminated land—kicked off in the early 1980s, Tar Creek was named to the inaugural National Priorities List. It's still on the list.

The EPA has spent more than $176 million over the past 25 years on cleanup work inside the 42-square-mile-area, on projects from plugging mine shafts to removing contaminated surface soil in people's yards. Though the amount of money sounds large, it hasn't been nearly enough to remove the toxic dangers, and many residents insist the cleanup was mishandled from the get-go. In some cases, the removal of soil resulted in sloping yards, which, during bouts of rain, caused flooding and mold inside houses. In 2000, the FBI raided the offices of the EPA's prime contractor at Tar Creek, Morrison-Knudsen. The company later settled a lawsuit brought by the federal government alleging false representation of billing and progress reports for a sum of $1 million. In the settlement, the company made no admission of wrongdoing.

Meanwhile, the environmental hazards began to multiply: Shortly after the start of that Superfund spending spree, in 1993, researchers at the University of Oklahoma found that 34 percent of Quapaw children were living with lead concentrations above the federal limit. Further studies found alarming rates of lead and arsenic in both the tribal and non-tribal populations. In 1997, a university-lead study estimated that 21 percent of children near Tar Creek had elevated blood-lead levels (defined as 10 micrograms per liter at the time), which is three times higher than the highest measurements found in Flint, Michigan, in 2015. The learning disabilities and memory loss that had plagued the schools and

curtailed lifespans for decades suddenly had a culprit.

As the dangers became ever-more visible and the cleanup lagged, residents rallied around the idea that the government should quickly buy them out of their homes, rather than wait for the hazardous materials to be removed. They thought they might have an ally in the state's senior senator, Inhofe, a Republican who was chair of the Senate Environment and Public Works Committee. But Inhofe, who has a skepticism about environmental science that exceeds that of any of his colleagues, refused to consider the idea. "There will never be a buyout. I promise you that," Inhofe told the *Tulsa World* in late 2003.

Inhofe's refusal to take action of any sort was often criticized in local press, due in part to the relentless attacks of a young Democratic congressman named Brad Carson. "If you'd asked people in Oklahoma politics at the time, they'd say we were mortal enemies," said Carson, referring to himself and Inhofe. "I was elected [to Congress] in 2000, and my goal was to untie the Gordian knot. The area is desperately poor. If it was in suburban Tulsa or Oklahoma City, there would've been outrage."

In 2004, Governor Brad Henry signed a bill authorizing the use of state dollars for the relocation of roughly 100 families with children under the age of 6. Under pressure to take further action, the senior senator began to come around. At first, he secured $2 million in federal funding to pay for a study that discovered that 286 homes within Tar Creek were at risk of being swallowed up from cave-ins of underground mine shafts. This provided an opportunity for Inhofe to reverse himself on the buyout, supporting it on the grounds of protecting residents from cave-ins.

"The stability with the underground mine workings was worse than anyone had previously been thought," recalls Ed Keheley, a retired nuclear engineer and native of Picher who co-authored the study's final report. In the spring of 2006, Inhofe announced a joint federal and state buyout program that would begin with $20 million in funding, with the express purpose of relocating any and all people who'd voluntarily leave Tar Creek.

Having once opposed the buyout to his political detriment, Inhofe now used his clout to keep on funding it, but with the idea that decision-making would be concentrated among local leaders, not the federal government. With Inhofe's support, the Oklahoma legislature created a nine-member panel called the Lead Impacted Communities Relocation Assistance Trust to assume control over the project. The members were all volunteers, helping their community, but some had a vested interest in the buyout: They included, for example, a local banker whose institution would later give loans to people to help them relocate; local property owners whose own homes—and those of relatives—would be subject to the buyout; town officials; and a leader of the Quapaw Tribe.

Inhofe cast himself in the role of the community's protector, putting out a 2008 campaign ad that declared: "Tar Creek: poisoned earth, the threat of schools and churches sinking into abandoned mines. Everyone thought it would be too much to tackle, except for one stubborn man named Inhofe."

But over a five-year period, the buyout would become the subject of a host of civil lawsuits and the subject of a state investigation.

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The local members of the trust—few, if any, of them schooled in environmental management—had two major tasks: figuring out how much each property owner should be paid for their home or business, and then choosing a company to demolish the properties. Both tasks would become the subject of complaints about cronyism, with residents saying the trust members rewarded their friends and politically connected individuals.

It didn't help that the trust often met behind closed doors, and that the vice chairman of the trust resigned within a year. The trust's sole employee, operations manager Sonya Harris, also quit, declaring in her resignation letter that she could no longer continue "with a clear conscience without recommending a change; I will not place myself in a position to be perceived as approving of the operations to this point."

The first case to raise eyebrows involved the mayor of Picher, Ernest "Sam" Freeman. In 2005, when the buyout was first being discussed as a probability, he acquired three large parcels of former mining land covered with chat from the Picher Development Authority, which he chaired. Freeman bought them at 3 cents per square foot, for a total price of $2,088.50, according to the findings of a state audit at the time. It was, the audit declared, a violation of state laws forbidding members of public boards from entering into contracts with those boards. Ottawa County District Attorney Eddie Wyant called on Freeman to return the properties to the development authority in lieu of charges.

"If Sam wanted to buy that land, he needed to get off the board and purchase it legally," Wyant told a local newspaper at the time. "I am not one to put anyone in jail over this, but he needs to clear it up." Wyant, when reached by phone, declined to comment further.

Freeman returned the land, but, in a move that enraged some neighbors, profited off it anyway. The trust had decided that, because so much former mining land had been taken over by state authorities and tribal members, those who owned mobile homes or other shelters on land they didn't own would be eligible for buyouts. Freeman made a claim based on the fact that he had been maintaining and renting out homes on the chat-infested property for years before he tried to buy it.

Trust documents show that Freeman received at least $274,000 from the buyout, more than half of which came from the same lots he had been ordered to return by law enforcement. (Freeman told POLITICO a payout of more than a quarter-million sounded accurate enough, though he declined to provide an exact figure.) Neighbors suspected cronyism. Freeman, who is no longer mayor, denied receiving any preferential treatment. "These people thought I bought the lots to make a killing in the buyout," he said. "I don't think I got more than anyone else would have."

The size of the mayor's profit diminished public confidence in the trust, just as it was engaged in the most delicate part of its task, figuring out how much to pay each individual property owner. Property owners were supposed to receive fair market prices as if pollution hadn't existed in Tar Creek, based on the sales of similar properties elsewhere in northeast Oklahoma. But those calculations appeared to lack uniformity.

The average payout for the 695 properties involved in the buyout was just over $65,000, but the disparity in prices between two properties could be dramatic. Residents complained about lowball offers on some decent properties and overly high payouts for others that were rundown or minuscule in size.

"I got $3,000 for my gun shop. It took me $16,000 to build it," said former Tar Creek resident John Frazier.

Wally Long said he and his wife got $35,000 for their Dairy Queen, while another Dairy Queen right up the road got substantially more.

"We were told [by the trust] that's all the money there is," Long said. "It bothered my wife a lot. She put 23 years of her life into this business."

Meanwhile, a trust member named Janell Trimble got $185,000 for her house, and her brother collected $115,000 for his fiberboard house.

"I may be a member of the [relocation trust's committee], but I honor my duties and I recuse myself when family members are involved," Trimble told the *Tulsa World* in 2008. "[B]ut as a buyout participant I also expect to be treated just like the next person."

Nonetheless, both Trimble and her brother received more than 35 percent above the average price per square foot. On the other end of the spectrum, an elderly woman named Betty Betts received an offer of $12,000 for her home; when she protested, the appraised value was raised to $20,000. Many people got so little for their homes that they had to turn around and take out loans in order to resettle elsewhere in Oklahoma. In the end, the trust finished up with millions in unspent funds.

Residents concentrated their anger on the company that the trust hired to conduct the appraisals, Cinnabar, which had previously made headlines for its management of a noise-insulation program at the Tulsa Airport, which involved multiple lawsuits . In response, the trust engaged an "appraisal reviewer" to go back over Cinnabar's work. But the reviewer, a company named Van Tuyl Associates, quickly came under criticism as well. "They [often] didn't get out of their car. They never entered these homes," said Keheley, who was a member of the trust at the time. (Van Tuyl Associates is now defunct; its former president could not be reached for comment.)

When the unrest over the buyout made the local newspapers, the trust's leadership pointed to a 95 percent acceptance rate for buyout offers. But some residents accused trustees of pressuring them with "take it or leave it" offers, according to a class-action lawsuit brought against the trustees, Cinnabar and Van Tuyl by more than 250 residents affected by the buyout. Plaintiffs also complained that they were denied the right to view the appraisal paperwork. There was even a fake camera—and posters notifying residents they were being videotaped—in the room where buyout offers were made, an apparent attempt to compel residents to take the offers, according to documents in the suit.

The suit, filed in Oklahoma district court, accused the defendants of cheating average property owners and rewarding friends and associates of the trustees. Depositions revealed an explanation for some of the inconsistencies in appraisals: For certain properties, Cinnabar expanded the boundaries of where it could find "comparables"—properties in adjacent counties whose sale prices were used to calculate the appraisals—with the approval of a state employee named J.D. Strong, who, according to the lawsuit, played a significant role in overseeing the trust.

One of the properties appraised in this fashion was that of Trimble, whose $185,000 payout, according to appraisal documents, had infuriated other residents.

When, in 2008, residents outlined their frustrations in a scathing six-page letter to Inhofe, Henry and other elected officials, Strong dictated the governor's reply, which was co-signed by Inhofe, lawyers for the plaintiffs asserted in his deposition. "I may have drafted this," Strong responded, when presented with a copy of the letter saved on Strong's computer.

In an interview, Strong defended the trust and its system of appraisals: "We knew going in that we weren't going to be the most popular. We went in with the idea that we were going to be fair. I can honestly say that, looking back, we were fair and unbiased and frugal."

During the six years the lawsuit was making its way through the state court

system, both Cinnabar and Van Tuyl Associates declared bankruptcy. Eventually, the plaintiffs and the trust settled the case in 2015 for $1.3 million, which, after deducting attorney fees, meant that each resident ended up receiving an additional $2,600.

But that didn't satisfy many property owners.

"The people of Tar Creek were treated like second-class citizens, based on where they were born and lived," concluded Wally Kennedy, a columnist at the *Joplin Globe* who reported on northeast Oklahoma, including Tar Creek, for more than 30 years. "For someone to portray the buyout of the people of Tar Creek as a successful program is lying through their teeth."

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Once the trust obtained the properties on the toxic land, the next problem was how to destroy the empty structures that were on them.

Inhofe made sure there was enough money for the job. Even as he joined fellow Republicans in condemning President Barack Obama's 2009 stimulus bill as an unwarranted giveaway, the senior senator helped secure an additional $15.7 million in the bill to help the trust finish its work.

The trust hired a local businessman named Jack Dalrymple to oversee bids for the demolition contract. He was best known for organizing an annual deer hunt for paralyzed veterans, an endeavor that earned him a lifetime achievement award from a local Chamber of Commerce. His payment was to be 10 percent of the value of the winning bid. He formulated a scoring system to evaluate bids and, in March 2010, the trust awarded the contract to Stone's Backhoe, the most expensive of all four bids. At $2.1 million, it was nearly four times the cost of the lowest bidder.

Just 14 days after Stone's was declared the winner, it asked that the contract be reassigned to two subcontractors, CWF Enterprises, a carpet-cleaning business, and Vision Construction and Management. Former residents contend that there were longstanding ties between Dalrymple and the subcontractors. Whether or not they were friends before, they soon became hunting buddies. In October 2012, local coverage of Dalrymple's annual event for paralyzed veterans pictured the heads of the two firms setting up the flag for the hunt.

One of the losing contractors filed suit against the trust and individual trustees in Oklahoma district court, accusing them of violating the state's open-meeting act and competitive bidding act. The district county judge sided with the plaintiff, reopening the bidding process.

But rather than blame Dalrymple, the trust gave him a new contract. It included a

flat rate for his services, $305,472—about $100,000 more than he would have received had the contract remained with Stone's.

In January 2011, a $1.7 million demolition contract was awarded to none other than CWF Enterprises, the carpet-cleaning business, which was also the least expensive of the three bids received. A month later, however, the estimated cost of the contract ballooned to $3,050,786—almost exactly 10 times what Dalrymple received in his new contract.

While many residents cried foul, Andy Lester, the trust's attorney, attributed the increase to the fact that the EPA-controlled repository for dumping debris had just closed down. Trekking the remains of the houses and businesses to a dumping ground further away caused the massive change order, and a near doubling of the contract.

Lester also defends the choice of Dalrymple to handle the bids, contending that he was an engineer with some prior experience with public contracts and that the trust members couldn't handle the process on their own.

"It is important to remember that the trust board consisted of nine members—including, for example, a physician, a school teacher, and a mushroom farmer. They were volunteers, not professionals at this kind of work," Lester said. "Jack Dalrymple is a professional engineer with significant experience. And candidly, there are very few professional engineers in northeast Oklahoma."

Nonetheless, lawyers out of the Tulsa region filed a lawsuit in 2012 under the False Claims Act that accused the trust members, Dalrymple and the heads of the companies hired to do demolition work of being part of a "good old boy network" and defrauding federal taxpayers.

Attorneys for the plaintiffs, Zach and Brad Barron, say the lawsuit fizzled when the Department of Justice took the stance that "the government didn't sustain damages" from the charges laid out in the complaint. In a false claims lawsuit, where the plaintiffs are effectively trying to recoup money that's owed to the government, a lack of willingness from the government is effectively a death knell, the Barrons said. The lawsuit was eventually dismissed.

In an interview, Dalrymple insisted the allegations of cronyism were entirely unfounded.

"There were a lot of emotions and feelings during that period," he said. "When you ask someone to leave their home, it's a tough thing. But ... there was nothing there."

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Still, the drumbeat of complaints continued, eventually reaching the ear of Jerry Morris, the state director for Oklahoma's then-junior senator, Republican Tom Coburn.

It was no secret that Coburn, a physician who cast himself as a political outsider, didn't look upon Inhofe with any sort of fond feelings of mentorship.

"I think they were often seen as having very different approaches to politics," said David Blatt of the Oklahoma Policy Institute. "Inhofe is seen as a classic, pork-barrel politician who'd bring federal dollars to Oklahoma, the more the merrier." Whereas Coburn, Blatt says, "hated that kind of politics and did as little of it as he possibly could. In fact, he spoke disdainfully and caustically about it the whole time he was in the Senate."

Coburn was not shy about stepping on his fellow Republican's toes. Morris forwarded a memo with a lengthy list of allegations related to the awarding of contracts in the Tar Creek buyout, especially regarding the demolition work, to then-Attorney General Pruitt. In April 2011, Pruitt asked the state auditor and inspector, Gary Jones, to look into the memoranda sent from Coburn's office.

"I have determined that these concerns are serious in nature such that an investigation of the matter is warranted," Pruitt wrote to Jones. A 17-point list of allegations for Jones to investigate followed, including whether there was collusion between Dalrymple and the contractors hired to do the demolition work.

After spending almost two years on the investigation, Jones turned over the results of the audit to the attorney general's office in January 2014, apparently believing it had uncovered important information.

For a year and a half, the attorney general sat on the findings. Then, in May 2015, Pruitt announced that he wouldn't press charges. In addition, he vowed to keep the audit secret by refusing to release it.

Jones fired back at the attorney general's office days later, penning a letter to Pruitt that described his rationale for withholding the audit as "baffling."

"To our knowledge, the individuals named in the report are members of a public trust or contractor whose services were retained as part of this substantive project," Jones wrote. Further, he contended, "our office has received no inquiries from you or your staff regarding the content of the audit report."

Pruitt justified the secrecy by comparing the investigation results to the findings of a grand jury. "Specifically, our office is concerned about publication of unsubstantiated criminal allegations against private citizens," Pruitt wrote in a 2015 statement.

In an interview with POLITICO, Pruitt appeared to go one step further, suggesting the audit had in fact been vetted by a grand jury.

"You're addressing issues that it's been some months since I've looked into," Pruitt said. "I know the decision I made at that time was based upon the investigative audit. The investigative audit didn't yield anything to the grand jury, and, as such, it was important to protect the individuals' reputation that were in that investigation."

But when asked to clarify, a Pruitt staff member indicated that he was using the term "grand jury" as shorthand for the Multi-County Grand Jury Unit, a division of the AG's office, headed at the time by a Pruitt appointee, which decides whether to take cases to a grand jury for indictment.

It's not the same as a grand jury finding. Nonetheless, the attorney general's office, now overseen by Mike Hunter, Pruitt's former top deputy, has denied all open records requests for the audit, declaring it to be "under the supervision of the Multi-County Grand Jury Unit." A spokeswoman for the Oklahoma attorney general's office said that if there was in fact a grand jury, the office couldn't confirm or deny that.

These rationales befuddle open records experts.

"I don't think there's anything in the law that would prohibit it [the investigation] from being released," said Joey Senat of Oklahoma State University, the president of FOIA Oklahoma. "The law doesn't require that the audit be kept secret. What would its release be harming? They've closed the investigation and decided not to prosecute."

Jones, who is now running for governor, reiterated his call for the attorney general's office to release the audit, saying in a statement that "regarding any investigation of this kind, we always err on the side of transparency and the people of Oklahoma have a right to know."

Concluded Senat: "When you have the state auditor [Gary Jones] saying these are not unsubstantiated claims and this is a serious problem, good government would call for letting the public know what happened and showing the public the audit. Transparency helps alleviate a lot of concerns about favoritism, corruption, and incompetency—if those are indeed unfounded."

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Tar Creek today looks like an abandoned landfill. Illegal dumping has added a fresh layer of grime to the already ruined patch of earth. Giant craters from collapsed mine shafts, some as large as 200 feet in diameter, are filled with Bud Light cans, shotgun shells and the tangled remains of kids' playground equipment.

"We call this urban renewal, Picher style," quipped former resident Gloria Workman.

Abandoned houses that were not part of the buyout are now coated with graffiti. The charred remains of the former mining museum in Picher, which burned down at the hands of arsonists, stands as a teetering monument to Tar Creek's former way of life. And the sense of danger and destruction extends beyond the former buyout area: On rainy days, local fields used for football practice bleed a toxic shade of orange.

The EPA is continuing its now 33-year-old cleanup effort, and it's thrust the Quapaws back into stewardship of the land. Although the tribe leased away or sold off significant chunks of Tar Creek to mining companies throughout the 20th century, the Quapaws have at least temporarily regained control of all of it. Since 2012, the tribe—a sovereign nation with roughly 5,500 members—has been the primary EPA contractor for environmental remediation at Tar Creek. It's the first time any tribe has been a prime contractor on a Superfund site, assigning all the contracts and overseeing all the work.

"It's a great story," said Craig Kreman, assistant environmental director of the Quapaw tribe. "We're employing tribal members a lot of the time and members of the community. So that income [from the EPA contract] stays here in this community and is being spent in this community. We're not hiring a contractor out of Georgia."

Every day, a steady stream of trucks haul away more than 2,000 tons of soil saturated with cadmium, lead and other metals at the site. Each patch of earth requires years of passive soil treatments before it tests clean enough to plant row crops like winter wheat. Half-acre by half-acre, the hope is that Tar Creek can be put into productive agricultural use decades from now.

In August, after touring the abandoned area and surrounding towns, Pruitt's senior adviser Albert "Kell" Kelly, praised the EPA's efforts surrounding Tar Creek in sweeping terms: "People from all across the country count on the Superfund program to address pollution and revitalize their communities. Tar Creek cleanup is an excellent example of how the program should work. State and local partners, tribal partners, and EPA—all working together year after year to address historical pollution at this mega-site. It's cooperative federalism working at its best."

But many local observers, including Ed Keheley, aren't nearly as positive.

"Usually, the EPA comes in, they do their dirty work, sprinkle some wheat seed, take a picture to show Congress, and next year it looks like this," he said, pointing to a barren pasture. "Clearly, the EPA hasn't had the best interests of the people at heart. So I get personally offended when people like Scott Pruitt suggest

otherwise."

For his part, Pruitt announced a fresh grant of $5 million to the Quapaw-led project last May, and he is quick to distance this experiment in local control from the one that preceded it.

"We [the EPA] can't impact the buyout. We didn't authorize the buyout. I didn't manage the buyout and its unique situation," Pruitt said. "I think what's most tangible is what we can do together with the tribe to advance and continue remediation."

When asked to respond to the undying complaints of residents in rural Ottawa County, where Tar Creek is located—a county in which Trump received 71 percent of the vote in November 2016—Pruitt changed the subject. "I had no experience with Tar Creek, to be honest with you," he said.

That's true, except it was his office's decision, when he was attorney general, not to prosecute the people accused of mishandling the trust money, Keheley and other local residents point out.

But what galls them more than the failure to prosecute is the failure to release the results of a government investigation—an audit that they believe will raise questions about Pruitt's unwillingness to press charges and cast a negative light on a project near and dear to Inhofe's heart.

Pruitt's connections to Inhofe are extensive. One of Pruitt's first hires as EPA chief was Ryan Jackson, a longtime Inhofe staffer and the senator's point person on Tar Creek, who is now Pruitt's chief of staff. He also brought on four other former aides to Inhofe, the Senate's leading proponent of the idea that man-made pollution contributing to climate change is a conspiracy and a hoax. Three of them are Pruitt's senior advisers on air, climate and legal issues.

"It gives me a level of comfort to know that we have a bureaucracy that's actually going to be serving instead of ruling," Inhofe told the *Washington Post*, applauding Pruitt for hiring his staff.

Numerous veteran Oklahoma political watchers, some of whom spoke to POLITICO on condition of anonymity, suggest that there may be an ulterior motive in Pruitt's embrace of Inhofe: It's widely believed that Pruitt, who is 49, wants to run for Inhofe's seat when the senator retires. Many observers think Inhofe is unlikely to seek reelection in 2020, when he'll be 85. And some have noted that Pruitt's decision not to advance the case against the buyout trust spared Inhofe the embarrassment of seeing the program he personally tailored and promoted go down in scandal.

"Pruitt is a rising Republican political star previously in Oklahoma and now

nationally," said one journalist who closely follows the Oklahoma political scene. "There have been rumblings that Pruitt might have his eye on higher office. ... Pruitt would do everything to keep Inhofe close, assuming he wants to run for that seat."

Wally Kennedy, the *Joplin Globe* columnist who has covered the Tar Creek trust more closely than any other journalist, said, "My sense of the way that unfolded was that Pruitt decided he was not going to do any kind of prosecution, and then Inhofe writes a letter saying what an outstanding job the trust did. My reaction was 'Huh?'"

"The fact that the audit was not publicly disclosed tells me that somebody is hiding something," he added. "This is Oklahoma taxpayers' money being committed to ratting out what appears to be some apparent corruption. But everybody looks the other way. That's why I'm talking to you. Because if you can shed a light on this, maybe somebody will say 'We need to take a second look at this.'"

Pruitt, however, insists his decisions were strictly based on the law, and an Inhofe staffer flatly dismissed the possibility of Inhofe influencing Pruitt's decision.

"Senator Inhofe would have had no involvement in the case or in any of then-Attorney General Pruitt's decisions," the staffer said.

Pruitt was similarly bemused by the idea that there would have been any sort of political calculation behind his decision to shield the audit. The only politics in this case, he suggested, was on the part of those who want to embarrass him and Inhofe.

"You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys," Pruitt said in frustration.

Others argue that transparency in this case is not a political issue as much as a legal right.

"The open records act seems pretty clear this audit should be released," said Stevens, executive director of Campaign for Accountability. "You have to ask why he's not releasing it? Pruitt should have to be held accountable for this."

To view online click here.

Back

Pruitt named chair of Gulf Coast Ecosystem Restoration Council Back

By Anthony Adragna | 12/06/2017 07:28 PM EDT

President Donald Trump announced today that EPA Administrator Scott Pruitt would chair the Gulf Coast Ecosystem Restoration Council.

The group, formed in 2012 after the Deepwater Horizon oil spill, helps restore the ecosystems and economies of the Gulf Coast. Pruitt was unanimously selected by Alabama, Florida, Louisiana, Mississippi and Texas, the five states on the council.

"I am honored to be selected by the states and look forward to working with the governors to continue the excellent work of this Council to further the critical mission of restoring the Gulf of Mexico ecosystem," he said in a statement.

Pruitt named Kenneth Wagner, a senior adviser, to be his designee on the council. He takes over the chairmanship from the Secretary of Agriculture.

WHAT'S NEXT: Pruitt begins his chairmanship of the group.

To view online click here.

Back

Powelson says McIntyre to be sworn in Thursday Back

By Eric Wolff | 12/06/2017 03:33 PM EDT

New FERC Chairman Kevin McIntyre will be sworn in on Thursday, FERC Commissioner Rob Powelson told an audience of electric power officials in Philadelphia today.

"At a general session this afternoon in Philadelphia, one of the key speakers was FERC Commissioner Rob Powelson, and during his speech this afternoon he confirmed that Kevin McIntyre will be sworn in tomorrow," PJM Interconnection spokeswoman Susan Buehler said.

President Donald Trump nominated McIntyre, a partner at the law firm of Jones Day, to be commissioner and designated him to be chair months ago. The Senate confirmed him in early November, and he received his signed commission just before Thanksgiving.

His swearing in will put to rest rumors that either the Trump administration or McIntyre himself were delaying his start date to give current Chairman Neil Chatterjee enough service time to make staffing changes. Chatterjee will miss that deadline by a day.

It also puts McIntyre in charge of the process initiated by Energy Secretary Rick Perry that is aimed at supporting coal-fired and nuclear power plants in an effort to protect the power grid's resilience. Action on that proposal is expected by Monday.

To view online click here.

Back

EPA to hold more hearings on Clean Power Plan withdrawal Back

By Emily Holden | 12/06/2017 03:28 PM EDT

EPA will hold three additional public hearings on a proposal to withdraw the Clean Power Plan, in San Francisco; Gillette, Wyo.; and Kansas City, Mo., the agency announced today.

EPA Administrator Scott Pruitt in a press release said the change was "due to the overwhelming response" to two days of hearings in West Virginia last week. Many environmental advocates criticized EPA for initially scheduling hearings only in coal country.

The agency will announce the dates and locations of the meetings in the coming weeks, and speakers must register.

The Obama administration, by comparison, held public hearings on the proposed climate standards in 2015 in Pittsburgh, Denver, Atlanta and Washington, D.C.

WHAT'S NEXT: Comments on the draft withdrawal are due Jan. 16.

To view online click here.

Back

Republicans divided over taking up tax extenders this year Back

By Brian Faler | 12/06/2017 05:40 PM EDT

Republican leaders are divided over whether to take up a second tax-cut bill this year.

Senate Republicans want to move legislation reviving a rump group of tax "extenders," separate from their more sweeping plan to rewrite the code.

But the House's top tax writer isn't so sure.

"I don't like the extenders," said House Ways and Means Chairman Kevin Brady (R-Texas). "It's horrible policy and process."

"No decision yet," he added, saying lawmakers need to talk it over.

His comments came after Sen. John Thune, the chamber's No. 3 Republican, said today lawmakers will revive biodiesel, geothermal and other energy-related breaks along with other "cats and dogs," including a tax credit to maintain short-line railroads.

Thirty-four temporary tax provisions expired at the end of last year, including 16 energy ones, and lawmakers are now facing demands to revive them. Some want to attach the provisions to funding legislation needed to keep the government open H.J. Res. 123 (115).

Many Republicans had sworn off the "extender" ritual after a 2015 tax agreement made many of the breaks permanent while giving others what lawmakers said was one final extension — which, for some, ended last year.

Putting together an extender bill, even as lawmakers negotiate a final compromise on their tax-overhaul plans, is likely to test tax writers' bandwidth.

To view online click here.

Back

Solar pitches target Trump at USTR hearing Back

By Eric Wolff | 12/06/2017 03:46 PM EDT

Supporters of tough trade tariffs on solar energy equipment and their opponents squared off again at a hearing of the U.S. Trade Representative today. with both sides coloring their arguments in language aimed at swaying the White House.

The two companies seeking tariffs on foreign shipments of solar panels and cells, Suniva and SolarWorld Americas, pressed the case that barriers were vital for protecting U.S. manufacturing of the clean energy technology because of its importance for national security — issues at the heart of President Donald Trump's "America First" agenda.

"A strong remedy is required to persevere the U.S. industry, provide breathing space for this American-invented manufacturing technology," said Matt Card,

vice president of operations for bankrupt Suniva. "Anything less would ... result in the loss of this industry. That would have a dramatic negative impact on national security."

Witnesses at the hearing opposed to instituting tariffs raised the same issues, but contended that trade barriers would threaten other businesses, and that the benefits of tariffs would help only a narrow segment of the solar industry.

"Factories in South Carolina and across the nation would suffer from solar tariffs," South Carolina Gov. Henry McMaster told the panel. "While there is only one operating factory in the U.S. petitioning for these tariffs, there are over 50 American-owned factories employing thousands of people that would be the ones harmed, including a steel mill in South Carolina that provides American-made steel for many of the U.S. factories that produce metal equipment for the utility scale solar farms."

The panel, which included representatives from the departments of Energy, Treasury, State, Labor and Commerce, and from the Council of Economic Advisers, appeared unmoved by the national security arguments, and instead peppered parties with detailed questions about the potential tariffs' impacts on U.S. solar power demand. Panel members also questioned whether a few years of trade protections would be enough time for Suniva and SolarWorld to hike their production enough to catch up to overseas competition.

They pressed witnesses from both side on how tariffs would effect the domestic solar market, whether a modest tariff would be effective, and their opinions on the recommendations the U.S. International Trade Commission sent the White House last month. ITC members recommended a range of options, from sliding scale of tariffs to a cap on total shipments.

The Trade Representative will send the White House a recommendation, and Trump has until Jan. 26 to make a decision.

To view online click here.

Back

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Subject: Morning Energy: Pruitt finally strikes out — EPA blocks formaldehyde warnings, sources say — Pruitt probe continues on

By Kelsey Tamborrino | 07/06/2018 05:42 AM EDT

With help from Emily Holden and Anthony Adragna

PRUITT FINALLY STRIKES OUT: Today marks Scott Pruitt's last day as EPA administrator after his resignation Thursday afternoon. Though he was only head of the EPA for 500 days, his tenure was marred by a seemingly endless stream of scandals into his ethics, finances and management. Pruitt's many issues have generated headlines for the past several months, and it was those "unrelenting attacks" on him and his family that he blamed in his resignation letter.

President Donald Trump announced Pruitt's exit in a tweet in which he commended the EPA chief for doing an "outstanding job" at EPA. Trump announced that Pruitt's deputy, Andrew Wheeler, will become acting administrator of the EPA until a permanent replacement can be found.

SO, WHAT HAPPENED? For weeks the White House has maintained it was concerned with the numerous allegations of wrongdoing by Pruitt, all the while affirming Trump still had faith in the administrator, particularly for his deregulatory zeal. But one Republican close to the White House said Thursday that Trump's support for Pruitt finally dropped when he realized Wheeler could easily carry out the same regulatory rollback — sans the scandals.

For Trump's part, he told reporters aboard Air Force One there was "no final straw," but said the decision had been in the works for "a couple of days." POLITICO's Anthony Adragna, Alex Guillén and Emily Holden report that among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of the few hold-outs left defending Pruitt.

The Washington Post reports Pruitt was also drawing scrutiny from the Office of Management and Budget. Officials told the Post OMB had determined that a $43,000 soundproof phone booth installed for Pruitt was a violation of federal law, though the report has not yet been published.

But the news still dismayed prominent GOP donor Doug Deason, who told POLITICO late Thursday that he was "so disappointed in the President's failure to support Scott against the angry attacks from the loony left." Deason added: "Nothing he did amounted to anything big. He was THE most effective cabinet member by far."

Inside the EPA, the general mood Thursday was one of joy, according to both career staffers and political appointees. "A lot of people are relieved it's going to stop," one EPA employee said. There were "a lot of jokes about, 'Like, what do we do with the tactical pants now?' A lot of sharing funny tweets we've seen out there. There was one that was like, 'For sale: Barely used secure phone booth. Very motivated seller.'"

WHAT'S IT MEAN? The change-up at the EPA won't mark a large difference in the Trump administration's approach to environmental policy, and many of the investigations into Pruitt will continue on. But Wheeler, a longtime Washington lobbyist and former Hill staffer, is expected to steer the ship more smoothly. "I have no doubt and complete confidence he will continue the important deregulatory work that Scott Pruitt started while being a good steward of the environment," said GOP Sen. Jim Inhofe , for whom Wheeler formerly worked. "What changes is that Wheeler knows how to get things done at the agency and, in general, in Washington," a refining industry source told Pro's Eric Wolff over email.

In contrast to Pruitt, Eric and Alex write: "Wheeler is a smooth insider with a penchant for policy details and a reputation for working well with both friends and adversaries. But those who have dealt with him say he's on board with the broad deregulatory agenda that Pruitt and Trump have pursued."

Career EPA staffers were enthused but wary of Wheeler, who is known around the agency as friendly and competent, a skilled lawyer who knows how to bulletproof regulatory rollbacks, while avoiding the kind of controversy that has propelled Pruitt into the limelight. Wheeler is also expected to engage more with career staffers, rather than relying solely on a tight circle of political appointees, as Pruitt did. "Will this be a turn for the better or more of the same? ... I'd say we're not optimistic for much better," one person said. "You can't fix stupid by replacing Pruitt."

"[T]he proverbial fox hasn't left the henhouse," said Denise M. Morrison, acting head of AFGE Council 238, which represents about 9,000 EPA workers across the country. "Pruitt's blatant disregard for regulations mustn't be the standard for his former coal lobbyist successor at EPA, Deputy Administrator Andrew Wheeler."

The president said Wheeler was "very much an early Trump supporter," although some were quick to point out that Wheeler called Trump a "bully" in a Facebook post during the presidential primaries. In a statement to ME, Wheeler said he made those comments during his time on the Marco Rubio campaign. But Wheeler said that when he attended a Trump speech in June 2016, Trump gave "the most comprehensive energy speech by a presidential candidate" he'd ever heard. "I then joined the Trump campaign and worked on environmental policy for him," Wheeler added.

WHAT COMES NEXT? If Trump were to soon nominate a permanent replacement for Pruitt, the nominee will certainly face an uphill battle in the Senate, where a contentious agenda is already heating up in the lead-up until midterm elections. Senators on both sides of the aisle have condemned Pruitt's actions, and issues like the Renewable Fuel Standard would be front-and-center in any eventual hearing.

And, even with Pruitt gone, EPA will continue to be forced to release public records detailing how he has managed his agency. One longtime EPA employee said Pruitt's resignation was overdue and hoped that a criminal investigation would take place — and that he would be indicted. "Congress has seriously abdicated any pretense of oversight," the source said. "How many Benghazi hearings?"

Read up! POLITICO's profile on Wheeler here | The complete guide to Pruitt's scandals here | Pruitt's full resignation letter here | How Pruitt blew it here | Pruitt's EPA tenure, in photos | Wheeler's email to staff here

For fun: The Bird, a restaurant in Shaw, has been offering up drink specials whenever a member of the Trump administration is fired. So it should come as no surprise, the restaurant offered $4 happy hour drinks last night, including its "Pruitt Blew It" cocktail special, which features herbs and blueberries. See it here.

FINALLY FRIDAY! I'm your host, Kelsey Tamborrino. Andeavor's Stephen Brown was first to correctly name the Marion Star, the newspaper for which Warren G. Harding was publisher before he was elected president. For today: Name the first sitting House speaker to lose reelection to his House seat. Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

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Join POLITICO at 8:15 a.m. on July 11 at Washington Court Hotel for a dynamic conversation on the role of government and its implications for AI growth in national public safety, privacy and civil rights. RSVP here.

MORE FROM THE SUPPRESSED STUDY BEAT: A draft health assessment of one of the most commonly used chemicals in the country is being suppressed by the Trump administration's EPA, current and former agency officials told POLITICO. The assessment details that most Americans inhale enough formaldehyde vapor in the course of their daily lives to put them at risk of developing leukemia and other ailments, Pro's Annie Snider reports. EPA scientists completed the formaldehyde assessment just before Trump took office, the officials tell Annie, arguing that top Pruitt advisers are delaying its release as part of a larger campaign to undermine the agency's independent research into the health risks of toxic chemicals. "They're stonewalling every step of the way," the current official said, accusing political appointees of interfering with the formaldehyde assessment and other reports on toxic chemicals produced by EPA's Integrated Risk Information System.

Pruitt told a Senate hearing earlier this year that he believed the draft assessment was complete — but five months later, it has yet to see the light of day. Meanwhile, internal documents show , a trade group representing businesses that could face new regulations and lawsuits if the study were released had frequent access to top EPA officials and pressed them to either keep it under wraps or change its findings. "As stated in our meeting, a premature release of a draft assessment ... will cause irreparable harm to the companies represented by the Panel and to the many companies and jobs that depend on the broad use of the chemical," Kimberly Wise White, a representative of the American Chemistry Council's Formaldehyde Panel, wrote in a Jan. 26 letter to top officials at EPA. Pruitt appointed White to EPA's influential Science Advisory Board last fall.

And while Pruitt may be gone from the agency, his replacement also has a history with the chemical, Annie notes. He was staff director for the Senate Environment and Public Works Committee in 2004, when his boss, Inhofe, sought to delay an earlier iteration of the formaldehyde assessment. Read the story here.

IN THE MEANTIME: Aides on the House Oversight Committee say they'll continue their investigation into Pruitt, despite his exit, with Committee Democrats releasing new transcripts from interviews with some of Pruitt's aides on Thursday. Three aides acknowledged removing many meetings from Pruitt's calendars deemed "personal," including retroactively removing reference to a dinner with Cardinal George Pell after his arrest on alleged sexual abuse charges. "I did that because there were — and there have been since — just personal dinners or personal meetings which he has had that if it doesn't relate to EPA business, I don't think it's necessary to put it on the schedule," chief of staff Ryan Jackson told committee staff.

TRUMP HITS TESTER IN MONTANA: At a Montana rally for GOP Senate candidate Matt Rosendale, Trump took aim at Democratic Sen. Jon Tester, up for reelection in November in a state with particular interest in public lands and conservation policy. "It's time to retire liberal Democrat Jon Tester," Trump declared to the crowd. "A vote for Jon Tester is a vote for Chuck Schumer, Nancy Pelosi and the new leader of the Democrat Party Maxine Waters." POLITICO's Matt Nussbaum points out, however, Trump's attacks don't seem to have bothered Tester, who took out full-page newspaper ads in the state Thursday that read "Welcome to Montana & Thank You President Trump," and listing "Jon's 16 bills signed into law by President Trump" — an attempt to show the state's Trump-friendly voters that the senator can work with the president. Read more.

BUNDLED UP: It worked so well with the first so-called minibus, House Republicans are expected to bring another spending bundle to the floor this month, according to a notice posted Thursday by the Rules Committee. This time around the 2019 funding package will combine the Interior-Environment H.R. 6147 (115) and Financial Services H.R. 6258 (115) spending bills. Both bills "are flat-funded compared to current spending levels, though not all agencies and programs would see the same levels," Pro Budget and Appropriations' Sarah Ferris reports. The package is slated for floor action the week of July 16.

STUDY LOOKS AT TRUMP COAL PLAN CONSEQUENCES: The Trump administration's plan to prop up economically struggling coal and nuclear power plants would result in 353 to 815 premature deaths in 2019-20 due to the additional emissions of sulfur dioxide and nitrogen oxides, according to a new study from Resources for the Future, an independent, nonprofit research institution in Washington. The paper also calculated that each year the policy is in effect would cause 1 death for the 2 to 4.5 coal-mine jobs that it supports. The administration's plan, which it says is being pursued in the interest of national security and is detailed in a draft DOE paper, would delay the retirement of plants that have announced they will close by the end of 2020. Such a policy would support 790 coal-mine jobs, the study found, "though it would be likely to reduce economy-wide employment." Read the report here.

EERE GETS ACTING ASSISTANT SECRETARY: While the president's permanent pick for DOE's energy efficiency and renewable energy office awaits confirmation, Pro's Darius Dixon

reports Cathy Tripodi will take on the role of acting assistant secretary for EERE. Dan Simmons was nominated for the permanent role last month by the White House. "As the confirmation process moves forward, Daniel has moved to Environmental Management to serve as an adviser to their leadership team," Alex Fitzsimmons, who has been Simmons' chief of staff, wrote in an email.

Tripodi joined DOE in January 2017 and has been the director of the department's Lab Operations Board, which coordinates research and mission objectives between the agency headquarters and its far-flung national laboratories.

EU EXTENDS RUSSIA SANCTIONS: The EU extended sanctions against Russia for another six months on Thursday over Moscow's actions in Ukraine, POLITICO Europe's Magdaline Duncan reports. The sanctions target, in part, Russia's energy sector by limiting access to EU markets for three energy companies. EU leaders have said that the sanctions will be lifted once all sides in Ukraine commit to the cease-fire agreed in the Minsk accords.

PUERTO RICO GOVERNOR TAKES IT TO COURT: Puerto Rico Gov. Ricardo Rosselló announced Thursday his government would go to court to challenge the authority of the island territory's federal oversight board to impose policies on the commonwealth, Pro Financial Services' Colin Wilhelm reports. The oversight board in question was established by Congress to address Puerto Rico's debt and has mandated cuts to pensions and government spending in its most recent recovery plan.

— **Separately, the Puerto Rico Electric Power Authority said** this week that 99.9 percent of power has been restored in the aftermath of Hurricane Maria — 10 months after the hurricane destroyed Puerto Rico's grid.

QUICK HITS

— "Americans already living EPA rollbacks under Pruitt," The Associated Press.

— "Doubts grow Aramco IPO will ever happen," The Wall Street Journal.

— "PHMSA agrees to provide public notice of hearings," E&E News.

— "Iran to Trump: Oil will cost $100 per barrel, and it is your fault," Reuters.

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Pruitt resigns amid torrent of ethics woes Back

By Anthony Adragna, Alex Guillén and Emily Holden | 07/05/2018 03:49 PM EDT

Scott Pruitt resigned from his post as administrator of the EPA on Thursday, finally bowing to a torrent of spending, travel and secrecy scandals that ended his run as one of President Donald Trump's most aggressive anti-regulation enforcers.

Trump continued praising his embattled EPA leader even after the ax fell — and months after most of his White House aides, including chief of staff John Kelly, had soured on him because of the increasingly bizarre accusations concerning Pruitt's use of agency employees to obtain housing, lotion, used mattresses, dinner with a Vatican cardinal and a job for his wife.

But the news about Pruitt had also turned potentially more dangerous, including what congressional Democrats said Thursday was evidence that his top aides had altered his official EPA calendar to hide politically troublesome meetings. Meanwhile, the coming media maelstrom over Trump's soon-to-be-announced Supreme Court nomination should soon erase any momentary headlines over Pruitt's departure.

"Within the Agency Scott has done an outstanding job, and I will always be thankful to him for this. ... We have made tremendous progress and the future of the EPA is very bright!" Trump tweeted. He added that Andrew Wheeler, Pruitt's deputy, would become acting administrator.

Trump later told reporters that "no final straw" led to Pruitt's decision to step down.

"Look, Scott is a terrific guy," the president said. "And he came to me and he said, 'I have such great confidence in the administration. I don't want to be a distraction.' And I think Scott felt that he was a distraction."

Trump said the decision had been in the works for "a couple of days."

Pruitt's critics were mainly jubilant — though deeply suspicious of Wheeler, a former coal lobbyist who is widely expected to pursue the same agenda of undoing former President Barack Obama's climate change agenda.

"Thank God he's gone," Sen. Tom Carper, the top Democrat on the Senate Environment and Public Works Committee, said of Pruitt. "This is a day to celebrate."

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

Thursday's move came just two days after POLITICO reported Pruitt installed the former

treasurer of his super PAC to lead the office in charge of releasing his public records and after CNN reported Pruitt directly asked Trump to remove Attorney General Jeff Sessions and give the position to him. Those were only a couple of the latest damaging accusations about Pruitt just this week, following months of drip-drip-drip disclosures about a $50-a-night Capitol Hill condo rental from a lobbyist's wife, first-class travel, dramatic increase in spending on security and uncompensated personal work that he received from EPA aides. (See POLITICO's running summary of Pruitt's controversies here.)

In his resignation letter, Pruitt praised Trump, but said the litany of bad headlines had forced him to leave the job.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote. "However, the unrelenting attacks on me personally, my family, are unprecedented and have taken a sizable toll on all of us."

Even as more than a dozen investigations were initiated by EPA's inspector general, the House Oversight Committee, the White House, the GAO and the Oklahoma Bar Association, Trump continued to publicly back Pruitt, who was strongly supported by many conservatives. Since the spring, when his condo deal came to light, triggering a snowballing series of embarrassing stories about the EPA administrator, Pruitt managed to keep his head above water.

But some sources suggested Trump's support for Pruitt began to crumble after news emerged that Pruitt had pressed an aide to try to buy a used mattress from Trump's hotel, and that he had security staff chauffeur him around Washington to buy his favorite brand of skin lotion — raising concerns that more such stories would follow. The timing of the resignation announcement also appeared favorable, since the announcement of a new Supreme Court nominee Monday would likely overshadow the EPA news.

One Republican close to the White House said that Trump's support for Pruitt dropped with the realization that Wheeler could easily carry out the same regulatory rollback — but without the scandalous headlines. Some Republicans had been making that argument for months, however.

"It became increasingly apparent to the president, from conversations with the Hill and people inside the administration, that everyone loves Andrew Wheeler, and that Trump could get the same results without the drama," the Republican said. "If they did not have an heir apparent, this would probably be a different situation."

Environmentalists were quick to take a victory lap over Pruitt's resignation.

"Scott Pruitt's corruption and coziness with industry lobbyists finally caught up with him," Erich Pica, president of Friends of the Earth, said in a statement. "This victory belongs to the hundreds of thousands of activists who fought to protect the Environmental Protection Agency from a corrupt crony set on destroying it from the inside."

But some conservatives lamented that Pruitt had finally fallen victim to pressure from his

political opponents.

"Lesson to other Trump officials from Pruitt resignation: Give the left/media/organized greens any molehill and they will turn it into K2," wrote Kimberley Strassel, a Wall Street Journal columnist and member of its editorial board. "Most of the accusations were overwrought, but the barrage was overwhelming. Let's hope an equally reformist successor denies them a repeat."

Conservative pundit Hugh Hewitt defended Pruitt as a "good friend and a very good man, caricatured by [the] left" and the mainstream media.

"I hope he sets to work on a memoir ASAP and deals out a tenth of what he took," Hewitt wrote on Twitter. "He's a man of great faith and perseverance so he probably won't, but the attacks on his family were unconscionable."

A handful of moderate Republican lawmakers called for Pruitt to be ousted early on, but congressional leaders supportive of his deregulatory agenda prevented the hot water Pruitt was in from increasing beyond a gentle simmer. And despite White House staffers' annoyance at his public stumbles, Pruitt reportedly enjoyed for months a chummy relationship with the president himself. The pair reportedly even gabbed on the phone regularly.

Pruitt's support among Republicans began to wane after emails and testimony from close aides showed that Pruitt on multiple occasions had used EPA resources and personnel to carry out errands and search for a job for his wife, Marlyn.

With scrutiny intensifying, half a dozen aides close to Pruitt departed EPA within a few weeks of each other, including his top policy adviser, his chief of security and a longtime friend from Oklahoma whom Pruitt had placed in charge of the Superfund program.

Emails released following lawsuits and aides' testimony to House investigators revealed that Pruitt had used EPA staff to search for housing for him and to inquire about obtaining a Chick-fil-A franchise for his wife — potential violations of laws prohibiting tasking federal workers with personal matters. Further, it was shown that Pruitt had used his aides to seek other employment opportunities for his wife, including from major GOP donors — raising questions about whether Pruitt had used his official position to benefit his family.

For Pruitt's critics, these revelations moved beyond other Pruitt actions that were questionable but politically survivable.

"His actions related to his wife's employment and the quid-pro-quo condo situation with industry lobbyists may have crossed a line into criminal conduct punishable by fines or even by time in prison," wrote several House Democrats in a letter asking the FBI to open a criminal investigation.

On Thursday, Democrats on the House Oversight Committee released new transcripts from interviews with Pruitt's closest aides, backing up aspects of many of the recent allegations against him.

Three aides, including chief of staff Ryan Jackson, acknowledged removing many meetings from his calendars deemed "personal," including retroactively removing reference to a dinner with Cardinal George Pell after Pell's arrest on alleged sexual abuse charges.

"I did that because there were — and there have been since — just personal dinners or personal meetings which he has had that if it doesn't relate to EPA business, I don't think it's necessary to put it on the schedule," Jackson told Oversight Committee staff.

Another former aide, policy adviser Samantha Dravis, said she helped Marlyn Pruitt seek employment opportunities during work hours by tapping into her connections to conservative organizations. But she said Pruitt's push for his wife to land a $250,000-a-year post given her limited work experience was too much — even for the Federalist Society. Dravis said she ultimately refused to contact certain organizations and expressed concern doing would violate the Hatch Act.

"I was explicitly asked by Administrator Pruitt to assist Marlyn with obtaining this employment," Dravis said.

Dravis also said Pruitt originally hoped to become attorney general rather than Jeff Sessions and had "one or two" discussions with her about his ambitions for the post after he became head of the EPA. She said he "hinted" that there had been a discussion with Trump about the matter but didn't reveal further details.

Meanwhile, influential conservative voices began questioning whether Pruitt's antics were finally causing too much drag on the president's agenda.

Laura Ingraham, the conservative pundit known to be a favorite confidant of Trump, tweeted June 13 that Pruitt's bad judgment was hurting the president and meant he had "gotta go." The National Review called for his ouster, saying Pruitt had mistreated taxpayers. And Republican senators started saying Pruitt should be hauled in for a hearing, though they stopped short of calling for his resignation.

The president did not immediately name a nominee to serve as a permanent successor, as he did for similar high-profile departures in recent months. Senate Republicans have questioned whether another administrator could even be confirmed this year given the Senate's tight schedule and the GOP's razor-thin majority.

That leaves Pruitt's deputy, Wheeler, in charge at EPA in an acting capacity for the foreseeable future.

Wheeler previously worked as an attorney and lobbyist at Faegre Baker Daniels, where one of his clients was coal company Murray Energy, whose owner Robert Murray has pressed both the president and his Cabinet secretaries for generous policy actions to help coal.

He previously worked as a top aide to Sen. Jim Inhofe (R-Okla.), who prides himself as a skeptic

of climate change.

Wheeler is a more traditional Washington conservative than Pruitt, familiar with the workings of both the town and Congress. But environmentalists see little practical difference between Wheeler and Pruitt, who arrived at the agency after suing it 14 times and with no background in environmental policy.

Wheeler, like Pruitt, is expected to continue his deregulatory agenda, rolling back Obama-era environmental regulations like the Clean Power Plan or the Waters of the U.S. rule. And the White House is likely to continue its quest to slash EPA's budget drastically, although Congress has twice rejected such cuts and some Republicans have questioned whether the agency can go any lower.

Nancy Cook and Daniel Strauss contributed to this report.

To view online click here.

Back

How Scott Pruitt blew it Back

By Alex Guillén and Andrew Restuccia | 07/05/2018 05:50 PM EDT

Scott Pruitt's once bright political future is in freefall after his swift exit as head of the EPA, following an avalanche of revelations about his first-class flights, pricey security trappings, backdoor raises for proteges and cozy deals with lobbyists stretching back to his days as an Oklahoma lawmaker.

Some of the most outlandish news reports about Pruitt's leadership at EPA went viral in recent months because of the bizarre details, such as the accusations that he had used his bodyguards to search for a rare brand of lotion or had tasked an aide with trying to buy a used mattress from the Trump International Hotel.

But beneath it all, according to ethics experts and Pruitt's critics, was the appearance that he had serially misused his Cabinet position, sometimes for simple vanity but occasionally — most consequentially — in ways that benefited himself and his family, drawing civil and potentially even criminal inquiries. And eventually, it was too much even for President Donald Trump, one of Pruitt's most outspoken fans.

Trump said the decision to resign was Pruitt's and that "no final straw" had precipitated the move, which has been in the works for a couple days. But in fact, Trump had begun to grow tired of the torrent of negative news stories about Pruitt and had come to believe they were a distraction that wouldn't go away, according to an administration official.

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a

dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

"Scott is a terrific guy," Trump told reporters on Air Force One on Thursday after tweeting out the news of Pruitt's resignation. "And he came to me and he said I have such great confidence in the administration. I don't want to be a distraction. And I think Scott felt that he was a distraction."

The news dismayed prominent Republican donor Doug Deason, who told POLITICO late Thursday that he's flabbergasted Trump would send such a loyal foot soldier packing.

"I am just so disappointed in the President's failure to support Scott against the angry attacks from the loony left," said Deason, who had helped Pruitt pick new members of an influential EPA's science advisory board last year. "Nothing he did amounted to anything big. He was THE most effective cabinet member by far."

"Scott Pruitt is a sacrificial lamb and I have no idea why," he added.

Chief of staff John Kelly had been pushing Trump for months to fire Pruitt, and he ramped up his campaign in recent days, according to one person close to the White House. The person described removing Pruitt as one of Kelly's top priorities before leaving the administration, as he's expected to do sometime this summer.

But Kelly's frustration with Pruitt alone would never be enough to secure the EPA administrator's ouster.

At the White House, senior aides were increasingly convinced that Trump would soon push Pruitt out, but they didn't know exactly when and some were caught off guard by Thursday's announcement.

Pruitt, who believes he has a strong personal relationship with Trump, has told allies repeatedly in recent months that he wasn't worried about his job, insisting that the president had his back.

But Pruitt nonetheless showed flashes of irritation over the wave of negative press attention that overtook him. He told aides recently that he believed the reports about him were unfair, adding that he simply didn't understand why people were making such a big deal about his decision to enlist an aide to help his wife secure a Chick-fil-A franchise, according to another person familiar with the matter.

White House staffers had long ago given up on Pruitt, rarely coming to his defense when negative news stories dominated the headlines. Aides were sick of answering questions about the EPA chief and spoke privately about their hope that the president got rid of him. Even Pruitt's own staff had begun to sour on him, with many worrying that their future career prospects would be damaged by their association with Pruitt's tenure.

Each scandal seemed more damning than the last.

Pruitt faced criticism last year for his extensive first-class travel on the taxpayer dime and security expenses including a $43,000 soundproof phone booth in his office. Then news this spring that Pruitt had secured a $50-a-night Capitol Hill condo lease from the wife of a lobbyist kicked off several months of damaging headlines on a nearly daily basis. His staff talked of getting him a $100,000-a-month private jet lease. Two aides who came with him from Oklahoma received massive raises Pruitt was later forced to reverse. He replaced the head of his security detail who wouldn't let him use lights and sirens to zip around the city like the president. And a top career official was dismissed after he questioned the security justifications for Pruitt's beefed up, multimillion-dollar protective detail.

Questions were raised about why Pruitt hired a longtime friend, whose bank over the years issued Pruitt multiple mortgages and helped him buy part ownership of a baseball team, and who was recently banned from the banking industry, to run EPA's Superfund program.

In recent weeks, former Pruitt aides told staffers on the House Oversight Committee about the administrator's search for a high-paying job for his wife and his use of EPA time and staff for personal matters. Although nascent, the new allegations raised questions of whether Pruitt had used his position to benefit his family or himself. Committee aides tell POLITICO their investigation will continue despite Pruitt's departure.

EPA's inspector general opened multiple overlapping probes into Pruitt's activities and spending. House Oversight Chairman Trey Gowdy (R-S.C.) turned heads when he launched his own investigation of Pruitt. Other inquiries are underway by the Government Accountability Office, the Oklahoma Bar Association and even the White House.

Pruitt's controversial activities led conservatives to call for his departure.

"Pruitt is the swamp. Drain it," Laura Ingraham, the conservative pundit known to have Trump's ear, tweeted on Tuesday.

Democrats and environmental groups quickly claimed victory with Pruitt's resignation.

"He made swamp creatures blush with his shameless excesses. All tolerated because President Trump liked his zealotry," Rep. Gerry Connolly (D-Va.) said.

"Ethics matter. So does a commitment to EPA's central mission. Scott Pruitt failed miserably on both counts," said Rhea Suh, president of the Natural Resources Defense Council.

Within the White House, a less splashy headline also helped undermine Pruitt's standing with Trump's inner circle: The news, first reported in early January by POLITICO, that Pruitt was advocating quietly but firmly behind the scenes to replace Jeff Sessions as Trump's attorney general. That ambition was a turning point that soured Pruitt to key White House aides, if not the president himself, officials said in the intervening months. Pruitt grew bolder, eventually directly asking Trump for the DOJ job, CNN reported on Tuesday, just two days before Pruitt resigned.

Pruitt's troubles had been simmering for a long time as other Cabinet officials were picked off following their own scandals or tension with Trump, including HHS Secretary Tom Price, Veterans Affairs Secretary David Shulkin and Secretary of State Rex Tillerson.

His supporters noted that, unlike Price or Tillerson, Pruitt was viewed as an effective and loyal lieutenant to Trump.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote in his resignation letter to Trump.

Pruitt rose to prominence as Oklahoma's attorney general, where he made his name suing the Obama EPA 14 times over what he called gross regulatory overreach. One of his greatest achievements was the Supreme Court's early 2016 decision to block the Clean Power Plan, a massive regulation that set the first-ever carbon dioxide limits on the power industry, while a lower court reviewed the rule — the first time the justices had ever done that.

He convinced Trump that such tenacity would prove useful in fulfilling his many campaign promises to undo almost all of former President Barack Obama's environmental agenda.

It didn't take long after Pruitt had arrived at EPA for him to halt and reverse key regulations Trump had vowed to roll back, including the power plant rule and Obama's Waters of the U.S. rule, which farmers and other industries decried as federal overreach.

But Pruitt went beyond the standard-issue Washington conservative environmental agenda that called for repealing those rules.

EPA is soon expected to propose a much more restricted version of the Clean Power Plan to satisfy legal requirements. But Pruitt has also kept open the option not to replace it at all, a position that most legal experts agree is untenable but which helps satisfy the right-wing groups that want EPA to stop regulating greenhouse gases altogether.

More recently, Pruitt made it clear he was willing to fight California over rolling back auto emissions standards. Carmakers who asked EPA for tweaks to the program instead found an administrator more than willing to torpedo the fragile national program if one of the most anti-Trump states didn't come to heel.

Pruitt proposed a new science policy that would exclude major public health studies while still accepting industry-backed research, a policy Republicans failed for years to pass out of Congress. He kicked academic researchers receiving funding from EPA off of key advisory boards, often replacing them with industry representatives. He made key policy changes to permitting rules and a key air quality program long sought by industry groups who said EPA was restricting their growth. He launched a review of how EPA calculates costs and benefits, a move that could make it harder to economically justify major regulations.

And he elevated climate change as a culture-war issue in a way that previous Republican

administrators avoided.

Pruitt told POLITICO that he didn't even understand when critics called him a "climate denier" in an interview last summer. "What does it even mean? That's what I think about it. I deny the climate? Really? Wow, OK. That's crazy, in my view," he said.

As Hurricane Irma throttled Florida in 2017, the second of three major storms to devastate parts of the U.S. last year, Pruitt told CNN that it was "misplaced" to ask about climate change's effects on extreme weather during the disaster.

And Pruitt routinely criticized the "environmental left" for focusing too much on climate change to the detriment of other environmental problems like Superfund clean-ups and water infrastructure — although green groups said he failed to lead on those issues as well.

The climate change positioning helped Pruitt gain the ear of Trump, who had called the phenomenon a hoax created by the Chinese to disenfranchise U.S. manufacturing.

Pruitt outmaneuvered other top administration officials, including Tillerson and Trump economic adviser Gary Cohn, to convince Trump that the Paris agreement was a bad deal that put America second. Trump then made the U.S. the only nation on Earth to ditch the Paris climate agreement.

Unsurprisingly, Pruitt's rapid rise and strong conservative pedigree drew talk of future political runs.

Although Pruitt eschewed this year's Oklahoma gubernatorial race, many observers suspected he would be the top choice in 2020 to replace Sen. Jim Inhofe (R-Okla.), who has not said whether he will run again but will turn 86 that year. Rumor swirled that the Senate gig would groom Pruitt for a 2024 presidential run, and Pruitt held meetings with politically connected people who could one day be useful for such a campaign, including a company linked to GOP megadonor Sheldon Adelson and an Indiana coal executive-slash-Republican fundraiser.

But Pruitt's political ambitions and penchant for secrecy eventually came back to bite him.

His behind-the-scenes lobbying for Sessions' job earlier this year alienated him to top White House officials, and the slow drip of negative headlines about his travel, spending and hiring irritated them further.

But in late March, the news about his lobbyist-connected condo deal opened the floodgates to a seemingly endless stream of reports about Pruitt's activities.

At first, the drip-drip of damaging stories was embarrassing but manageable.

Then, as part of a media tour that mostly consisted of friendly interviews with conservative outlets, Pruitt found himself forced into defense by a combative Fox News interview. Though the president was publicly supportive of Pruitt, the White House acknowledged it was reviewing his activities.

The investigation launched by Gowdy, the House Oversight chairman planning to retire after this year, showed the first cracks in Pruitt's support on the Hill. Weeks later, Senate Republicans started airing concerns, while Inhofe — a longtime friend of Pruitt's — said he was troubled by reports of Pruitt's past purchase of a large Oklahoma City home from a telecom lobbyist when he was a state senator.

Inhofe, who later said Pruitt had allayed his concerns, praised his fellow Oklahoman's work running EPA in a statement on Thursday.

"He was single minded at restoring the EPA to its proper statutory authority and ending the burdensome regulations that have stifled economic growth across the country," he said. "I was pleased to work with him on critical issues, like pulling out of the Paris Climate Agreement and prioritizing the cleanup of Superfund sites."

If Inhofe ultimately decides to retire but backs someone else to succeed him in 2020, Pruitt's once-clear path to the Senate — and potentially one day the presidency — could be significantly muddied.

Nancy Cook and Anthony Adragna contributed to this report.

To view online click here.

Back

Trump: Pruitt didn't want to be a 'distraction' Back

By Stephanie Murray | 07/05/2018 06:27 PM EDT

Environmental Protection Agency head Scott Pruitt abruptly left his Cabinet-level position in the administration because he didn't want to be a "distraction," President Donald Trump told reporters on Thursday afternoon.

"He'll go on to great things and he's going to have a wonderful life, I hope," Trump said on Air Force One, according to a pool report. "But he felt that he did not want to be a distraction for an administration that he has a lot of faith in."

Pruitt is the latest high-ranking official to exit the Trump administration. The former EPA chief had been embroiled in a laundry list of ethics scandals during his tenure. Among them: Pruitt allegedly asked staffers to carry out errands and find his wife a job, and he installed a $43,000 soundproof booth in his office and made other unusual security demands.

In his resignation letter, Pruitt praised the president and said "unrelenting attacks" have taken a toll on him and his family. Most recently, a woman confronted Pruitt in a restaurant and urged him to resign. The confrontation was caught on video and spread widely on the Internet.

There was no final straw that triggered Pruitt's resignation, and the choice was "very much up to him," Trump said during the gaggle on Air Force One. According to the president, the resignation had been in the works for a couple of days.

"Scott Pruitt did an outstanding job inside of the EPA. We've gotten rid of record-breaking regulations, and it's been really good," Trump said. "His deputy has been with me actually a long time. He was very much an early Trump supporter. He was with us on the campaign. He is a very environmental person. He's a big believer, and he's going to do a fantastic job."

Pruitt initially supported former Florida Gov. Jeb Bush, a rival of Trump's during the 2016 campaign for the GOP presidential nomination. New acting EPA chief Andrew Wheeler, who has been serving as Pruitt's deputy and was previously a coal lobbyist, initially served as a volunteer consultant on the campaign of another rival, Sen. Marco Rubio (R-Fla.).

To view online click here.

Back

Pruitt resigns amid torrent of ethics woes Back

By Anthony Adragna, Alex Guillén and Emily Holden | 07/05/2018 03:49 PM EDT

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Trump continued praising his embattled EPA leader even after the ax fell — and months after most of his White House aides, including chief of staff John Kelly, had soured on him because of the increasingly bizarre accusations concerning Pruitt's use of agency employees to obtain housing, lotion, used mattresses, dinner with a Vatican cardinal and a job for his wife.

But the news about Pruitt had also turned potentially more dangerous, including what congressional Democrats said Thursday was evidence that his top aides had altered his official EPA calendar to hide politically troublesome meetings. Meanwhile, the coming media maelstrom over Trump's soon-to-be-announced Supreme Court nomination should soon erase any momentary headlines over Pruitt's departure.

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Trump later told reporters that "no final straw" led to Pruitt's decision to step down.

"Look, Scott is a terrific guy," the president said. "And he came to me and he said, 'I have such

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"Thank God he's gone," Sen. Tom Carper, the top Democrat on the Senate Environment and Public Works Committee, said of Pruitt. "This is a day to celebrate."

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"It became increasingly apparent to the president, from conversations with the Hill and people inside the administration, that everyone loves Andrew Wheeler, and that Trump could get the same results without the drama," the Republican said. "If they did not have an heir apparent, this would probably be a different situation."

Environmentalists were quick to take a victory lap over Pruitt's resignation.

"Scott Pruitt's corruption and coziness with industry lobbyists finally caught up with him," Erich Pica, president of Friends of the Earth, said in a statement. "This victory belongs to the hundreds of thousands of activists who fought to protect the Environmental Protection Agency from a corrupt crony set on destroying it from the inside."

But some conservatives lamented that Pruitt had finally fallen victim to pressure from his political opponents.

"Lesson to other Trump officials from Pruitt resignation: Give the left/media/organized greens any molehill and they will turn it into K2," wrote Kimberley Strassel, a Wall Street Journal columnist and member of its editorial board. "Most of the accusations were overwrought, but the barrage was overwhelming. Let's hope an equally reformist successor denies them a repeat."

Conservative pundit Hugh Hewitt defended Pruitt as a "good friend and a very good man, caricatured by [the] left" and the mainstream media.

"I hope he sets to work on a memoir ASAP and deals out a tenth of what he took," Hewitt wrote on Twitter. "He's a man of great faith and perseverance so he probably won't, but the attacks on his family were unconscionable."

A handful of moderate Republican lawmakers called for Pruitt to be ousted early on, but congressional leaders supportive of his deregulatory agenda prevented the hot water Pruitt was in from increasing beyond a gentle simmer. And despite White House staffers' annoyance at his public stumbles, Pruitt reportedly enjoyed for months a chummy relationship with the president himself. The pair reportedly even gabbed on the phone regularly.

Pruitt's support among Republicans began to wane after emails and testimony from close aides showed that Pruitt on multiple occasions had used EPA resources and personnel to carry out errands and search for a job for his wife, Marlyn.

With scrutiny intensifying, half a dozen aides close to Pruitt departed EPA within a few weeks of each other, including his top policy adviser, his chief of security and a longtime friend from Oklahoma whom Pruitt had placed in charge of the Superfund program.

Emails released following lawsuits and aides' testimony to House investigators revealed that

Pruitt had used EPA staff to search for housing for him and to inquire about obtaining a Chick-fil-A franchise for his wife — potential violations of laws prohibiting tasking federal workers with personal matters. Further, it was shown that Pruitt had used his aides to seek other employment opportunities for his wife, including from major GOP donors — raising questions about whether Pruitt had used his official position to benefit his family.

For Pruitt's critics, these revelations moved beyond other Pruitt actions that were questionable but politically survivable.

"His actions related to his wife's employment and the quid-pro-quo condo situation with industry lobbyists may have crossed a line into criminal conduct punishable by fines or even by time in prison," wrote several House Democrats in a letter asking the FBI to open a criminal investigation.

On Thursday, Democrats on the House Oversight Committee released new transcripts from interviews with Pruitt's closest aides, backing up aspects of many of the recent allegations against him.

Three aides, including chief of staff Ryan Jackson, acknowledged removing many meetings from his calendars deemed "personal," including retroactively removing reference to a dinner with Cardinal George Pell after Pell's arrest on alleged sexual abuse charges.

"I did that because there were — and there have been since — just personal dinners or personal meetings which he has had that if it doesn't relate to EPA business, I don't think it's necessary to put it on the schedule," Jackson told Oversight Committee staff.

Another former aide, policy adviser Samantha Dravis, said she helped Marlyn Pruitt seek employment opportunities during work hours by tapping into her connections to conservative organizations. But she said Pruitt's push for his wife to land a $250,000-a-year post given her limited work experience was too much — even for the Federalist Society. Dravis said she ultimately refused to contact certain organizations and expressed concern doing would violate the Hatch Act.

"I was explicitly asked by Administrator Pruitt to assist Marlyn with obtaining this employment," Dravis said.

Dravis also said Pruitt originally hoped to become attorney general rather than Jeff Sessions and had "one or two" discussions with her about his ambitions for the post after he became head of the EPA. She said he "hinted" that there had been a discussion with Trump about the matter but didn't reveal further details.

Meanwhile, influential conservative voices began questioning whether Pruitt's antics were finally causing too much drag on the president's agenda.

Laura Ingraham, the conservative pundit known to be a favorite confidant of Trump, tweeted June 13 that Pruitt's bad judgment was hurting the president and meant he had "gotta go." The

National Review called for his ouster, saying Pruitt had mistreated taxpayers. And Republican senators started saying Pruitt should be hauled in for a hearing, though they stopped short of calling for his resignation.

The president did not immediately name a nominee to serve as a permanent successor, as he did for similar high-profile departures in recent months. Senate Republicans have questioned whether another administrator could even be confirmed this year given the Senate's tight schedule and the GOP's razor-thin majority.

That leaves Pruitt's deputy, Wheeler, in charge at EPA in an acting capacity for the foreseeable future.

Wheeler previously worked as an attorney and lobbyist at Faegre Baker Daniels, where one of his clients was coal company Murray Energy, whose owner Robert Murray has pressed both the president and his Cabinet secretaries for generous policy actions to help coal.

He previously worked as a top aide to Sen. Jim Inhofe (R-Okla.), who prides himself as a skeptic of climate change.

Wheeler is a more traditional Washington conservative than Pruitt, familiar with the workings of both the town and Congress. But environmentalists see little practical difference between Wheeler and Pruitt, who arrived at the agency after suing it 14 times and with no background in environmental policy.

Wheeler, like Pruitt, is expected to continue his deregulatory agenda, rolling back Obama-era environmental regulations like the Clean Power Plan or the Waters of the U.S. rule. And the White House is likely to continue its quest to slash EPA's budget drastically, although Congress has twice rejected such cuts and some Republicans have questioned whether the agency can go any lower.

Nancy Cook and Daniel Strauss contributed to this report.

To view online click here.

Back

Ethanol producers hoping for better treatment from new EPA chief Back

By Eric Wolff | 07/05/2018 05:31 PM EDT

Ethanol producers hope Andrew Wheeler, who will be taking the reigns at EPA as of Friday night, will be more corn-friendly in his management of the the Renewable Fuel Standard than soon-to-depart Administrator Scott Pruitt.

"President Trump made the right decision," said Iowa Sen. Chuck Grassley, who had been

infuriated by Pruitt's actions on the RFS, in a statement on Pruitt's resignation. "Fewer things are more important for government officials than maintaining public trust. Administrator Pruitt, through his own actions, lost that trust. I hope Acting Administrator Wheeler views this as an opportunity to restore this Administration's standing with farmers and the biofuels industry."

Pruitt antagonized ethanol producers and Midwestern farmers with repeated efforts to ease RFS requirements on refiners at what corn farmers perceived as their expense. Before joining EPA, Wheeler was a lobbyist whose clients included ethanol producer trade association Growth Energy.

"That sound you hear is a collective sigh of relief coming from the Midwest," said Bob Dinneen, CEO of the Renewable Fuels Association. "We look forward to working with Acting Administrator Andy Wheeler, whose long career focusing on policies that recognize economic growth and environmental protection are not mutually exclusive is not undermined by an unmistakable anti-ethanol, anti-farmer bias."

Wheeler has a reputation in D.C. as a smooth operator with deep relationships on the Hill.

"What changes is that Wheeler knows how to get things done at the agency and, in general, in Washington," a refining industry source said over email. "With Andy I think there will be less free-lancing and more a focus on working with career folks at EPA.... Quite frankly, less free lancing will serve the interests of all stakeholders."

To view online click here.

Back

Pruitt's replacement 'should scare anyone who breathes' Back

By Eric Wolff and Alex Guillén | 05/04/2018 05:49 PM EDT

The man taking the reins at the Environmental Protection Agency following the resignation of Scott Pruitt is a longtime Washington insider and coal lobbyist who is set to pursue the same anti-regulation agenda — only without all of Pruitt's baggage.

Andrew Wheeler, sworn in as EPA's deputy administrator in late April after a six-month confirmation battle, has spent decades in what President Donald Trump calls "the swamp," first as a top aide to Sen. Jim Inhofe (R-Okla.) at the Environment and Public Works Committee, then as an energy lobbyist for clients such as the politically active coal company Murray Energy.

On Thursday, Trump named Wheeler as EPA's acting administrator after accepting Pruitt's resignation. He is set to take the job Monday.

In contrast to Pruitt, an Oklahoma conservative who alienated a growing number of fellow Trump-supporting Republicans, Wheeler is a smooth insider with a penchant for policy details

and a reputation for working well with both friends and adversaries. But those who have dealt with him say he's on board with the broad deregulatory agenda that Pruitt and Trump have pursued.

"I have no doubt that Andy will continue on with our great and lasting EPA agenda," Trump tweeted in announcing Pruitt's resignation. "We have made tremendous progress and the future of the EPA is very bright!"

Wheeler, who shares many of Pruitt's anti-regulatory views, is expected to "stay the course" with many of Pruitt's policies, according to one EPA source.

Republicans and other allies quickly praised Wheeler as a steady hand for an agency in turmoil.

Wheeler is the "perfect choice" for acting administrator, said Inhofe.

"Andrew worked for me for 14 years, has an impeccable reputation and has the experience to be a strong leader at the EPA," Inhofe added. "I have no doubt and complete confidence he will continue the important deregulatory work that Scott Pruitt started while being a good steward of the environment."

"I have confidence that Andrew Wheeler will be a good partner at #EPA, and I look forward to working with him on the" Renewable Fuel Standard, tweeted Sen. Joni Ernst (R-Iowa), who in recent months had expressed public anger over moves by Pruitt that upset the ethanol industry.

"Wheeler knows how to make the trains run on time at the agency and will be more inclined to work with career folks," said one refining industry source. "Andy also has strong relationships on the Hill from his work there, and that will work to the agency's benefit as well."

Environmentalists were glad to see Pruitt go, but many quickly acknowledged that Wheeler will be a formidable adversary to their agenda.

"Wheeler is much smarter and will try to keep his efforts under the radar in implementing Trump's destructive agenda," Jeremy Symons, vice president for political affairs at the Environmental Defense Fund, said in May before Pruitt's resignation. "That should scare anyone who breathes."

"Andrew Wheeler is equally unqualified to serve as the nation's chief environmental steward," said Ana Unruh Cohen of the Natural Resources Defense Council. "Like Pruitt, this veteran coal lobbyist has shown only disdain for the EPA's vital mission to protect Americans' health and our environment. Make no mistake: we'll fight Wheeler's pollution agenda with the same vigor as we did Pruitt's."

It is not clear how long Wheeler may be left leading EPA on an acting basis, as Senate Republicans have questioned whether any nominee could win confirmation this year amid the upcoming midterm elections and the GOP's razor-thin majority in the chamber.

With Pruitt out, Wheeler faces the task of managing a 14,000-employee agency where much of the career staff, and even many Republican political appointees, has been demoralized by the cascade of scandals.

Besides his personal troubles, Pruitt arrived at EPA as one of its most determined adversaries, having filed a series of lawsuits in concert with industry groups to overturn the agency's Obama-era climate and environmental regulations. Pruitt's security team also blocked most agency employees from entering rooms and corridors near his third-floor offices.

Wheeler, in contrast, came to the agency steeped in its work.

He spent four years working at EPA at the start of his career, before going on to work for Inhofe and the Senate environment committee. He helped create the federal ethanol mandate that remains a major source of friction for EPA, dividing Republicans in the Senate. He also represented coal magnate Bob Murray as a lobbyist through the battles over the Obama administration's climate regulations for power plants, and then later in trying to persuade the Energy Department to bail out financially ailing coal power plants.

Former Hill colleagues emphasize his ability to find common ground with political opponents, including former Sen. Jim Jeffords (I-Vt.), and former liberal Democrat Sen. Barbara Boxer of California, both of whom have chaired the environment committee. Matt Dempsey, who worked for Wheeler under Inhofe, said Wheeler's ability to find common cause was one factor in the Jeffords-Inhofe and Jeffords-Boxer relationships that led to passage of highway bills and other major legislation.

"A lot of that is due to Andrew," said Dempsey, now a managing director at FTI Consulting. "He has an ability to work across the aisle and get things done."

That ability to work the Hill could be critical at EPA, where Pruitt's efforts to make changes to the ethanol program divided oil-state and corn-state Senate Republicans. Those efforts have especially infuriated corn supporters led by Sen. Chuck Grassley (R-Iowa), who accused Pruitt in May of "screwing the family farmer."

Wheeler's former colleagues think he might be able to smooth those waters.

"He is someone who, generally on policy, though we might not always agree, is someone who will listen to the other side of the aisle on how we formulate policy," a Democratic aide who has worked with Wheeler told POLITICO, noting that that trait could be especially important if the House or Senate flips after the midterms. "Being a product of the Senate and of the Congress, it will be much easier for those who are here to interact with him."

Among other things, the Democratic aide said, Wheeler respects Congress' role in the authorization and appropriations process and would be much more willing to appear at congressional hearings — unlike Pruitt, who was scarce on the Hill.

The aide also said they think Wheeler's reputation as a "rule-driven" staffer would ensure stricter

adherence to ethics standards at the agency.

Wheeler may also be better able to repair the fractured relationship between the political appointees at the top of the agency and career staff, who have felt left out or ignored by Pruitt on key issues. Wheeler spent some of his first days back at the agency visiting the offices of career staff and making introductions, a marked change from his boss, according to an EPA official.

"The impression he creates is very personable, respectful, good listener," said another EPA employee. "He's very interested in being involved in the substantive issues. He's ready to get involved in our issues."

Still, most of the people interviewed agreed that Wheeler would advance Trump's and Pruitt's agenda of undoing major Obama-era regulations, including the power plant climate rule and a sweeping measure on streams and wetlands.

"I think that Andrew is well aware of the president's agenda, and the parts of the agenda that are the responsibility of the EPA," said Andy Ehrlich, now a partner at the lobbying and political consulting firm Total Spectrum, who recruited Wheeler from the Hill in 2009 to the law firm Faegre Baker Daniels and worked with him for years. "I would expect based on my experience with Andrew to do what he can to see that the president's s agenda at the EPA is fulfilled in a methodical and thoughtful way."

Pruitt and Wheeler may have some small differences: The Democratic aide said Wheeler might offer more support to the agency's research, in contrast to Pruitt. But people who know Wheeler see him as a "true believer" in rolling back regulations who is comfortable in the weeds of policy.

Environmental groups also believe Wheeler has his own ethics baggage, citing reports that he held fundraisers for political patrons in the months ahead of his official nomination to EPA.

Brune held out one bit of hope — that Wheeler would face the same obstacles as Pruitt in turning back EPA's environmental protections.

"Any executive with EPA, administrator or deputy, will have a hard time trying to flout the findings of the scientific community and operate against the public will," Brune said. "I don't think Wheeler would be more effective at that than Pruitt has been."

Emily Holden, Anthony Adragna and Ben Lefebvre contributed to this report.

To view online click here.

Back

Environmentalists: Pruitt's replacement 'should scare anyone who breathes' Back

By Eric Wolff | 05/05/2018 06:43 AM EDT

The man taking the reins at the Environmental Protection Agency after Scott Pruitt's downfall is a longtime Washington insider and coal lobbyist who is set to pursue the same anti-regulation agenda — only without all of Pruitt's baggage.

Andrew Wheeler, sworn in as EPA's deputy administrator in late April after a six-month confirmation battle, has spent decades in what President Donald Trump calls "the swamp," first as a top aide to Sen. Jim Inhofe (R-Okla.) at the Environment and Public Works Committee, then as an energy lobbyist for clients such as the politically active coal company Murray Energy.

On Thursday, Trump named Wheeler as EPA's acting administrator after accepting Pruitt's resignation.

In contrast to Pruitt, an Oklahoma conservative who alienated a growing number of fellow Trump-supporting Republicans, Wheeler is a smooth insider with a penchant for policy details and a reputation for working well with both friends and adversaries. But those who have dealt with him say he's on board with the broad deregulatory agenda that Pruitt and Trump are pursuing.

That presents a paradox for environmental groups, who would welcome Pruitt's departure but fear his replacement would be a much more formidable opponent.

"Wheeler is much smarter and will try to keep his efforts under the radar in implementing Trump's destructive agenda," said Jeremy Symons, vice president for political affairs at the Environmental Defense Fund. "That should scare anyone who breathes."

Symons noted that many of Pruitt's aggressive deregulatory efforts have run into trouble in federal courts.

"The problem with the Pruitt approach is it's like a sugar high," said Jeff Navin, a Democratic lobbyist and former Energy Department staffer who has shared lobbying clients with Wheeler. "It feels really, really good for a moment, but if you're not following rules and procedure, not laying down substance for the decision you're making, you're not going to last very long."

Another person who has worked with Wheeler said: "He's like Mike Pence is to Trump. ... He's behind the scenes. He'll get a lot done and doesn't need to be in the news."

With Pruitt out, Wheeler faces the task of managing a 14,000-employee agency where much of the career staff, and even many Republican political appointees, have been demoralized by the cascade of scandals.

Besides his personal troubles, Pruitt arrived at EPA as one of its most determined adversaries, having filed a series of lawsuits in concert with industry groups to overturn the agency's Obama-era climate and environmental regulations. Pruitt's security team also blocked most agency employees from entering rooms and corridors near his third-floor offices.

Wheeler, in contrast, came to the agency steeped in its work. He spent four years working at EPA at the start of his career, before going on to work for Inhofe and the Senate environment committee. He helped create the federal ethanol mandate that remains a major source of friction for EPA, dividing Republicans in the Senate. He also represented coal magnate Bob Murray as a lobbyist through the battles over the Obama administration's climate regulations for power plants, and then later in trying to persuade the Energy Department to bail out financially ailing coal power plants.

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Wheeler may also be better able to repair the fractured relationship between the political appointees at the top of the agency and career staff, who have felt left out or ignored by Pruitt on key issues. Wheeler spent some of his first days back at the agency visiting the offices of career staff and making introductions, a marked change from his boss, according to an EPA official.

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Pruitt and Wheeler may have some small differences: The Democratic aide said Wheeler might offer more support to the agency's research, in contrast to Pruitt. But people who know Wheeler see him as a "true believer" in rolling back regulations who is comfortable in the weeds of policy.

That's the worry of environmental groups, which note the years Wheeler spent working with Inhofe, who calls human-caused global warming a "hoax," and Murray, a fierce opponent of EPA's climate regulations.

Wheeler's "entire professional career, most of it has been devoted to resisting attempts to improve the quality of our air and our water and the safety of our communities," said Sierra Club Executive Director Michael Brune. "He fought against safeguards to limit mercury poisoning. He fought against protections to limit the amount of ozone in our skies. He fought against air pollution from neighboring states. He's a climate denier. So, sadly, he fits in well with EPA leadership."

Environmental groups also believe Wheeler has his own ethics baggage, citing reports that he held fundraisers for political patrons in the months ahead of his official nomination to EPA. Brune held out one bit of hope — that Wheeler would face the same obstacles as Pruitt in turning back EPA's environmental protections.

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Emily Holden and Anthony Adragna contributed to this report.

To view online click here.

Back

Full text: Pruitt's resignation letter Back

07/05/2018 04:17 PM EDT

The full text of Scott Pruitt's resignation letter:

Mr. President, it has been an honor to serve you in the Cabinet as Administrator of the EPA. Truly, your confidence in me has blessed me personally and enabled me to advance your agenda beyond what anyone anticipated at the beginning of your Administration. Your courage, steadfastness and resolute commitment to get results for the American people, both with regard to improved environmental outcomes as well as historical regulatory reform, is in fact occurring at an unprecedented pace and I thank you for the opportunity to serve you and the American people in helping achieve those ends.

That is why is hard for me to advise you I am stepping down as Administrator of the EPA effective as of July 6. It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring. However, the unrelenting attacks on me personally, my family, are unprecedented and have taken a sizable toll on all of us.

My desire in service to you has always been to bless you as you make important decisions for the American people. I believe you are serving as President today because of God's providence. I believe that same providence brought me into your service. I pray as I have served you that I have blessed you and enabled you to effectively lead the American people. Thank you again Mr. President for the honor of serving you and I wish you Godspeed in all that you put your hand to.

Your Faithful Friend,
Scott Pruitt

To view online click here.

Back

How Scott Pruitt blew it Back

By Alex Guillén and Andrew Restuccia | 07/05/2018 05:50 PM EDT

Scott Pruitt's once bright political future is in freefall after his swift exit as head of the EPA, following an avalanche of revelations about his first-class flights, pricey security trappings, backdoor raises for proteges and cozy deals with lobbyists stretching back to his days as an Oklahoma lawmaker.

Some of the most outlandish news reports about Pruitt's leadership at EPA went viral in recent months because of the bizarre details, such as the accusations that he had used his bodyguards to search for a rare brand of lotion or had tasked an aide with trying to buy a used mattress from the Trump International Hotel.

But beneath it all, according to ethics experts and Pruitt's critics, was the appearance that he had serially misused his Cabinet position, sometimes for simple vanity but occasionally — most consequentially — in ways that benefited himself and his family, drawing civil and potentially even criminal inquiries. And eventually, it was too much even for President Donald Trump, one of Pruitt's most outspoken fans.

Trump said the decision to resign was Pruitt's and that "no final straw" had precipitated the move, which has been in the works for a couple days. But in fact, Trump had begun to grow tired of the torrent of negative news stories about Pruitt and had come to believe they were a distraction that wouldn't go away, according to an administration official.

Among Trump's confidants, North Dakota billionaire oilman Harold Hamm was one of a dwindling number of people defending Pruitt, people close to Hamm and the White House told POLITICO.

"Scott is a terrific guy," Trump told reporters on Air Force One on Thursday after tweeting out the news of Pruitt's resignation. "And he came to me and he said I have such great confidence in the administration. I don't want to be a distraction. And I think Scott felt that he was a distraction."

The news dismayed prominent Republican donor Doug Deason, who told POLITICO late Thursday that he's flabbergasted Trump would send such a loyal foot soldier packing.

"I am just so disappointed in the President's failure to support Scott against the angry attacks from the loony left," said Deason, who had helped Pruitt pick new members of an influential EPA's science advisory board last year. "Nothing he did amounted to anything big. He was THE most effective cabinet member by far."

"Scott Pruitt is a sacrificial lamb and I have no idea why," he added.

Chief of staff John Kelly had been pushing Trump for months to fire Pruitt, and he ramped up his campaign in recent days, according to one person close to the White House. The person described removing Pruitt as one of Kelly's top priorities before leaving the administration, as he's expected to do sometime this summer.

But Kelly's frustration with Pruitt alone would never be enough to secure the EPA administrator's ouster.

At the White House, senior aides were increasingly convinced that Trump would soon push Pruitt out, but they didn't know exactly when and some were caught off guard by Thursday's announcement.

Pruitt, who believes he has a strong personal relationship with Trump, has told allies repeatedly in recent months that he wasn't worried about his job, insisting that the president had his back.

But Pruitt nonetheless showed flashes of irritation over the wave of negative press attention that overtook him. He told aides recently that he believed the reports about him were unfair, adding that he simply didn't understand why people were making such a big deal about his decision to enlist an aide to help his wife secure a Chick-fil-A franchise, according to another person familiar with the matter.

White House staffers had long ago given up on Pruitt, rarely coming to his defense when negative news stories dominated the headlines. Aides were sick of answering questions about the EPA chief and spoke privately about their hope that the president got rid of him. Even Pruitt's own staff had begun to sour on him, with many worrying that their future career prospects would be damaged by their association with Pruitt's tenure.

Each scandal seemed more damning than the last.

Pruitt faced criticism last year for his extensive first-class travel on the taxpayer dime and security expenses including a $43,000 soundproof phone booth in his office. Then news this spring that Pruitt had secured a $50-a-night Capitol Hill condo lease from the wife of a lobbyist kicked off several months of damaging headlines on a nearly daily basis. His staff talked of getting him a $100,000-a-month private jet lease. Two aides who came with him from Oklahoma received massive raises Pruitt was later forced to reverse. He replaced the head of his security detail who wouldn't let him use lights and sirens to zip around the city like the president. And a top career official was dismissed after he questioned the security justifications for Pruitt's beefed up, multimillion-dollar protective detail.

Questions were raised about why Pruitt hired a longtime friend, whose bank over the years issued Pruitt multiple mortgages and helped him buy part ownership of a baseball team, and who was recently banned from the banking industry, to run EPA's Superfund program.

In recent weeks, former Pruitt aides told staffers on the House Oversight Committee about the administrator's search for a high-paying job for his wife and his use of EPA time and staff for personal matters. Although nascent, the new allegations raised questions of whether Pruitt had used his position to benefit his family or himself. Committee aides tell POLITICO their investigation will continue despite Pruitt's departure.

EPA's inspector general opened multiple overlapping probes into Pruitt's activities and spending. House Oversight Chairman Trey Gowdy (R-S.C.) turned heads when he launched his own investigation of Pruitt. Other inquiries are underway by the Government Accountability Office, the Oklahoma Bar Association and even the White House.

Pruitt's controversial activities led conservatives to call for his departure.

"Pruitt is the swamp. Drain it," Laura Ingraham, the conservative pundit known to have Trump's ear, tweeted on Tuesday.

Democrats and environmental groups quickly claimed victory with Pruitt's resignation.

"He made swamp creatures blush with his shameless excesses. All tolerated because President Trump liked his zealotry," Rep. Gerry Connolly (D-Va.) said.

"Ethics matter. So does a commitment to EPA's central mission. Scott Pruitt failed miserably on both counts," said Rhea Suh, president of the Natural Resources Defense Council.

Within the White House, a less splashy headline also helped undermine Pruitt's standing with Trump's inner circle: The news, first reported in early January by POLITICO, that Pruitt was advocating quietly but firmly behind the scenes to replace Jeff Sessions as Trump's attorney general. That ambition was a turning point that soured Pruitt to key White House aides, if not the president himself, officials said in the intervening months. Pruitt grew bolder, eventually directly asking Trump for the DOJ job, CNN reported on Tuesday, just two days before Pruitt resigned.

Pruitt's troubles had been simmering for a long time as other Cabinet officials were picked off following their own scandals or tension with Trump, including HHS Secretary Tom Price, Veterans Affairs Secretary David Shulkin and Secretary of State Rex Tillerson.

His supporters noted that, unlike Price or Tillerson, Pruitt was viewed as an effective and loyal lieutenant to Trump.

"It is extremely difficult for me to cease serving you in this role first because I count it a blessing to be serving you in any capacity, but also, because of the transformative work that is occurring," Pruitt wrote in his resignation letter to Trump.

Pruitt rose to prominence as Oklahoma's attorney general, where he made his name suing the Obama EPA 14 times over what he called gross regulatory overreach. One of his greatest achievements was the Supreme Court's early 2016 decision to block the Clean Power Plan, a massive regulation that set the first-ever carbon dioxide limits on the power industry, while a lower court reviewed the rule — the first time the justices had ever done that.

He convinced Trump that such tenacity would prove useful in fulfilling his many campaign promises to undo almost all of former President Barack Obama's environmental agenda.

It didn't take long after Pruitt had arrived at EPA for him to halt and reverse key regulations Trump had vowed to roll back, including the power plant rule and Obama's Waters of the U.S. rule, which farmers and other industries decried as federal overreach.

But Pruitt went beyond the standard-issue Washington conservative environmental agenda that called for repealing those rules.

EPA is soon expected to propose a much more restricted version of the Clean Power Plan to satisfy legal requirements. But Pruitt has also kept open the option not to replace it at all, a position that most legal experts agree is untenable but which helps satisfy the right-wing groups that want EPA to stop regulating greenhouse gases altogether.

More recently, Pruitt made it clear he was willing to fight California over rolling back auto

emissions standards. Carmakers who asked EPA for tweaks to the program instead found an administrator more than willing to torpedo the fragile national program if one of the most anti-Trump states didn't come to heel.

Pruitt proposed a new science policy that would exclude major public health studies while still accepting industry-backed research, a policy Republicans failed for years to pass out of Congress. He kicked academic researchers receiving funding from EPA off of key advisory boards, often replacing them with industry representatives. He made key policy changes to permitting rules and a key air quality program long sought by industry groups who said EPA was restricting their growth. He launched a review of how EPA calculates costs and benefits, a move that could make it harder to economically justify major regulations.

And he elevated climate change as a culture-war issue in a way that previous Republican administrators avoided.

Pruitt told POLITICO that he didn't even understand when critics called him a "climate denier" in an interview last summer. "What does it even mean? That's what I think about it. I deny the climate? Really? Wow, OK. That's crazy, in my view," he said.

As Hurricane Irma throttled Florida in 2017, the second of three major storms to devastate parts of the U.S. last year, Pruitt told CNN that it was "misplaced" to ask about climate change's effects on extreme weather during the disaster.

And Pruitt routinely criticized the "environmental left" for focusing too much on climate change to the detriment of other environmental problems like Superfund clean-ups and water infrastructure — although green groups said he failed to lead on those issues as well.

The climate change positioning helped Pruitt gain the ear of Trump, who had called the phenomenon a hoax created by the Chinese to disenfranchise U.S. manufacturing.

Pruitt outmaneuvered other top administration officials, including Tillerson and Trump economic adviser Gary Cohn, to convince Trump that the Paris agreement was a bad deal that put America second. Trump then made the U.S. the only nation on Earth to ditch the Paris climate agreement.

Unsurprisingly, Pruitt's rapid rise and strong conservative pedigree drew talk of future political runs.

Although Pruitt eschewed this year's Oklahoma gubernatorial race, many observers suspected he would be the top choice in 2020 to replace Sen. Jim Inhofe (R-Okla.), who has not said whether he will run again but will turn 86 that year. Rumor swirled that the Senate gig would groom Pruitt for a 2024 presidential run, and Pruitt held meetings with politically connected people who could one day be useful for such a campaign, including a company linked to GOP megadonor Sheldon Adelson and an Indiana coal executive-slash-Republican fundraiser.

But Pruitt's political ambitions and penchant for secrecy eventually came back to bite him.

His behind-the-scenes lobbying for Sessions' job earlier this year alienated him to top White House officials, and the slow drip of negative headlines about his travel, spending and hiring irritated them further.

But in late March, the news about his lobbyist-connected condo deal opened the floodgates to a seemingly endless stream of reports about Pruitt's activities.

At first, the drip-drip of damaging stories was embarrassing but manageable.

Then, as part of a media tour that mostly consisted of friendly interviews with conservative outlets, Pruitt found himself forced into defense by a combative Fox News interview. Though the president was publicly supportive of Pruitt, the White House acknowledged it was reviewing his activities.

The investigation launched by Gowdy, the House Oversight chairman planning to retire after this year, showed the first cracks in Pruitt's support on the Hill. Weeks later, Senate Republicans started airing concerns, while Inhofe — a longtime friend of Pruitt's — said he was troubled by reports of Pruitt's past purchase of a large Oklahoma City home from a telecom lobbyist when he was a state senator.

Inhofe, who later said Pruitt had allayed his concerns, praised his fellow Oklahoman's work running EPA in a statement on Thursday.

"He was single minded at restoring the EPA to its proper statutory authority and ending the burdensome regulations that have stifled economic growth across the country," he said. "I was pleased to work with him on critical issues, like pulling out of the Paris Climate Agreement and prioritizing the cleanup of Superfund sites."

If Inhofe ultimately decides to retire but backs someone else to succeed him in 2020, Pruitt's once-clear path to the Senate — and potentially one day the presidency — could be significantly muddied.

Nancy Cook and Anthony Adragna contributed to this report.

To view online click here.

Back

Sources: EPA blocks warnings on cancer-causing chemical Back

By Annie Snider | 07/06/2018 05:02 AM EDT

The Trump administration is suppressing an EPA report that warns that most Americans inhale enough formaldehyde vapor in the course of daily life to put them at risk of developing leukemia and other ailments, a current and a former agency official told POLITICO.

The warnings are contained in a draft health assessment EPA scientists completed just before Donald Trump became president, according to the officials. They said top advisers to departing Administrator Scott Pruitt are delaying its release as part of a larger campaign to undermine the agency's independent research into the health risks of toxic chemicals.

Andrew Wheeler, the No. 2 official at EPA who takes over for Pruitt on Monday, also has a history with the chemical. He was staff director for the Senate Environment and Public Works Committee in 2004, when his boss, then-Chairman Jim Inhofe (R-Okla.), sought to delay an earlier iteration of the formaldehyde assessment.

Formaldehyde is one of the most commonly used chemicals in the country. Americans are exposed to it through wood composites in cabinets and furniture, as well as air pollution from major refineries. The new assessment would give greater weight to warnings about the chemical's risks and could lead to stricter regulations from EPA or class-action lawsuits targeting its manufacturers, as frequently occurs after these types of studies are released.

"They're stonewalling every step of the way," the current official said, accusing political appointees of interfering with the formaldehyde assessment and other reports on toxic chemicals produced by EPA's Integrated Risk Information System. Industry has long faulted the IRIS program, the agency's only independent scientific division evaluating the health risks of toxic chemicals, whose assessments often form the basis for federal and state regulations.

The current official and former official requested anonymity out of fear for their jobs and the impact that speaking out could have on the IRIS program.

Interfering with the formaldehyde study is one of several steps Trump's EPA has taken to side with the businesses the agency is supposed to regulate and undermine the agency's approach to science, critics say. Public health advocates also expressed alarm after Pruitt replaced academic scientists with industry advocates on the agency's influential science advisory boards and sought to limit the types of human health research EPA can rely on in rulemakings.

The officials said Trump appointees have required that career officials receive their permission before beginning the required internal review of the formaldehyde study and have canceled key briefings that would have advanced it. That interference came after EPA career scientists revised the study once already last year to insulate it from political controversy, they said.

In a statement, EPA denied that the assessment was being held back.

"EPA continues to discuss this assessment with our Agency program partners and have no further updates to provide at this time," EPA spokeswoman Kelsi Daniell said. "Assessments of this type are often the result of needs for particular rulemakings and undergo an extensive intra-agency and interagency process."

But as far back as January, Pruitt told a Senate panel that he believed the draft assessment was complete.

Five months later, it has yet to see the light of day. Meanwhile, internal documents show, a trade group representing businesses that could face new regulations and lawsuits if the study were released had frequent access to top EPA officials and pressed them to either keep it under wraps or change its findings.

"As stated in our meeting, a premature release of a draft assessment ... will cause irreparable harm to the companies represented by the Panel and to the many companies and jobs that depend on the broad use of the chemical," Kimberly Wise White, who leads the American Chemistry Council's Formaldehyde Panel, wrote in a Jan. 26 letter to top officials at EPA. The panel represents companies including Exxon Mobil and Koch Industries subsidiary Georgia-Pacific Chemicals LLC that could face higher costs from stricter regulations or lawsuits.

Nearly a million jobs "depend on the use of formaldehyde," White's letter argued.

The holdup is attracting attention on Capitol Hill, where Democrats have already expressed alarm, arguing that the Trump administration has allowed politics to interfere in EPA's scientific assessments of threats such as toxic pollution and climate change.

The agency must "move past politics and focus on its job of protecting human health" by releasing the formaldehyde study, Sen. Ed Markey (D-Mass.) said in a statement to POLITICO.

"Because formaldehyde can be found in everything from wood products to women's hair straighteners, the public health risks are substantial," Markey said. "Delaying the EPA's latest assessment of the health risks of formaldehyde only further endangers the health of Americans."

Public health advocates have similarly expressed fears that the Trump administration has allowed EPA to be captured by the industries it regulates. The revelations about the formaldehyde study come after Pruitt removed academic scientists from the agency's influential science advisory boards and in many cases replaced them with industry advocates, and after he proposed a policy to limit the agency's use of human health data while offering a carve-out for confidential industry studies.

"At every corner, you see the agency trying to either minimize the role of science or manipulate the role of science or just ignore the work of scientists in doing the critical work to ensure that human health and the environment is protected," said Jennifer McPartland, a senior scientist with the Environmental Defense Fund's health program.

POLITICO also reported in May that Trump administration officials, including EPA chief of staff Ryan Jackson, sought to delay an HHS study finding that nonstick chemicals pose health dangers at a lower level than EPA has said is safe.

Insiders anticipate few major policy changes under Wheeler, who is widely expected to continue Pruitt's deregulatory agenda and is well-versed in chemicals issues. He began his career in EPA's chemical safety office, and after leaving Inhofe's staff lobbied for a refrigerants manufacturer that was recently acquired by one of the country's major chemical manufacturers, Chemours Co.,

a DuPont spin-off.

Decades' worth of research has linked formaldehyde to nose and throat cancer and respiratory problems, and newer research has suggested the connection to leukemia — controversial conclusions that would gain significant credence if EPA formally adopts them. The new assessment affirms those links to leukemia, nose and throat cancer and other ailments, according to the current and former officials familiar with its findings.

The new assessment could lead EPA to impose stricter regulations of chemicals refineries or wood products and could spur class-action lawsuits from cancer patients attempting to hold companies responsible for their illnesses.

The agency officials said the political aides blocking the assessment include Jackson and Richard Yamada, a former staffer for House Science Chairman Lamar Smith (R-Texas) who is now a top official in EPA's Office of Research and Development. And they said Nancy Beck, who criticized the IRIS program in her previous job as a top chemical industry expert, is now helping to stymie the program's assessments in her new post as head of EPA's chemical safety office. Jackson, Yamada and Beck did not respond to requests for comment.

The EPA spokeswoman disputed the accusations and said Yamada and Jackson have in fact requested briefings on the assessment.

The current EPA official told POLITICO that political appointees have managed to avoid creating written evidence of their interference with the formaldehyde assessment by refusing to send emails or create other records that could eventually become public, instead using what the official described as "a children's game of telephone."

By blocking the report at the first step of the IRIS review process, political appointees are keeping it from being reviewed by the National Academies of Sciences, an independent panel of the country's top scientists that must weigh in on all such risk assessments. EPA has already paid the academies $500,000 for that review, the highest level of scrutiny a scientific study can receive, but the work cannot start until Pruitt's aides send the study.

"If the administration was really keen on protecting public health, why wouldn't they send this to the National Academy and give it a really good review?" the former EPA official asked. "If it survives that review, then there's a public health problem that needs to be dealt with, and if it doesn't survive the review, then they can point the finger at IRIS and say, 'You're dead.'"

The former official said there would be only one reason not to ask the country's top experts whether they agree with the analysis: "You don't want the answer."

Public health advocates say the administration's attacks on science have had especially significant implications for the IRIS program. The small office of about 35 experts pores through the huge body of existing research on chemicals, including industry-backed studies aimed at proving the substances safe, to independently assess their risks. While purely scientific, the program's reviews are looked to by regulators not just at EPA, but also in the states and around

the world, often paving the way for new or more stringent regulations.

But industry has long targeted the program, arguing it uses an opaque process to decide which studies to rely on and which research to give credence to when findings conflict.

The American Chemistry Council, Beck's former employer, spent more than $7 million last year lobbying EPA and Congress on issues including IRIS, formaldehyde and the policy to limit EPA's use of human health research. Chemicals manufacturers, including Hexion Inc., one of the country's largest manufacturers of formaldehyde, have also spent tens of thousands of dollars on lobbying related to the program this year.

A National Academies panel agreed with some of industry's criticisms of the IRIS program in a blistering review of an earlier iteration of the formaldehyde assessment that recommended major changes to how IRIS decides how much weight to give conflicting studies, although it did not attack the substance of its findings about the health effects of formaldehyde. Critics of the IRIS program have pointed to that review frequently as they have sought to kill it, including in an appropriations battle this spring. The EPA spokeswoman also pointed to that assessment in her statement. "The National Academy of Science and Congress in legislative reports have for years been highly critical of EPA's previous assessments involving formaldehyde," she said.

But EPA has overhauled the program since then, hiring a new director for IRIS and a new head of the National Center for Environmental Assessment, in which it is housed. The changes have received high marks from the National Academies in two more recent reviews, one in 2014 and one this past April. The latest formaldehyde assessment is expected to demonstrate further progress implementing the academies' recommendations, potentially undermining industry critiques of the overall IRIS program if it were to be released.

Although efforts to kill EPA's independent scientific arbiter have so far failed, EPA officials and public health advocates say the program has been significantly hobbled under an administration with close ties to the chemicals industry.

White, the top staffer for the American Chemistry Council's Formaldehyde Panel, wrote EPA three times between September 2017 and January 2018, urging the agency to incorporate industry-funded research that found no link between formaldehyde and leukemia, and arguing that the studies shifted the scientific consensus away from the conclusion that it does. In November, Pruitt appointed her to the agency's influential Science Advisory Board.

Less than a week after the council's Jan. 24 meeting with EPA, Pruitt himself confirmed that the report had been complete for months. During a Senate hearing at the end of January, Markey asked Pruitt for an update on the formaldehyde assessment, saying it was his understanding "that the EPA has finalized its conclusion that formaldehyde causes leukemia and other cancers and that [the] completed new assessment is ready to be released for public review, but is being held up."

"You know, my understanding is similar to yours," Pruitt replied, promising to follow up.

Markey reminded Pruitt of the exchange in a May 17 letter. In a response Thursday, the agency's principal deputy assistant administrator for science, Jennifer Orme-Zavaleta, said EPA "continues to discuss the formaldehyde assessment internally and has no further updates to provide at this time."

To view online click here.

Back

Trump unleashes in Montana Back

By Matthew Nussbaum | 07/05/2018 07:53 PM EDT

President Donald Trump went on offense on Thursday at a campaign-style rally in Montana, deriding the state's Democratic senator but also launching attacks against the Justice Department, the media, Hillary Clinton, Sen. Elizabeth Warren, the "Me Too" movement and more.

He previewed themes he will highlight as he works to unseat Democratic senators in the midterm elections, while returning to many of his favorite 2016 attacks.

"It's time to retire liberal Democrat Jon Tester," Trump declared to a raucous crowd during the hourlong address in Great Falls, Montana. "A vote for Jon Tester is a vote for Chuck Schumer, Nancy Pelosi and the new leader of the Democrat Party Maxine Waters."

Trump slammed Tester for voting against the repeal of the Affordable Care Act, voting against a major tax cuts bill and for voting no on legislation to ban late-term abortions.

"You wouldn't think he'd play very well out here. How did he get elected?" Trump wondered aloud. "You can right your wrong in November."

He also returned to scathing attacks on the news media just one week after a gunman killed five journalists at a Maryland newspaper.

He derided the press as "fake news," "bad people" and "so damn dishonest."

"They're fake," he said, pointing at the press area in the arena. "These are really bad people."

In a winding speech, Trump also accused the Justice Department of corruption, bragged about his 2016 election win, spoke about his upcoming meeting with Russian President Vladimir Putin and declared that Rep. Maxine Waters, a frequent Trump critic, has an IQ in the "60s."

He repeated, falsely, that he was the first Republican candidate to win Wisconsin since 1952 and repeated his unfounded conspiracy theory that there was extensive voter fraud during the 2016 election. He also mocked Warren at length, deriding Massachusetts Democratic senator as "Pocahontas" and saying he would get her to take a DNA test if she runs against him in 2020 —

though he added derisively he would do it carefully because of the "Me Too era."

Warren hit back in a tweet, saying the Trump administration is "conducting DNA tests" on children separated from their families at the border.

The nearly hourlong address was the type of unscripted speech in which Trump delights, riling his base beneath banners reading "Promises Made, Promises Kept."

Trump carried the state by 20 points in 2016, but Republicans face a tough fight to unseat Tester in the state in 2018. Tester is facing off against Republican nominee Matt Rosendale, the state auditor and a former member of the Montana Legislature.

Tester, the top Democrat on the Senate Veterans Affairs Committee, has been on the receiving end of personal barbs from Trump after he played a crucial role in sinking Trump's nominee for Veterans Affairs secretary, White House physician Ronny Jackson.

Trump spoke at length about the Jackson debacle, accusing Tester of "shameful, dishonest attacks on a great man."

The attacks were similar to those Trump made against Tester in the midst of the controversy.

"Allegations made by Senator Jon Tester against Admiral/Doctor Ron Jackson are proving false," Trump tweeted in April as damaging reports about Jackson were emerging. "The Secret Service is unable to confirm (in fact they deny) any of the phony Democrat charges which have absolutely devastated the wonderful Jackson family. Tester should resign."

"Tester should lose race in Montana. Very dishonest and sick!" Trump added on Twitter.

The invective does not seem to have bothered Tester, who took out full-page newspaper ads in the state Thursday that read: "Welcome to Montana & Thank You President Trump," and listing "Jon's 16 bills signed into law by President Trump" — a clear attempt to show the state's Trump-friendly voters that the senator can work with the president.

Trump is scheduled to travel to his golf club in Bedminster, New Jersey, after the rally. He told reporters he will meet over the weekend with Vice President Mike Pence and staff ahead of Monday's planned announcement of his Supreme Court nominee to fill the seat vacated by Justice Anthony Kennedy.

To view online click here.

Back

House readies Financial Services, Interior-Environment spending bills for floor Back

By Sarah Ferris | 07/05/2018 02:41 PM EDT

House GOP leaders are planning to bring another spending bundle to the floor this month, according to a notice posted today by the Rules Committee.

The House's next funding package will wrap together its fiscal 2019 Interior-Environment, H.R. 6147 (115), and Financial Services, H.R. 6258 (115), spending bills. It is slated for floor action the week of July 16, one week after Congress returns from its July Fourth recess.

It would be the House's second so-called minibus of the fiscal year, after approving a three-bill bundle, H.R. 5895 (115), last month, which included Energy-Water, Military Construction-VA and Legislative Branch. The House also passed a bipartisan Defense spending bill (H.R. 6157 (115)) just before leaving for recess.

Both the Interior-Environment and Financial Services bills are flat-funded compared to current spending levels, though not all agencies and programs would see the same levels. The Environmental Protection Agency, for instance, would be cut by $100 million, while the Internal Revenue Service would see an increase of $186 million.

Unlike the Senate's version of those two bills, the House bills include partisan riders, such as a full repeal of the Obama-era Waters of the United States rule.

If the second minibus succeeds, the House will have passed six out of 12 spending bills. The end of the fiscal year is Sept. 30.

To view online click here.

Back

Perry's 'national security' push for grid draws skepticism on the Hill Back

By Darius Dixon | 06/19/2018 04:21 PM EDT

The Trump administration is having a hard time winning over skeptics to its claim that the retirement of coal-fired and nuclear power plants poses a national security threat.

For more than a year, Energy Secretary Rick Perry has argued that letting those struggling generators shut down would threaten the power grid's ability to bounce back from an attack or severe storm. Although he's failed to persuade federal power regulators to prop up the plants, Perry is pushing that argument with the National Security Council in an effort to head off new closures.

Some congressional Republicans said though they are sensitive to the national security concerns and woes of the coal industry, they doubted the grid faces the dire situation that Perry has predicted, and they are wary of intervening in the energy markets.

"I'm a Navy guy. I want our country secure," said Rep. Pete Olson (R-Texas). "But their arguments haven't been about security. It's been about propping up coal and nuclear power."

Olson authored the legislative language that was added to the 2015 FAST Act and expanded Perry's ability to intervene in grid operations during an emergency. But he said the Energy Department's arguments, contained in paper that leaked earlier this month, failed to convince him that shutting down money-losing plants presented a threat to national security.

"A crisis to me means the power is going out. But to support some jobs in some parts of the country, eh, that's not what the bill is designed to do," he said. "Our bill was just to deal with crisis, not to deal with this."

His comments echoed the sentiments of Senate Energy and Natural Resources Chairwoman Lisa Murkowski (R-Alaska), who told the committee last week she had "concerns" about DOE interfering in the power markets.

Coal-fired power plant closures slowed in 2017, but they are expected to accelerate next year with 12.5 gigawatts of capacity expected to shut down, according to Bloomberg New Energy Finance. That figure is near the record retirements of 15 GW set in 2015. Energy experts and even a Perry-directed DOE analysis last year put blame for the plants' demise on stagnant power demand and the rise of natural gas and renewables.

But the draft DOE paper that recently leaked showed that the agency has considered using its authority under the Federal Power Act's 202(c) provision to "temporarily delay retirement of fuel-secure electric generation resources" while threats to natural gas and electric infrastructure are assessed. And it also considered using the Defense Production Act to require power purchases from endangered plants in an effort to put off shutdowns for two years.

President Donald Trump has repeatedly told Perry to step in to help the plants, including earlier this month when he directed Perry to take "immediate steps" to staunch coal and nuclear plant retirements. He called on the former Texas governor to hold a news conference to announce a plan.

It's not the only issue where the Trump administration has invoked "national security" to defend a controversial action. Trump has threatened to use a trade law that leverages national security to impose tariffs on imported vehicles, the same law the administration used to to put tariffs on steel and aluminum.

"Let's face it, there's an awful lot of stuff being lumped into national security," former Obama Energy Secretary Ernest Moniz told POLITICO. "How this works out, I don't know. But I do know we need to ... do appropriate analyses when called for that do not have national security being used willy-nilly to accomplish all kinds of goals that are not necessarily the right ones."

Moniz acknowledged Perry had wide latitude under the law to declare a grid emergency, but he said that didn't absolve the administration from needing to prove there's a real crisis on the power grid.

"Reliability and resilience are public goods. We just haven't seen any analysis that suggests that this is a pathway that's needed to address that," he said.

Jason Bordoff, who served as Obama's senior National Security Council aide for energy and climate, said he fears the current fight could drag the real threat of cybersecurity into the political fray.

"The bigger risk would be a very legitimate issue of the cyber vulnerability of the grid becomes politicized because it gets wrapped up in this policy objective to save the coal industry as well as nuclear," said Bordoff, who is now director for the Center on Global Energy Policy at Columbia University.

Even Rep. Joe Barton, a longtime stalwart Perry ally, said he was skeptical of DOE's insistence that the grid was facing a national security threat from the plant closures.

"They're scrounging around for a way to keep some of these nuclear plants and coal plants viable and they're using that particular argument," the Texas Republican said. "To me, it's not persuasive, but I understand what they're trying to do."

There are real national security threats against the electric grid from electromagnetic pulses, physical attacks and cyber intrusions, Barton said, adding that "in most cases, it's a mistake to use a national security argument to keep a plant in operation that normal market forces would probably close."

Other Perry allies weren't sure how effective the Trump administration's strategy would be. GOP lobbyist Mike McKenna, who helped run Trump's DOE transition team, said the agency laid out the "single best set of arguments for preserving coal and nuclear generation." Still, he said, the options laid out in the DOE document probably would not achieve the protection that coal and nuclear advocates are seeking. And the national security arguments didn't seem to be gaining much traction.

"The national security angle has its advantages and its limits — not the least of those is that not too many people can and do make the argument that national security is really impaired by the closure of coal power plants," he said in an email. "It would probably be better if advocates focused on the potential over-reliance on one source (natural gas) in both electricity generation, and, if utilities get their way, in transportation fuels."

FERC shot down a regulation from Perry aimed at protecting the coal and nuclear generators earlier this year, and FERC commissioners told a Senate hearing last week that the grid faced no imminent threat, drawing praise from industry groups.

Deputy Energy Secretary Dan Brouillette argued that national security has always been DOE's focus, and he said that the agency's critics aren't seeing the whole picture from their industry's silos. "That's what they get paid to do. But that's not what the secretary gets paid to do and we're going to approach this with a broader view," he told POLITICO.

And he shrugged off comments from FERC commissioners that the electricity markets they oversee were operating efficiently and offered the best way to address security concerns.

"Is the market a factor here at the end of the day? Yes, it is. But we're not in this to have an economics classroom debate about theories of markets," he said. "The markets, in some respects, are not designed to produce a national security outcome."

Brouillette also said the White House had not given it a deadline, and there was no decision yet on whether to invoke any authorities.

"There has been no decision and we're [not] just working backwards," he said. "If we get to the point where there's a proposal or a proposed solution to a problem that we find, then perhaps Congress has a role. But at this point, we're nowhere near that stage."

For FERC and its supporters, countering the DOE claim that national security is at stake may take more than technical arguments. Sarah Ladislaw, who directs the Center for Strategic and International Studies' energy and national security program, said many of the rebuttals from FERC commissioners so far were akin to "bringing a spoon to a knife fight."

"The idea that market efficiency is supposed to trump national security is exactly the reason why national security provisions exist. They're there to protect things that may not make economic sense. ... I think it's an entirely different game from a legal perspective," Ladislaw said. "It's really hard to prove that a national security measure is bogus."

Oregon Sen. Ron Wyden said he would stick to the economic arguments and pointed out the high potential cost of DOE's proposal, even as the administration sought to change the conversation.

"Around here, if you can trod out national security for just about anything ... the leverage goes to you," he said. But, he added, "I'm pounding the ratepayer issue [because] that's the one issue that I think puts a stake right in the guts of their argument."

And other Democrats are fuming that the agency is even considering the use of its rarely tapped emergency authorities.

"It's about abuse of power. You can't just start claiming a national security justification that clearly has nothing to do with national security, and that's a very dangerous road to go down," said Sen. Martin Heinrich (D-N.M.).

To view online click here.

Back

DOE names Tripodi as acting EERE chief Back

By Darius Dixon | 07/05/2018 03:24 PM EDT

Cathy Tripodi has been named the Energy Department's acting assistant secretary for energy efficiency and renewable energy while the Trump administration's permanent pick awaits confirmation, according to an email obtained by POLITICO.

Dan Simmons, who had been EERE's top political appointee for more than a year, was nominated last month by the White House to officially fill the job. "As the confirmation process moves forward, Daniel has moved to Environmental Management to serve as an advisor to their leadership team," Alex Fitzsimmons, who has been Simmons' chief of staff, wrote in an email to EERE staff today.

Tripodi joined DOE in January 2017 and has been the director of DOE's Lab Operations Board, which aims to coordinate research and mission objectives between the agency headquarters and its far-flung national laboratories. She has been named as principal deputy assistant secretary in EERE and will serve in the job temporarily, while also retaining her position as Lab Operations Board director.

After working as a policy adviser to then-FERC Chairman Pat Wood in the mid-2000s, she held a number of positions in state government, including business affairs director for North Carolina and energy director in Indiana.

Greenwire reported Tripodi's appointment earlier today.

WHAT'S NEXT: Simmons had a nomination hearing late last month before the Senate Energy and Natural Resources Committee, but no confirmation vote has been scheduled.

To view online click here.

Back

Puerto Rico governor to challenge federal board in court Back

By Colin Wilhelm | 07/05/2018 10:48 AM EDT

Puerto Rico Gov. Ricardo Rosselló said today his government will go to court to challenge the authority of the U.S. territory's federal oversight board to impose policies on the commonwealth.

The board, established by Congress to address Puerto Rico's debt, mandated cuts to pensions and government spending in its most recent recovery plan. Proposed changes to labor laws, in part to make it easier to hire and fire employees, have also become a hotly contested issue.

Rosselló said in a release that he would challenge the board's ability to do anything more than make recommendations.

In a statement issued this morning, the board said it would "vigorously defend" its authority.

The lawsuit runs contrary to statements by the author of the debt-relief law that created the board. In an amicus brief submitted last Friday in a separate case, Rep. Rob Bishop (R-Utah) said Puerto Rico must comply with the plan laid out by the federal board.

In his release today, Rosselló said lawyers for his government would request an injunction to halt the board's actions, which he characterized as usurping the power of local elected officials, while the case plays out in court.

The governor has intermittently worked alongside and clashed with the board since he took office at the beginning of last year. His stance today is similar to one he took with the board in court over similar battle lines last year, only for the fight to be put on hold as hurricanes devastated the island.

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Back

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To: Bennett, Tate[Bennett.Tate@epa.gov]
Cc: Richardson, RobinH[Richardson.RobinH@epa.gov]; Cory, Preston (Katherine)[Cory.Preston@epa.gov]
From: Bowles, Jack
Sent: Mon 7/10/2017 6:56:39 PM
Subject: Fwd: Responses needed: Letters to State Attorney Generals (#6391)
17-000-6391.pdf
ATT00001.htm

Tate,

Latest on the letter you asked about.

Best,
Jack

Sent from my iPhone

Begin forwarded message:

From: "Kime, Robin" <Kime.Robin@epa.gov>
To: "Bowles, Jack" <Bowles.Jack@epa.gov>
Subject: FW: Responses needed: Letters to State Attorney Generals (#6391)

Hi

I hope you are well. Below is the latest draft response. Samantha is planning individualized responses so at the moment, this is with her.

From: Kime, Robin
Sent: Monday, July 10, 2017 1:51 PM
To: Dravis, Samantha <dravis.samantha@epa.gov>
Subject: Responses needed: Letters to State Attorney Generals (#6391)

Attached is the incoming letter and below is a revised draft response, though each of the 19 responses needs your personal touch.

Dear Attorney General Paxton:

On behalf of Administrator Pruitt, thank you for your letter regarding delegation of authority under the Clean Air Act and Clean Water Act, and the primary regulatory role that states and local governments have in implementing these important statutes. We agree that the federal government must respect the clear terms of cooperative federal state enactments. In addition, federal agencies such as EPA must not stray outside the boundaries of statutory authority.

As part of our implementation of Executive Order 13777, on April 11, 2017, the EPA established a Regulatory Reform Task Force and launched a robust request for public feedback on its evaluation of existing regulations. EPA program offices held 11 public meetings to receive input that could inform the regulatory review. More than 200,000 stakeholders were independently invited to participate, and nearly half a million comments were received in the public comment docket. This enthusiastic response from homeowners, small businesses, small governments, and other regulated entities, has provided a springboard for identifying unnecessary and overly burdensome regulations. Similarly, responses from our state partners provided important perspectives about the need for EPA to assume a more collaborative approach to our work, as directed by federal environmental statutes. The thoughts in your letter are consistent with those perspectives, and we will be taking them account as we move forward with improvements to the environmental regulatory process. As Administrator Pruitt has said, “The days of coercive federalism are over.”

Thank you again for your letter and partnership in the work of the EPA. We greatly appreciate your leadership in the State of Texas and look forward to joining together to make the federal government work better for the American people. If you have further questions, please contact me or your staff may contact Christina Moody in the EPA’s Office of Congressional and Intergovernmental Relations at moody.christina@epa.gov or (202) 564-9903.

Sincerely,

Samantha Dravis

Senior Counsel and Associate Administrator

KEN PAXTON
ATTORNEY GENERAL OF TEXAS

March 7, 2017

Hon. Scott Pruitt, Administrator
U.S. Environmental Protection Agency
Office of the Administrator, 1101A
1200 Pennsylvania Avenue, N.W.
Washington D.C. 20460

Re: Request to reexamine delegation of certain environmental regulation authority to the States in accordance with the express terms of the Clean Air and Water Acts; from State of Texas, from State of Alabama, from State of Arizona, from State of Arkansas, from State of Georgia, from State of Indiana, from State of Kansas, from State of Kentucky, from State of Louisiana, from State of Mississippi, from State of Missouri, from State of Montana, from State of Nebraska, from State of Nevada, from State of North Dakota, from State of Oklahoma, from State of South Carolina, from State of West Virginia, from State of Wyoming

Dear Administrator Pruitt:

We write to call your attention to the fact that the extensive regulation from the Environmental Protection Agency during the last decade is directly at odds with the express terms and structure of the Clean Air Act and Clean Water Act. We ask that as you assess the performance of your Agency, you do so with a keen eye toward compliance with these governing laws and not repugnance to them.

These federal laws acknowledge basic truths: that the primary regulators of the environment are the States and local governments. The Clean Air Act wastes no time making this point. The very first section states that "air pollution prevention . . . and air pollution control at its source is the primary responsibility of States and local governments." 42 U.S.C. § 7401(a)(3). The Clean Air Act then establishes a preferred method for the federal government to assist States and local governments: "to provide technical and financial assistance to State and local governments in connection with the development and execution of their air pollution prevention and control programs." *Id.* § 7401(b)(3). The Act's terms such as "encourage," "assist," and "promote" envision a collaborative arrangement.[1] As one court summarized,

[1] The Clean Water Act is based on a collaborative framework that is substantially similar to the cooperative arrangement underlying the Clear Air Act. *See, e.g.*, 33 U.S.C. § 1251(b) (providing that the policy of the Clear Water Act is to preserve the "primary responsibilities of States to prevent, reduce, and eliminate" water pollution).

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"[t]he great flexibility accorded the states under the Clean Air Act is ... illustrated by the sharply contrasting, narrow role to be played by EPA." *Fla. Power & Light Co. v. Costle*, 650 F.2d 579, 587 (5th Cir. 1981).

The methods we have seen from the Agency as of late, however, are in direct conflict with the cooperative arrangement the Act establishes. The Agency has replaced "encourage" and "promote" with "command" and "commandeer." Take one recent example. Texas formulated a state implementation plan for Regional Haze. That plan imposed reasonable regulations on such things as power generators in the State to ensure air quality was sufficiently high to allow good visibility. The Agency rejected the State's plan, imposed a federal plan costing $2 billion without achieving any visibility changes, and tried to insulate itself by requiring Texas to challenge the rejection of its plan in the D.C. Circuit.

Unsurprisingly, the Fifth Circuit rejected the Agency's attempt to transfer venue and stayed the federal plan.[2] At that point, the Agency had the opportunity to return to using its authority under the Act—rather than acting on its own. Instead, the Agency imposed a renewed regional haze rule almost as bad as the first.[3] These actions show that the Agency ignored the efforts of the State, perhaps blinded by the belief that good results can only result from top down management by the federal government. Or worse, the prior Administration's agenda and policy goals drove the Agency's decision rather than the requirements of the statute.

The federal government must respect the clear terms of cooperative federal-state enactments. For example, federal agencies may not add conditions on the receipt of federal funds unless the terms are clearly stated in the controlling statute. *Arlington Cent. Sch. Dist. Bd. of Educ. v. Murphy*, 548 U.S. 291, 296 (2006). And federal agencies may not stray outside the boundaries of their statutory authority by relying on policy documents and other non-statutory materials. *See, e.g., Luminant Generation Co., LLC v. EPA*, 675 F.3d 917, 931 (5th Cir. 2012).

Similarly, the federal government may interpose itself between a State and its municipal subdivisions only if Congress provides a clear directive to do so. *Tennessee v. FEC*, 832 F.3d 597, 610 (6th Cir. 2016). From our perspective, the recent overreach by the Agency amounts to a striking departure from the Clean Air and Clean Water Acts. Respectfully, we ask that you consider the steps that the Agency may take to restore the principles of cooperative federalism embodied in these important statutes.

Sincerely yours,

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[2] *Texas v. United States Envtl. Prot. Agency*, 829 F.3d 405 (5th Cir. 2016).

[3] 82 Fed. Reg. 3,078 (Jan. 10, 2017)

ED_001863D_00000142-00002

Ken Paxton
Attorney General of Texas

Stephen T. Marshall
Attorney General of Alabama

Mark Brnovich
Attorney General of Arizona

Leslie Rutledge
Attorney General of Arkansas

Christopher Carr
Attorney General of Georgia

Curtis T. Hill, Jr.
Attorney General of Indiana

Derek S. Schmidt
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Attorney General of Nevada

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Wayne Stenehjem
Attorney General of North Dakota

Mike Hunter
Attorney General of Oklahoma

Alan Wilson
Attorney General of South Carolina

Patrick Morrisey
Attorney General of West Virginia

Peter Michael
Attorney General of Wyoming

cc: Hon. Jeff Sessions, United States Attorney General

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KEN PAXTON
ATTORNEY GENERAL OF TEXAS

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Hon. Scott Pruitt, Administrator
U.S. Environmental Protection Agency
Office of the Administrator, 1101A
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

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To: Bennett, Tate[Bennett.Tate@epa.gov]
From: E&E News
Sent: Thur 1/18/2018 12:23:26 PM
Subject: January 18 -- Energywire is ready

Read today's Energywire on the web

AN E&E NEWS PUBLICATION

ENERGYWIRE — Thu., January 18, 2018

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ABOUT ENERGYWIRE – The Transformation of the Energy Sector

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To: Bennett, Tate[Bennett.Tate@epa.gov]
From: POLITICO Pro Energy
Sent: Tue 4/10/2018 9:48:35 AM
Subject: Morning Energy, presented by the American Petroleum Institute: Parsing Pruitt's 'war on lead' — Jackson takes responsibility on raises — Mission impossible? Replacing Pruitt

By Kelsey Tamborrino | 04/10/2018 05:45 AM EDT

With help from Eric Wolff, Annie Snider, Alex Guillén, Anthony Adragna and Ben Lefebvre

PARSING PRUITT'S 'WAR ON LEAD': Amid the wave of recent scandals, EPA Administrator Scott Pruitt and his supporters have touted regulatory rollbacks and a focus on drinking water policy as big victories for the Trump administration. "Record clean Air & Water while saving USA Billions of Dollars," President Donald Trump tweeted over the weekend, in support of the embattled administrator. But details on Pruitt's water plans remain sparse, Pro's Annie Snider reports, leaving critics to wonder how much he can achieve while also seeking to shrink the agency.

It is unclear exactly what air and water "record" Trump was referring to in his tweet, but it is likely too early to make such definitive claims, Annie reports. Only limited data on drinking water quality under the Trump administration is available, and air pollution has been declining for more than a decade. But before Pruitt was engulfed by negative headlines, the EPA chief touted his ambitious goals to update aging infrastructure and eradicate dangerous chemicals from drinking water. He's since leaned into such plans in interviews with conservative media outlets when defending himself against accusations of ethical missteps.

Pruitt brought together high-level officials from across the government earlier this year to launch his "war on lead," and in May is set to convene a nationwide summit of drinking water officials to address chemical contamination. Local drinking water agencies are glad to see Pruitt pay attention, Annie reports, but many still wonder how much he'll be able to get done, with a White House that has indicated Pruitt should be able to accomplish his goals without any new money. Read more.

IT'S TUESDAY! I'm your host Kelsey Tamborrino. QEP Resources' Shane Schulz was first to identify Gilbert Stuart's portrait of George Washington as the one saved by former first lady Dolley Madison during the War of 1812. For today: What are the five countries in Europe that don't have an airport? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

CAUGHT BETWEEN AN EMAIL AND AN INTERVIEW: EPA chief of staff Ryan Jackson says he takes responsibility for the controversial raises given to two of Pruitt's top aides, Pro's Emily Holden reports. The Atlantic reported Monday on the existence of an internal EPA email between Sarah Greenwalt, senior counsel to the administrator who previously worked with Pruitt in Oklahoma, and EPA HR. The email confirms Pruitt knew of and approved Greenwalt's raise, which the Atlantic reports is roiling agency staff and contradicts Pruitt's comment to a Fox News interviewer when he said "I didn't know they got the pay raises until yesterday."

In a response to the report, Jackson distanced Pruitt from the salary decision. "Administrator Pruitt had zero knowledge of the amount of the raises, nor the process by which they transpired. These kind of personnel actions are handled by EPA's HR officials, Presidential Personnel Office and me," Jackson said in a prepared statement Monday. Read more.

EPA ETHICS OFFICIAL REFERS TO IG: Kevin Minoli, EPA's top ethics official, has sent ethics concerns regarding Pruitt to the Office of Inspector General for further investigation, according to a letter sent Monday and obtained by Buzzfeed. Minoli, a longtime EPA attorney, was responding to the Office of Government Affairs' acting director, David Apol, who on Friday urged him to further review issues like Pruitt's housing, spending and the raises granted to aides. In his response, Minoli writes that he lacks independent investigative authority. "Consequently, in an instance in which the EPA ethics office lacks sufficient evidence to assess fully an ethics matter, we have a long-standing practice of referring it to the" IG, he wrote.

SWAMP THINGS: Senate Minority Leader Chuck Schumer joined his House counterpart Nancy Pelosi in calling for Pruitt's exit on Monday. "President Trump says he's going to drain the swamp. Pruitt characterizes the swamp in just about all of his actions, and Trump sticks by him," Schumer said from the Senate floor. "If you want to drain the swamp, Mr. President, get rid of Mr. Pruitt." The Environmental Working Group calculated there are now 91 bipartisan members of Congress calling for Pruitt's removal. More here from your ME host.

LUKEWARMLY STAND BY YOUR MAN: A bunch of GOP senators told ME Monday that legitimate questions had been raised about Pruitt's conduct, but none of them would go so far as to call for his resignation. "I know there a lot of questions that are being asked that sound like they need to be responded to," Senate Energy Chairman Lisa Murkowski told ME. "The questions that have come up are legitimate questions to have, so we'll have to wait and see what his answers are to those," Sen. John Boozman said.

But members of Senate leadership largely dodged. Sen. John Cornyn, the chamber's Majority Whip, wouldn't directly weigh in on the scandals: "It's the president's decision not ours." And Sen. John Barrasso, chairman of the EPW Committee, said Pruitt would probably come before his panel again this year, but declined anything more specific. Others defended the embattled EPA chief completely, with Sen. Roger Wicker arguing Pruitt's "vilified because he's doing his job and the left is doing everything they can to make him not succeed."

Sen. Joe Manchin, one of the few Senate Democrats who backed Pruitt's confirmation, said he didn't regret his vote, but added that the administrator should answer questions about his conduct. "He has to be held accountable," Manchin told reporters. Asked if he was surprised Pruitt still had a job, Sen. Brian Schatz told ME: "I'll just say that other secretaries in the same administration have left for less."

MISSION IMPOSSIBLE: With a shrunken Republican majority in the Senate, lawmakers would struggle to confirm any new EPA administrator, POLITICO's Burgess Everett and Anthony Adragna report — let alone someone as aggressive about undoing former President Barack Obama's environmental rules and regulations. "Anything is going to be hard right now at

50-49 to confirm, especially if it's a high profile position," said Sen. John Thune of South Dakota, the No. 3 GOP leader. Read the full story here.

MORE SUPPORT FOR WHEELER: Republican Sen. Susan Collins, who opposed Pruitt's selection to run EPA, said she intends to back his selection for deputy administrator, Andrew Wheeler. "Unless there is some new adverse information, based on my review of his record I do intend to support him," she told ME. That further clears the path for Wheeler, who has secured the support of at least two moderate Democrats as well.

MOST ENDANGERED: Rivers threatened by oil, gas, agriculture and mining development dominate this year's list of Most Endangered Rivers, the annual rundown by green group American Rivers. Mississippi's Big Sunflower River list is ranked in the top slot, thanks of efforts by the state's congressional delegation to revive a vetoed Army Corps of Engineers flood control project that would have drained tens of thousands of acres of wetlands in the watershed. A rider supporting the project failed to make it into the fiscal 2018 spending bill last month — the last one managed by Mississippi Sen. Thad Cochran before he retired. Read the report here.

** **A message from the American Petroleum Institute:** Safe energy exploration and development in the Outer Continental Shelf could bring significant jobs, investments, and state revenue for public education and infrastructure to coastal states and across the nation, as well as strengthen our national security. Recently released studies highlight the potential economic benefits here: http://bit.ly/2FPgybN **

THE RFS MEETING THAT DIDN'T ROAR: The participants at a White House meeting Monday on the Renewable Fuel Standard know what happened, but hardly anyone else does. One ethanol source told ME that Trump had punted the issue to Congress, but a Growth Energy spokeswoman said, "Our understanding is that they will continue to explore options." Reuters Jarrett Renshaw tweeted that Trump had decided to allow another three months for discussions. Growth, an ethanol trade association, put out a statement saying, "We are encouraged that the White House continues to rebuff Senator [Ted] Cruz's efforts to place a cap on RINs, which would destabilize the RFS and devastate struggling farm communities."

So what now? If Trump has indeed decided not to decide — at least for a while — then all eyes turn to Sen. John Cornyn and Rep. John Shimkus who have been working on a draft legislation that would overhaul the RFS. The Senate has a world of work to do, from approving nominees to run the State Department and the CIA to funding the government in September, so it's not clear how anything could get to the floor before — at the earliest — a lame-duck session after the November election.

CONFIRMED: James Edward Campos was confirmed by voice vote Monday to be director of the Office of Minority Economic Impact at the Energy Department. The Senate also confirmed Theodore Garrish Monday by voice vote to be assistant secretary of Energy for international affairs, and James Reilly to be director of the United States Geological Survey. Read more.

TWEET FOR TAT: Interior press shop's relationship with New Mexico conservationists seems to be ... not great. Nonprofit Trust For Public Land took to the social platform Monday afternoon

to thank BLM and New Mexico lawmakers — Rep. Ben Ray Luján and Sens. Tom Udall and Martin Heinrich — for helping to add 600 acres to the Rio Grande del Norte National Monument. DOI followed up hours later: "Too bad they pulled their quote from a joint press release at the last minute. Guess they aren't all that interested in collaborative conservation. SAD," the official DOI press secretary Twitter account posted. "We're extremely proud of our collaboration with both Democrats and Republicans to ensure everyone has access to public lands," TFPL spokesman Keith Maley said, declining to comment further "on a press release we didn't issue."

A GREENER APPLE: Apple Inc. on Monday said all of its global facilities, which include data centers, Apple stores, and offices, are running on 100 percent renewable electricity. "We're going to keep pushing the boundaries of what is possible with the materials in our products, the way we recycle them, our facilities and our work with suppliers to establish new creative and forward looking sources of renewable energy because we know the future depends on it," CEO Tim Cook said in a statement.

ICYMI: **'CALL YOUR SENATORS':** An ME reader flagged a 30-second ad touting Interior Secretary Ryan Zinke that aired in D.C. last month. The ad prompts viewers to "call your senator" to demand they back Zinke and funding to repair national park infrastructure. But ME is a little skeptical that the TV spot is really about a specific policy, given that a) sources told us the ad only aired in D.C., which doesn't have any local senators to call, b) the footage reserves its longest shot for a smiling Zinke, and c) it aired around the same time a polling firm recently asked people in Iowa what they thought about the former Montana congressman and Navy SEAL. ME's source said American Economic Freedom Alliance paid for the spot. Little is known about the group, but it may have relationships with Vice President Mike Pence, according to the Indianapolis Star.

GREENS NOT FANS OF SCOTT'S SENATE RUN: Florida Gov. Rick Scott announced Monday he's running for Sen. Bill Nelson 's seat — drawing the immediate condemnation of environmentalists who say the two-term governor has refused to acknowledge climate change, among other issues, Pro Florida's Bruce Ritchie reports. They instead accused Scott of "greenwashing" his record in the state. "I think he will try to put everything he can out there to say he is an environmental champion," Frank Jackalone, the Sierra Club's Florida chapter director, told Bruce. "But we look at the bigger record and he is not [an environmental champion]." Read the story.

GREENS: **REJECT POMPEO:** More than 200 environmental groups called on senators today to reject Mike Pompeo's nomination for secretary of State. The letter, organized by the Food & Water Watch, cites Pompeo's history of statements doubting the science behind climate change. Read the letter here.

HARD BLOCK CAFE: Democratic Sens. Jeff Merkley, Ed Markey, Ben Cardin and Michael Bennet will hold a press conference today alongside clean air advocates to discuss EPA's recent announcement that it intends to rollback Obama-era fuel economy standards. Janet McCabe, former acting assistant administrator of EPA's Office of Air and Radiation, will also join the event.

TRUE CRIME: The Atlantic Council's Global Energy Center released a new report today on illicit maritime activity related to the use of hydrocarbons. The report focuses on crimes including the small-scale smuggling of subsidized fuel and the hijacking of oil tankers. Read it here.

QUICK HITS

— The SEC is blunting investor activism over climate, K-Cups and gay rights, The Washington Post.

— State attorney general releases Tar Creek audits, Tulsa World.

— "Kinder Morgan blinked": Cross-Canada pipeline on hold because of opposition, The Seattle Times.

— Biggest U.S. electric grid has plan to keep power plants afloat, Bloomberg.

— Ohio power company has few allies in bailout bid, The Wall Street Journal.

HAPPENING TODAY

8:30 a.m. — The Farm Foundation and the Agriculture Department's Economic Research Service workshop on "The Economic Returns to Rural Infrastructure Investment," 529 14th St. NW

9:00 a.m. — The Atlantic Council forum on "Oil on the Water: Illicit Hydrocarbons Activity in the Maritime Domain," 1030 15th St. NW

9:30 a.m. — The Woodrow Wilson Center discussion on "Sustainable Water, Resilient Communities: Solutions for Dirty Water," 1300 Pennsylvania Avenue NW

10:00 a.m. — Securing America's Future Energy forum on fuel economy review, autonomy and energy security, 1401 Pennsylvania Ave NW

10:00 a.m. — Murkowski speaks at the National Rural Electric Cooperative Association's legislative conference, 400 New Jersey Avenue NW

10:00 a.m. — Senate Environment and Public Works Committee hearing on "Cooperative Federalism Under the Clean Air Act: State Perspectives," 406 Dirksen

12:00 p.m. — The Sultan Qaboos Cultural Center discussion on "Shrinking Snow Caps and Rising Tides: Implications for Oman's Coastal Resources," 1100 16th Street NW

12:30 p.m. — eurelectric press briefing on the European power sector, 2800 Pennsylvania Ave NW

12:30 p.m. — The Georgetown University energy and climate policy research seminar on "Measuring Resilience to Natural Disasters," 3600 N St. NW

THAT'S ALL FOR ME!

** **A message from the American Petroleum Institute:** The oil and natural gas industry supports over 10 million jobs and almost 8 percent of the U.S. GDP. We support common-sense energy policies that promote safe energy development that will advance America's energy and economic future, while strengthening our national security. Recent studies find that opening up the Outer Continental Shelf (OCS) for U.S. energy exploration and development could bring significant jobs, investments, and state revenue for public education and infrastructure to coastal states and across the nation. Natural gas and oil non-station jobs pay an average salary of $101,000 with many not requiring college degrees. The Atlantic OCS alone could support 265,000 new jobs, an additional $20 billion per year in new private investment, and contribute $22 billion per year to the U.S. economy. Studies on the Eastern Gulf of Mexico, Pacific, and Alaska found similar benefits to opening up the OCS for offshore development. Read the highlights of the economic impact studies: http://bit.ly/2FPgybN **

To view online:
https://www.politicopro.com/newsletters/morning-energy/2018/04/parsing-pruitts-war-on-lead-163864

Stories from POLITICO Pro

Pruitt gets Trump's tweet of approval: 'Scott is doing a great job!' Back

By Brent D. Griffiths | 04/07/2018 08:37 PM EDT

President Donald Trump defended embattled Environmental Protection Agency Administrator Scott Pruitt on Saturday evening, tweeting that his Cabinet official is doing a "great job."

"While Security spending was somewhat more than his predecessor, Scott Pruitt has received death threats because of his bold actions at EPA," the president wrote on Twitter. "Record clean Air & Water while saving USA Billions of Dollars. Rent was about market rate, travel expenses OK. Scott is doing a great job!"

For months, Pruitt has been the subject of unflattering headlines about his lavish spending on travel and security, and in recent days, it was revealed that the EPA head was renting a condo from a lobbyist couple. He is facing multiple EPA inspector general investigations.

POLITICO reported Friday that morale at the agency has suffered as the various scandals and the leaks that feed them echo around the building.

Trump's tweet underlines the defense many of Pruitt's allies have made in recent days, which is that the former Oklahoma attorney general is making progress in implementing the president's agenda at the agency through proposed rollbacks of Obama-era rules and the exit from the Paris

climate accord.

To view online click here.

Back

Amid turmoil, Pruitt takes aim at drinking water problems Back

By Annie Snider | 04/10/2018 05:01 AM EDT

As EPA Administrator Scott Pruitt has fought to keep his job amid a mounting ethics scandal, he has pointed not just to his regulatory rollbacks as proof of his success, but also to his focus on drinking water safety.

Details are sparse, and critics wonder how much Pruitt can achieve in light of his parallel goal of shrinking the agency. But well before he was engulfed by negative headlines last week, Pruitt had outlined ambitious goals to update aging infrastructure and get dangerous chemicals out of drinking water — the kinds of things he says received too little attention from the Obama administration.

Pruitt leaned heavily on those plans in interviews with conservative media outlets in the past few days, as he defended himself from accusations that he had misused taxpayer dollars on first class travel and pricey office decor, and got a cut-rate deal on an apartment from a lobbyist friend.

"Lead in our drinking water: It's a concern, a tremendous concern on the health risk to our children, the mental acuity levels of our children," he said in an interview with the Washington Times last week. "You would think that would be a major priority, right? It hasn't been."

Pruitt brought together high-level officials from across the government last month to launch his "war on lead," and in May he will convene a nationwide summit of drinking water officials to address growing concern over contamination by chemicals used in Teflon and flame retardants.

Local drinking water agencies say they are glad to see Pruitt paying attention to some of their biggest challenges, but critics wonder how much he will actually get done, especially as the White House tries to slash his agency's budget.

"I'm cautiously optimistic at this point," said Alan Roberson, executive director of the Association of State Drinking Water Administrators. "Two of our big issues have been targeted by the administrator as being important issues. What the outcome is and what the actions are is still to be determined."

So far, the White House has indicated that Pruitt should be able to accomplish his goals without any new money. In fact, EPA's 2019 budget proposal would eliminate funding for its lead risk reduction program and grants to the states for dealing with the neurotoxin, while slashing research on water safety by more than a third. While Congress has shown little interest in

following through with such deep spending cuts, critics say the administration's budget requests undermine Pruitt's pitch.

"Although publicly there's a lot of talk about moving forward with improvements, basically the foundation upon which you would build stronger protections for drinking water — which are the research that's needed and the program staff that are needed — they're really being undermined," said Erik Olson, director of the Natural Resources Defense Council's health program.

President Donald Trump is standing by Pruitt, indicating that his future in the administration is likely safe for now. "Record clean Air & Water while saving USA Billions of Dollars.... Scott is doing a great job!" Trump wrote in a tweet over the weekend.

It is unclear exactly what air and water "record" Trump was referring to, but it is likely too early to make such definitive claims. Only limited data on drinking water quality under the Trump administration is available, and air pollution has been declining for more than a decade. The White House did not respond to a request for comment Monday.

While Pruitt might find positive headlines in summits to discuss drinking water problems, the steps that could actually solve them offer few political wins.

Pruitt's most ambitious effort to date will come when he brings together officials from 56 states and territories for a summit to address growing drinking water contamination around the country by toxic chemicals known as Per- and Polyfluoroalkyl Substances, or PFAS. In a statement on the summit, Pruitt said EPA would provide "critical national leadership, while ensuring that our state, tribal, and local partners have the opportunity to help shape our path forward." But EPA has provided few additional details about the event, scheduled for late May.

Local outcries over PFAS began five years ago in hotspots like Hoosick Falls, N.Y., whose water was contaminated by the plastics industry, and are now spreading as the scope of the contamination has come to light.

The two most well-known substances, PFOA and PFOS, were used for years in Teflon, Gore-Tex, flame retardants and other water resistant products. They are linked with cancer, liver problems and low birth weight. Scientists say virtually everyone has at least trace amounts of the chemicals in their blood, and monitoring results show they are in the drinking water supplies of at least 15 million Americans, but many drinking water managers say they feel ill prepared to explain the risks to residents or offer solutions.

EPA in 2016 issued voluntary drinking water health advisories that drastically lowered the level at which it said the chemicals could pose a threat, but the agency has not issued any mandatory limits on their presence in drinking water. In fact, EPA has not regulated any new drinking water contaminant in more than 20 years, a testament to how difficult it is to impose costly new requirements on drinking water utilities.

In the absence of federal action, a number of states are moving ahead with their own drinking water limits for PFOA and PFOS, although public health advocates say that is no substitution for

EPA regulation. They argue the whole point of the Safe Drinking Water Act was to prevent a patchwork of regulations.

Moreover, some states are powerless to do anything unless EPA does, said Sambhav Sankar, executive director of the Environmental Council of States.

"In those states, where state legislatures have done things like say you can't pass any regulations tighter than EPA's, those states are kind of hamstrung until EPA does something," he said.

ECOS and the Association of State Drinking Water Administrators have both asked EPA for help with PFAS, although they haven't decided whether they want the agency to write regulations, or just offer more research and guidance. But the National Rural Water Association is decidedly opposed to a mandatory limit, arguing that utilities are already committed to doing their best to eliminate the contaminant and shouldn't face potential penalties if they fall short.

PFOA and PFOS are no longer manufactured in the U.S., but the chemical industry has resisted calls to regulate other PFAS that have been used to replace them, which are also cropping up in drinking water supplies and health experts warn might not be any safer. For instance, in North Carolina the DuPont spinoff Chemours Company dumped the PFAS GenX in the Cape Fear River near Fayetteville for years and has pushed back against efforts to curtail its disposal into the community's primary drinking water source.

The FluoroCouncil, which is composed of companies making PFAS, including Chemours, said in a statement that it is "fully supportive of EPA's efforts to evaluate these chemicals," but cautioned that "these newer chemistries have been thoroughly reviewed by regulators who have relied on a robust body of scientific data showing these chemistries can be used safely."

Pruitt has close ties to the chemicals industry, particularly the American Chemistry Council, which runs the FluoroCouncil. The acting head of Pruitt's chemical safety office, Nancy Beck, was previously a top scientist for ACC. President Donald Trump's nominee to head EPA's chemical safety office, Michael Dourson, a former chemical industry consultant, withdrew from consideration last year after North Carolina's two Republican senators refused their support, pointing to drinking water contamination in their state.

With his "war on lead," Pruitt is taking on an even higher profile crisis, after criticizing the Obama administration's response to the contamination of drinking water in Flint, Mich., in 2015 and 2016, when nearly 100,000 residents were exposed to dangerously high levels of lead.

Pruitt last month invited more than a dozen Cabinet secretaries and top-level officials to a meeting at EPA headquarters to develop a federal plan to reduce children's exposure to lead. Attendees included HUD Secretary Ben Carson, Labor Secretary Alexander Acosta and representatives from several other agencies.

Pruitt has said he wants to "eradicate" lead — which can inhibit children's brain development at any level of exposure — but there are no easy options available to him.

EPA has left open the option of requiring all lead piping to be removed as part of its plan to update the Lead and Copper Rule. But work on that update has been underway for more than a decade already, and the schedule to complete the work keeps slipping. A new rule is not expected until at least 2020, and regulators will have to sort through a host of additional issues by then on top of the question of whether to replace lead pipes.

The American Water Works Association estimates it would cost $30 billion to remove and replace all lead piping across the country. That's on top of the roughly $1 trillion needed more broadly to replace aging and failing water infrastructure.

Not only is the federal government unlikely to come up with that kind of cash anytime soon — the Trump administration's infrastructure proposal looked to private and local financing, not federal grants for improving drinking water infrastructure — but even if it did, it could probably only fund replacement of the public pipes, not the lead service lines and plumbing that are owned by homeowners. Furthermore, this type of partial replacement can actually make lead contamination worse in the near term, public health experts say, since the act of replacing water mains can shake up the remaining lead pipes, depositing the contaminant in drinking water.

Michael Keegan of the National Rural Water Association, which has pushed back on a mandate for full replacement, said that lead isn't a widespread danger since most utilities are using corrosion control, and that scarce dollars for upgrades could be better invested in other projects.

"The reason not to mandate full lead pipe service line removal is because people don't want it," he said. "If there's not a problem with lead in their water and they don't feel that the expense of removing the lead service lines is going to have a commensurate public health improvement, they should be allowed to decide that."

Critics are skeptical that Pruitt will take on the thorny issues involved in persistent drinking water problems and argue that Pruitt's much-touted meetings are more about headlines than about action. They say that the chemicals industry has a long history of running out the clock on drinking water regulation.

"Communities across the country are suffering now because of drinking water contamination," New Jersey Rep. Frank Pallone, the top Democrat on the House Energy and Commerce Committee and a congressional leader on drinking water issues, said in a statement. If Pruitt is serious about protecting drinking water, Pallone said, he should update the Lead and Copper Rule and move forward with regulations for PFAS and other emerging contaminants.

"Instead of taking meaningful steps to address drinking water contamination all we have seen from him are delays and distractions," Pallone said.

To view online click here.

Back

EPA chief of staff takes responsibility for controversial raises given to Pruitt aides Back

By Emily Holden | 04/09/2018 06:22 PM EDT

EPA chief of staff Ryan Jackson is taking responsibility for controversial raises given to two of Administrator Scott Pruitt's top aides.

Pruitt has been under fire over a report in The Atlantic last week that he used special hiring authority to give hefty pay increases to two political appointees who joined EPA after working for him in Oklahoma. On Monday, the Atlantic cited two administration officials who said one of the employees had sent an email indicating that Pruitt had signed off on her new salary level.

In a response to the latest report, Jackson distanced Pruitt from the salary decision.

"Administrator Pruitt had zero knowledge of the amount of the raises, nor the process by which they transpired. These kind of personnel actions are handled by EPA's HR officials, Presidential Personnel Office and me," Jackson said in a prepared statement Monday.

He said the staffers were to be paid "similar to their peers given their responsibilities over the past year," and that their original salaries started lower than their colleagues' because they had moved to Washington, D.C., from Oklahoma, where salaries are lower.

He added that the raises had been reversed, as Pruitt instructed, and any future changes would go through the White House for evaluation.

Democratic senators are asking an internal watchdog to investigate. The Atlantic reported that Pruitt himself went around the White House to ask for pay increases for two staffers who followed him from his attorney general post in Oklahoma — senior counsel Sarah Greenwalt and scheduling director Millan Hupp. The raises, of $56,765 and $28,130, respectively, were made with authority allowed under the Safe Drinking Water Act, which lets the administrator appoint up to 30 staffers without White House approval.

In an interview with Fox News last week, Pruitt claimed he had no knowledge of the raises and "the officials that were involved in that process should not have done what they did."

The Atlantic also reported that one EPA official heard top political appointees — including Jackson, Greenwalt and Hupp — joking Friday that Pruitt was "bulletproof" and, like Trump, "could stand in the middle of Fifth Avenue and shoot someone" and "get away with it."

Jackson said he didn't recall speaking with those staffers on Friday and said he wouldn't stand by in a conversation where people made that kind of joke.

"It's just flat-out false," he said.

Alex Guillén contributed to this report.

To view online click here.

Back

Federal ethics officer presses EPA on 'extremely concerning' allegations against Pruitt Back

By Alex Guillén | 04/09/2018 11:46 AM EDT

The federal Office of Government Ethics on Friday urged EPA's top ethics official to carefully scrutinize the actions of Administrator Scott Pruitt in the face of reports about retaliation against staff members and other ethics questions.

"The success of our Government depends on maintaining the trust of the people we serve," wrote David Apol, the acting head of OGE, in a letter to Kevin Minoli, a career attorney and EPA's top ethics official. OGE released the letter Monday.

Apol specifically flagged Pruitt's $50-a-night rental agreement, travel and security expenses, raises for close aides and the alleged use of an employee's time to look for housing. Apol also noted "extremely concerning reports" in the New York Times that Pruitt demoted staff who questioned him. "If true, it is hard to imagine any action that could more effectively undermine an agency's integrity than punishing or marginalizing employees who strive to ensure compliance with the laws and regulations that safeguard that integrity," Apol wrote.

Minoli last week said he did not have all facts when he initially reviewed Pruitt's rental agreement of ethics violations. In a follow-up memo, Minoli said he had not reviewed Pruitt's actual use of the space, or whether that use raised any ethics questions.

Emily Holden contributed to this report.

To view online click here.

Back

Pelosi calls on Pruitt to resign Back

By POLITICO Staff | 04/06/2018 01:20 PM EDT

House Minority Leader Nancy Pelosi today called on EPA chief Scott Pruitt to resign, saying he has "displayed a staggering ethical blindness."

"EPA Administrator Scott Pruitt's tenure has been a part of the Trump Administration's culture of corruption, cronyism and incompetence. Pruitt must resign," Pelosi said in a statement. "Pruitt has displayed a staggering ethical blindness, and his abuses of office are representative of an

Administration that uses their powerful positions to enrich themselves and their friends."

Pruitt has been the subject of a series of damaging articles in recent days alleging that he rented a $50-a-night condo room from a pair of lobbyists, that he reportedly sidelined aides who questioned his expensive travel and security costs, and that he allegedly asked for sirens and lights to speed up his trips around Washington, including to a trendy French restaurant.

He is also being investigated by the EPA's inspector general for other purported ethical lapses involving his travel and security expenses.

Even though White House officials have been irritated by the scandals, President Donald Trump has continued to publicly voice support for the EPA chief.

To view online click here.

Back

Schumer calls on Trump to fire Pruitt Back

By Kelsey Tamborrino | 04/09/2018 04:15 PM EDT

Senate Minority Leader Chuck Schumer called on President Donald Trump today to fire EPA Administrator Scott Pruitt, citing the recent ethical inquiries and questions about the administrator's spending habits.

"President Trump says he's going to drain the swamp. Pruitt characterizes the swamp in just about all of his actions, and Trump sticks by him," Schumer said from the Senate floor. "If you want to drain the swamp, Mr. President, get rid of Mr. Pruitt."

Pruitt has been the subject of a series of scandals surrounding his use of a $50-a-night lobbyist-connected condo, as well as his expensive travel and security costs.

Trump has stood by Pruitt "despite obvious abuses of taxpayer's money and trust," Schumer said. "Why? Well, he likes what he is doing to unwind critical environmental protections on behalf of powerful industries."

In his support of Pruitt, Schumer said Trump is "lowering the bar" on government ethics and accountability.

"What abuse of the American people's trust will President Trump not tolerate if Administrator Pruitt is allowed to continue in his position despite flagrant graft?" Schumer said.

Schumer was discussing the nomination of Andrew Wheeler to be deputy administrator at EPA, which he said he would oppose.

WHAT'S NEXT: Wheeler is expected to get a cloture vote this week.

To view online click here.

Back

Mission impossible: Replacing Scott Pruitt Back

By Burgess Everett and Anthony Adragna | 04/09/2018 07:05 PM EDT

There's one big reason Senate Republicans are standing staunchly with Scott Pruitt: Confirming a replacement might be impossible.

Even as the embattled EPA administrator faced another day of difficult headlines on Monday, there is no push from the Senate GOP to shove Pruitt out. Instead, Republicans are gently rapping him for his ethical transgressions and praising his deregulatory regime.

There's no question that GOP senators are growing tired of defending Pruitt. But turning on him would likely backfire, as the shrunken Republican majority would struggle to confirm any EPA administrator, let alone another one as conservative and driven to overturn former President Barack Obama's environmental rules and regulations.

"I don't think that would be easy, let me put it that way," said Sen. Orrin Hatch (R-Utah).

"I assume it'd be very difficult," said Sen. Jerry Moran (R-Kan.).

Pruitt barely got through the confirmation process last time — opposed by Sen. Susan Collins (R-Maine) but lifted to a majority through the support of a pair of red state Democrats. Since then, Republicans have lost a Senate seat in Alabama and Sen. John McCain (R-Ariz.) is recovering from cancer treatment, giving the GOP effectively a 50-49 majority that makes any controversial confirmation a risky bet.

"Anything is going to be hard right now at 50-49 to confirm, especially if it's a high profile position," said Sen. John Thune of South Dakota, the No. 3 GOP leader.

And now the midterms are in sight. Republicans are particularly eager to avoid putting the vulnerable Sen. Dean Heller (R-Nev.) in the position of being the deciding vote on a new EPA chief in the mold of Pruitt. Heller has faced a backlash in increasingly-blue Nevada for confirming some of President Donald Trump's nominees, and a vote on a conservative EPA administrator would offer Democrats another opportunity for outrage.

Apart from the political concerns, there are also practical ones. Senate Republicans are already facing an unwelcome trio of Cabinet confirmations that are all dicey on their own: Mike Pompeo to be secretary of state, Gina Haspel to lead the CIA and Ronny Jackson to helm the Veterans Affairs department.

There are also dozens of lower-level nominees that Senate Majority Leader Mitch McConnell (R-Ky.) is hoping to confirm over the course of the year. Adding a fourth Cabinet confirmation would sap time from the Senate calendar and Republicans of their political capital in a tough election year.

"Our most precious quantity is time. We're pretty well booked. We don't need any extra confirmations," said Sen. Roger Wicker (R-Miss.), a McConnell ally.

Trump has mounted a strong defense of Pruitt, saying over the weekend he's doing a "great job." The president's allies in Congress said that they believe Pruitt is safe, for now.

"There's no vacancy yet," said Senate Majority Whip John Cornyn (R-Texas). "The president has gone out of the way to say he has confidence in him. So I just have to assume he's sticking around."

Of course, ousted Cabinet secretaries from Tom Price to David Shulkin to Rex Tillerson know that the president's support can turn on a dime. And Pruitt's big problem is that the bad headlines keep coming. On Monday, the Atlantic reported on emails that showed Pruitt personally ordered a raise for an aide over the White House's objections.

Moreover, he's faced ethical and management criticisms from the early days of his tenure. Pruitt's been hit for his frequent first-class flights, use of an unprecedented 24/7 security detail, spending $43,000 on a private phone booth and a $50-per-night lease on a Washington condo owned by a lobbyist couple, among other issues.

Those events prompted a federal ethics watchdog Monday to demand the agency's top ethics official closely examine Pruitt's behavior — and a mild rebuke from some Republicans.

"I don't appreciate the way he seems to have abused taxpayer dollars," said Sen. Joni Ernst (R-Iowa).

But supporters say Pruitt had made honest mistakes and deserves a second chance.

"He's had a few troubles. It's hard for anybody who's a mover and shaker not to have some troubles," Hatch said.

Pruitt has used his time atop EPA to launch a sweeping deregulatory push, beginning the process of wiping away Obama-era regulations on everything from power plant emissions to fuel efficiency standards to chemical safety rules for industrial facilities. He's pushed to trim his agency's budget by a third and overseen the reduction in staff to Reagan-era levels.

And he's questioned the scientific consensus that human activity drives climate change, urging a scientific debate on the work underpinning that conclusion.

"I feel that my reservations about Scott Pruitt have proven to be validated over and over. And the

policies that he has pursued are antithetical to the agency," said Collins, the lone GOP senator to oppose Pruitt. Still, she would not say he should go: "It's really up to the president."

Sen. John Barrasso (R-Wyo.), who chairs the Environment and Public Works Committee, said he would refrain from judging Pruitt until the White House completes its probe into his activities.

"In terms of what he's been doing, in terms of rolling back regulations and doing the key administration issues, I'm supportive of his activities," Barrasso said. "We have a lot of other people that need to be confirmed. This is not the time to add another opening on top of that."

To view online click here.

Back

Senate confirms USGS chief, two DOE nominations Back

By Anthony Adragna | 04/09/2018 07:39 PM EDT

The Senate today confirmed a new director of the United States Geological Survey and two Energy Department nominees by voice vote.

That means James Reilly, a former astronaut, will become the next director of USGS.

The chamber also confirmed Theodore Garrish to be an assistant Energy secretary for international affairs and James Edward Campos to be director of the Office of Minority Economic Impact.

To view online click here.

Back

'He has unlimited money': Scott upends battle for the Senate Back

By Kevin Robillard, Marc Caputo and Burgess Everett | 04/09/2018 05:56 PM EDT

Florida Gov. Rick Scott's long-awaited clash with Democratic Sen. Bill Nelson has the makings of the most expensive Senate race ever — and that spells trouble for Democrats everywhere else.

Strategists in both parties think this race could cost up to $200 million, dwarfing the record $180 million they spent fighting over Pennsylvania in 2016, according to the Center for Responsive Politics. Scott, a multimillionaire, hasn't ruled out spending tens of millions of his own money as he has in the past.

Not only does Nelson lack that luxury, but Democrats are defending nine other incumbents in

states President Donald Trump carried as they challenge for control of the Senate, where Republicans hold a 51-49 edge. And a free-spending Scott campaign in the nation's largest swing state could strain Democratic resources across the red-tinted Senate map.

"He has unlimited money, we know that he'll spend it, and as the campaign progresses you'll see how much his personal wealth has increased while he's been governor," Nelson told POLITICO after meeting privately with Facebook CEO Mark Zuckerberg on Capitol Hill.

Nelson suggested that Scott could single-handedly spend upward of $100 million on the race — an unlikely prospect for a governor who reported a personal net worth of $149 million last year, but a possibility because the governor's wife has millions more socked away. And Democrats acknowledge that the threat of Scott's finances alone will force them to shovel more of their own money into Florida.

"Now there's national money that has to get diverted to Florida. So if you're in another marginal or competitive state — a state like a Tennessee or an Arizona, which are eminently winnable for Democrats — there's just fewer dollars available for you to tap into nationwide," said Mo Elleithee, a former Democratic National Committee spokesman and current executive director of Georgetown University's Institute of Politics and Public Service.

"It's impossible, impossible, for a Florida race to be inexpensive," said Elleithee, who was Janet Reno's campaign manager in her 2002 race for Florida governor against Jeb Bush. "It's not that it's a zero-sum game. But for Democrats it would have been nice to have one less expensive state to have to dump money into so that money could go into other states."

That pull on resources from Senate Majority PAC and the Democratic Senatorial Campaign Committee could allow Republicans to get a monetary edge in cheaper states on the map like North Dakota, West Virginia and Indiana, though Democrats insist their candidates have enough of a cash advantage to stave off the GOP and its big-money backers. It also would make the few states where Democrats are on offense like Nevada and Arizona that much more challenging.

"Florida is a game-changing state," said Josh Holmes, a former chief of staff to Senate Majority Leader Mitch McConnell, predicting the Sunshine State would be "prohibitively expensive to protect" for Democrats.

"It could well make the difference in the majority," said Senate Majority Whip John Cornyn, a two-time National Republican Senatorial Committee chairman.

The problem isn't without precedent: Last cycle's clash between Florida GOP Sen. Marco Rubio and his Democratic challenger, then-Rep. Patrick Murphy, saw a whopping $89 million in spending despite Democratic groups largely abandoning Murphy down the stretch. Democrats slowly pulled their spending from the state, believing it made more sense to fund challengers in North Carolina, Missouri and Indiana than to bet their entire fortunes on Florida.

"It's a definite advantage for Republicans in other states even if Scott doesn't beat Nelson," said Terry Sullivan, a partner at Firehouse Strategies who was the general manager of Rubio's 2016

presidential campaign. "It's a victory for Republicans outside of Florida as much as it a victory for Republicans in Florida."

But Democrats have something that money can't buy: the unpopularity of Trump, who has been a factor in bellwether state and federal races recently lost by Republicans from Florida to Alabama to Pennsylvania. Voters traditionally punish the party of the White House occupant, which was a factor in Scott's narrow wins in 2010 and 2014. In contrast to those races, when Scott frequently mentioned President Barack Obama, he said nothing about Trump in his Monday campaign launch. And Florida has seen an influx of thousands of Puerto Ricans after last year's hurricane and the Trump administration's bungled response could sway those voters who could tip the balance of the state away from Republicans.

Senators in Nelson's position have a good historical record running in midterms after a president from the other party carried their state. "Since '94, incumbents in this position are 21-3 — and the only losses came when the president's approval was significantly higher than Trump's is now," MSNBC correspondent Steve Kornacki tweeted.

Yet Nelson's fellow Democratic senators spent Monday riding to the rescue, even as his party insists he remains a favorite thanks to a strong name-brand in Florida.

Some of the party's most potent small-dollar online fundraisers — including Sens. Kamala Harris of California, Chris Murphy of Connecticut and Tim Kaine of Virginia — sent fundraising emails on Nelson's behalf Monday.

"If Senator Nelson loses, which is a real possibility, a powerful voice on the issues we all care about would be gone; replaced with somebody who will essentially rubber-stamp the Trump agenda," Harris wrote in her missive, which went out under the subject line "Trump begged him to run for U.S. Senate." "Furthermore, there is absolutely no chance Democrats can take the U.S. Senate back without winning this race."

The DSCC, Senate Majority PAC and American Bridge have all been focused on the contest, with the party unleashing a barrage of digital ads aimed at Scott as he entered the race. The Senate Majority PAC ad, backed by a six-figure buy, attacks Scott for refusing to expand Medicaid while giving tax cuts to the rich and says the governor "won't look out for you."

In most states across the Senate map, Democratic candidates have outperformed Republican opponents. Texas Rep. Beto O'Rourke raised an eye-popping $6.7 million for his race against Sen. Ted Cruz in the first quarter of 2018 — the biggest haul so far of any candidate running in the midterm elections. Missouri Sen. Claire McCaskill raised more than $3.9 million in the first three months of the year, while two other challengers, Reps. Jacky Rosen in Nevada and Kyrsten Sinema in Arizona, brought in over $2 million for their bids.

That "hard money" advantage Democrats are building could help their candidates air more TV ads in the fall, since super PACs and other outside groups often get charged higher rates for advertising.

But there's only so much a Senate candidate can raise $5,400 at a time, while super PACs can accept donations of unlimited size (and Scott can make them himself). Strategists say that it could cost a campaign at least $3 million weekly for saturation statewide TV advertising across Florida's major media markets.

Scott shied away from saying he'd personally kick in as much money as he did in 2010 during his first race — about $73 million — and instead referenced his reelection campaign, when he spent about $13 million of his own money.

"I'm planning on winning. I'm going to run to win," Scott said when asked how much of his own money he would contribute. "I'm committed to raising the resources required just like I did in 2014. I'm going to aggressively travel the state and tell people why they need to support me. But we'll see."

To view online click here.

Back

Climate change skeptics run the Trump administration Back

By Emily Holden | 03/07/2018 05:07 AM EDT

President Donald Trump is filling the upper ranks of his administration with appointees who share his disbelief in the scientific evidence for climate change — giving them an opportunity to impose their views on policies ranging from disaster planning to national security to housing standards.

At the Interior Department, decisions about Pacific island territories threatened by rising seas are in the hands of an assistant secretary who has criticized "climate alarmists" for "once again predicting the end of the world as we know it." Agriculture Secretary Sonny Perdue's top advisers include a former talk radio host who has dismissed much climate research as "junk science." Trump's nominee to head research and technology at the Department of Transportation claimed three years ago that global warming had "stopped" — a position at sharp odds with the findings of federal agencies like NASA.

Trump has chosen at least 20 like-minded people to serve as agency leaders and advisers, according to a POLITICO review of his appointees' past statements on climate science. And they are already having an impact in abandoning former President Barack Obama's attempt to help unite the world against the threat of rising sea levels, worsening storms and spreading droughts.

Most famously, the president and his team have scrubbed mentions of climate change from government websites, kicked scientists off advisory boards, repudiated the Obama administration's greenhouse gas regulations and made the U.S. the only nation on Earth to reject the 2015 Paris agreement on global warming.

More quietly, Trump's White House excluded rising temperatures from the list of threats in its December national security strategy, contradicting the approach of both the Obama and George W. Bush administrations. Last year, just before Hurricane Harvey drowned Houston, the White House rescinded requirements that projects built with federal dollars take into account the way warming temperatures might intensify extreme weather.

People worried about the consequences of climate change say a government that denies the problem is courting danger.

"The analogy could be if somebody's got a heart problem or high cholesterol, you take medicine that helps manage that so you can avoid a heart attack," said Ana Unruh Cohen, the government affairs director at the Natural Resources Defense Council. "Trump taking that away, saying, 'Forget it, I don't believe I have high cholesterol,' is setting up the country for a heart attack."

Aparna Mathur, a resident scholar in economic policy at the conservative American Enterprise Institute, found the trend worrying as well.

Many administration officials "don't seem to believe climate change is real, or if they believe climate change is real, there's this sort of attitude that there's not much to do about it or it's not caused by human actions," said Mathur, whose AEI colleagues also include people who question the extent of man-made climate change. As a result, she said, the U.S. is falling behind countries that are taking action on the problem.

The doubts are coming from both prominent and little-known Trump appointees, in ways both obscure and subtle.

Some have expressed doubt that the Earth is warming at all, speculated that the trend might be good for humans, or said it's just impossible to know how much of a role humans and their pollution are playing. All these statements fly in the face of findings by the government's own research agencies and the vast majority of climate scientists.

"There are scientists that think lots of different things about climate change," then-Rep. Mike Pompeo (R-Kan.), now Trump's CIA director, said on C-SPAN in 2013. "There's some who think we're warming, there's some who think we're cooling, there's some who think that the last 16 years have shown a pretty stable climate environment." Pompeo dodged the issue in his confirmation hearing last year, saying he would "prefer today not to get into the details of the climate debate and science."

When he was running for president, HUD Secretary Ben Carson scoffed at the idea that strong evidence for human-caused climate change even exists. "I know there are a lot of people who say 'overwhelming science,' but then when you ask them to show the overwhelming science they never can show it," he told the San Francisco Chronicle in 2015.

Few have been as publicly outspoken on the issue as Trump, who more than once has dismissed human-caused climate change as a "hoax" and claimed in January that polar ice isn't melting.

The White House sought to strike a somewhat more moderate tone in a statement to POLITICO on Monday, which said that "the climate has changed and is always changing. The Administration supports rigorous scientific analysis and debate." The statement from principal deputy press secretary Raj Shah added that "the development of modern and efficient infrastructure ... will reduce emissions and enable us to address future risks, including climate related risks."

Some of the administration's climate skeptics have already come and gone.

Former HHS Secretary Tom Price, who had criticized the "allegedly 'settled science' of global warming" as a member of Congress, resigned in September amid criticism of his expensive travels on government and private planes. Kathleen Hartnett White, Trump's pick to head the White House Council on Environmental Quality, withdrew her nomination earlier this year after she stirred criticism with a long list of controversial statements , including calling the human role in climate change "very uncertain."

Another unsuccessful nominee, former talk radio host and political science professor Sam Clovis, had to pull out of the running to be USDA's chief scientist after critics noted that he has no science credentials — but he remains a top adviser to Perdue. Clovis dismissed much climate research as "junk science" in a 2014 interview, adding that "a lot of this global warming ... is really about income redistribution from rich nations that are industrialized to nations that are not."

Brent Fewell, a conservative environmental lawyer who was an EPA water official under Bush, suggested that some of these officials may privately acknowledge that man-made climate change is real. But he added: "A lot of people on the political right are uninformed about the issue. For whatever reason, it's a lot easier to simply agree with the prominent voices in the political party."

The upshot is the same, however: a 180-degree reversal from Obama's efforts to make the U.S. a leader in addressing the causes and consequences of a warming planet.

The EPA is leading the charge by withdrawing or weakening a host of climate regulations, including a 2015 rule that would have sped the electric power industry's shift away from coal-fired energy. Trump has also approved tariffs for solar panel imports, which will make it harder for green energy to compete with fossil fuels. Agencies have sought to cancel rules meant to limit the oil and gas industry's methane pollution — another major greenhouse gas source — and are reconsidering tougher standards for vehicles, too.

The Energy Department has proposed regulatory changes to prop up coal plants that can't compete in the market, while the White House is seeking buyers for U.S. coal and gas exports.

When Trump's critics seek to challenge these actions in court, the government's defense will be run by the Justice Department — an agency whose leader, Attorney General Jeff Sessions, said during a 2015 Senate hearing that carbon dioxide is "really not a pollutant."

"It's a plant food, and it doesn't harm anybody except that it might include temperature

increases," Sessions said.

Some agencies are still continuing to study climate change and factor their findings into their policy decisions. But even there, career staffers may not talk about their work as openly as they once did, and the agencies seldom showcase it the way they did during the Obama years.

Much of the alarm among Trump's critics focuses on EPA, which has replaced dozens of scientists on its key advisory boards with industry or state representatives, and has found other ways to keep researchers from contradicting the administration's message. Last fall, the agency canceled an appearance by three EPA scientists scheduled to speak about climate change at a Narragansett Bay conference . Both EPA and the Energy Department have given extra scrutiny to grant proposals with the words "climate change," and in the case of EPA, it has put a political appointee in charge of signing off on them, The Washington Post has reported.

All this is in line with the public statements of EPA Administrator Scott Pruitt, who has suggested that global warming might be a good thing and has spoken about holding a public debate on whether climate change is real.

"Right out of the gate ... the administration took any and all mention of climate change off of the White House website," said Jacob Carter, a research scientist who has been tracking the administration's treatment of science for the Union of Concerned Scientists. "It seems like the administration is really trying to undo a lot of the scientific process as a whole and get experts out of the way."

The Environmental Data and Governance Initiative, which has studied the purging and rewording of climate-related documents on government websites, reported at the end of 2017 that it had found a "significant loss of public access to information about climate change."

The State Department's website took down links related to the Paris climate agreement, EPA removed a student's guide to climate change, and the Energy Department got rid of the words "clean energy" on a page with information for investors and businesses looking for projects with national laboratories.

The Interior Department's Bureau of Land Management, which oversees energy development on federal land, cut text about the effects of climate change. Some of the resources are still technically available in archives or in new locations, but they are harder to find because the government sites don't directly link to them, the Environmental Data and Governance Initiative says.

"It's not alarming the public because it's very hard to see each incremental thing," said Andrew Bergman, a co-author of the report.

Some Trump appointees have downplayed the idea that agency leaders' personal views about climate change are critical to making policy, suggesting they can still respond to global warming's effects without addressing why it's happening.

"We continue to take seriously climate change — not the cause of it, but the things that we observe," Tom Bossert, the president's homeland security adviser, told reporters after last year's spree of catastrophic hurricanes that ravaged Houston, Puerto Rico and the Virgin Islands.

Sarah Hunt, who works in energy policy at the conservative American Legislative Exchange Council, said that "policymaker views on climate science needn't have any bearing on their support for conservative clean energy policies that spur the innovation we need to reduce emissions and promote environmental stewardship while we grow our economy."

But Trump's actions have reflected his views on the science. For example, one of his early executive orders in March 2017 eliminated a number of ways agencies had been required to consider climate change, including in environmental reviews for infrastructure projects.

Because so many of his appointees have questioned the conclusions of climate scientists, they are jettisoning climate change from routine processes. Those include EPA's refusal to consider the global monetary benefits of curbing rising temperatures when it rolled back Obama-era rules for the power sector.

Still, some agencies have continued to issue major reports that warn that climate change is a real and growing problem — even as the president's staffers push the message that the science is uncertain.

In November, the government's 13-agency National Climate Assessment concluded that humans have pushed global temperatures to their highest level in modern times. In January, NASA published data showing that last year was the second-warmest on record, and noted that temperature rises are "driven largely by increased carbon dioxide and other human-made emissions into the atmosphere."

Trump's nominee to run the space agency, Rep. Jim Bridenstine (R-Okla.), criticized "climate change alarmists" on the House floor in 2013 and claimed that "global temperatures stopped rising 10 years ago." (In fact, they haven't.) At his confirmation hearing last year, he acknowledged that humans are a cause of climate change but wouldn't call them the main cause.

"That is a question that I do not have an answer to," he said.

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Back

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This email was sent to bennett.tate@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

To: Bennett, Tate[Bennett.Tate@epa.gov]
Cc: Jackson, Ryan[jackson.ryan@epa.gov]; Kundinger, Kelly[kundinger.kelly@epa.gov]; Skylar McElhaney[Skylar.McElhaney@deq.ok.gov]
From: Fenton Rood
Sent: Fri 6/22/2018 3:22:02 PM
Subject: RE: Touching base regarding Monday

Proposed attendees:

Scott Thompson, Executive Director

Kelly Dixon, Land Protection Division

Lloyd Kirk, External Affairs

Shellie Chard, Water Quality

Michelle Wynn, Legislative Liaison

Erin Hatfield, Public Information Officer

Chris Armstrong, State Environmental Laboratory

Proposed Topics:

- PFOS/PFOA

- Superfund (in general and Eagle Industries, Tar Creek, Wilcox)

- RCRA (Macy's SEP was a positive)

- Water loss audits (our program that helps water systems save water and money)

- FACT team, including tribes, USDA, DWSRF and state funding projects

- Importance of building drought resiliency into drinking water systems in response to drought, shifting population, expanding water demanding industries

From: Bennett, Tate [mailto:Bennett.Tate@epa.gov]
Sent: Thursday, June 21, 2018 4:13 PM
To: Fenton Rood
Cc: Jackson, Ryan; Kundinger, Kelly
Subject: Touching base regarding Monday

Fenton-

This is to confirm Pruitt's meeting with the director and division directors at 2 PM next Monday. Thanks again for your help. My cell is Ex. 6 - Personal Privacy if you need anything. I have also copied Kelly Kundinger with our advance team who will reach out about a security walk through in advance. Also, do you mind sending me an attendee list when you have one?

OK DEQ

707 North Robinson

OKC 73101

Elizabeth Tate Bennett

Associate Administrator for Public Engagement & Environmental Education

Office of the Administrator

U.S. Environmental Protection Agency

(202) 564-1460

Bennett.Tate@epa.gov

To: Bennett, Tate[Bennett.Tate@epa.gov]
From: Nolan, Rich
Sent: Thur 12/7/2017 12:39:07 PM
Subject: Fwd: Morning Energy: Pruitt heads to House grilling today — Major flop in Alaska lease sale bodes ill for ANWR estimates — McIntyre gets sworn in at FERC today

Begin forwarded message:

From: "POLITICO Pro Energy" <politicoemail@politicopro.com>
Date: December 7, 2017 at 5:45:03 AM EST
To: <rnolan@nma.org>
Subject: Morning Energy: Pruitt heads to House grilling today — Major flop in Alaska lease sale bodes ill for ANWR estimates — McIntyre gets sworn in at FERC today
Reply-To: "POLITICO subscriptions" <reply-fe871372766d01787c-630326_HTML-637936621-1376319-0@politicoemail.com>

By Anthony Adragna | 12/07/2017 05:43 AM EDT

With help from Emily Holden, Eric Wolff and Alex Guillén

WELCOME TO CONGRESS, MR. PRUITT: EPA Administrator Scott Pruitt makes his long-awaited first appearance before a House Energy and Commerce subpanel this morning where he's expected to get grilled on a host of issues. The session will be broken into two segments — 10-11 a.m. and then 2 p.m. onwards — to allow Pruitt to attend a White House meeting on biofuels (more on that below). Look for E&C Environment Chairman John Shimkus to recognize the arrangement is "not ideal, but gives members maximum ability to personally question the administrator about the agency's mission" during his opening remarks.

What Republicans will say: Expect Chairman Greg Walden to press Pruitt on budget transparency and his plans to address staffing issues: "I expect that 'Back to Basics' is not an abdication of environmental protection, but rather a rededication to mastering the most fundamental aspects of EPA's mission," he'll say, according to prepared remarks glimpsed by ME. Shimkus said his questions could touch on a range of topics, including TSCA, brownfields, safe drinking water and the agency's staffing.

And Democrats? "We're all noticing the orientation toward the environment is completely different with respect to budgeting, with respect to climate change, potentially with respect to methane, particulates," Rep. Scott Peters, a subcommittee member, told ME. "So, I just think we want to get a sense of where he's going and how he'll measure success." The committee's top Democrat, Frank Pallone, wouldn't reveal what he intends to grill Pruitt about when ME caught up to him in the hall.

Pro's Alex Guillén's expectations for Pruitt's first Capitol Hill appearance in six months: "Lawmakers have probably built up some serious questions in that time, so we could see questioning on practically any issue before EPA: the Clean Power Plan repeal effort; the Waters of the U.S. rewrite; Superfund work; proposed budget cuts; Pruitt's decision earlier this year not to ban chlorpyrifos; and his increased security and travel. Pruitt's prepared testimony offers a standard overview of his EPA philosophy."

Rally time: Environmental and public health advocates, including the Union of Concerned Scientists, Sierra Club, Business Forward and the Alliance of Nurses for Healthy Environments, will rally outside Rayburn at 9:20 a.m. to draw attention to Pruitt's lagging enforcement efforts, spending habits and overhauls of science advisory panels. Ahead of the session, the Environmental Defense Fund updated their "Pruitt Playbook" and the Union of Concerned Scientists offers some suggested questions to ask.

If you go: The hearing kicks off at 10 a.m. in Rayburn 2123.

WHY PRUITT'S LEAVING: Sen. Ted Cruz has secured a meeting today at 11:30 a.m. with President Donald Trump and several Cabinet members, including Pruitt, for what he told ME is likely to be a "free-ranging discussion" about biofuels and the recent fights over the Renewable Fuel Standard. His message? "We need to find a solution that is a win-win. That is a win for corn farmers across the Midwest but at the same time is a win for blue-collar union members who work in refineries and right now are being bankrupted by a regulatory system that isn't working," the Texas Republican said. Other Senate Republicans are expected to attend as well (perhaps the ones who signed this letter). Remember Cruz still has a hold on Bill Northey's USDA's farm and conservation mission nomination, so watch to see if that's lifted as the most immediate outcome of the session.

Oilies only: Sen. Chuck Grassley wasn't invited to the meeting, his spokesman said, but not to worry: Grassley has said that a White House RFS meeting would be "a waste of time." And if there's one thing energy world knows now, it's that if you don't have Gang Grain, you got nothing.

WELCOME TO THURSDAY! I'm your host Anthony Adragna, and no one was able to name the Father Millet Cross national monument (which has since been transferred by Congress to a state park) as our nation's smallest at just 0.0074 acres when designated. For today: Which state currently has the most national monuments at 18? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter @AnthonyAdragna, @Morning_Energy and @POLITICOPro.

ARCTIC LEASE SALE FLOP: Despite touting the "largest ever" lease sale in the National Petroleum Reserve-Alaska, BLM received just bids on seven of the 900 tracts offered, Pro's Ben Lefebvre reports . Those bids, generating just $1.2 million in high bids, came jointly by ConocoPhillips and Anadarko for 80,000 acres, or less than 1 percent of the acreage offered. The highest bid amount was $14.99 per acre. The relatively low amount could undercut GOP arguments that opening up the nearby Arctic National Wildlife Refuge would generate $1 billion in revenue. Leasing of state land did quite a bit better, according

to the Anchorage Daily News.

For perspective: At the price of $14.99/acre, "leasing the entirety of the Arctic Refuge Coastal Plain's 1.5 million acres would raise slightly more than $11 million in revenue for the federal government, a far cry from the billion dollar lie that Trump and Republicans are feeding the American public," the Alaska Wilderness League's Kristen Miller said in a statement. Remember the Republican budget calls for Senate ENR to kick in $1 billion in revenue (which CBO said would come through ANWR drilling), though the lease results seem to bolster skepticism from environmental advocates and Democrats about those estimates.

Situational awareness: Energy Chairman Lisa Murkowski was named a tax conferee late Wednesday, along with Sens. Orrin Hatch, Mike Enzi, John Cornyn, John Thune, Rob Portman, Tim Scott and Pat Toomey . "With Congressman [Don Young] representing the House of Representatives on our energy provisions, Alaskans will have a very strong voice at the table to ensure this bill crosses the finish line," she said in a statement.

No (strategic petroleum) reservations: Count Shimkus, a tax conferee, among the backers of the Senate's approach of selling off 7 million barrels from the Strategic Petroleum Reserve as part of the final tax package H.R. 1 (115). "There was a reason to have the SPR," he told ME. "There is a credible reason to debate whether, for now and in the immediate future, there is a need." He also said he's a "big ANWR supporter" and that he doesn't see the Arctic drilling provision getting pulled from the final version.

INHOFE, PRUITT'S TOXIC LEGACY: POLITICO Magazine's Malcolm Burnley takes a deep dive into the contaminated Oklahoma region of Tar Creek, an area so poisonous that only 10 holdouts live there, and he finds a buyout program for residents that left Sen. Jim Inhofe awash in scandal and litigation. Then-Attorney General Scott Pruitt ultimately concluded an audit into possible criminal wrongdoing didn't warrant charges and he shielded his review from public release, only to have some in the state believe his efforts were designed to spare Inhofe embarrassment. Many residents in the polluted zone of Tar Creek continue to express shock that no one was prosecuted over what happened in their federal buyout program

Pruitt and Inhofe flatly denied there was any political motivation in shielding the audit. "It was important to protect the individuals' reputation that were in that investigation," Pruitt said in an interview. "You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys." One interesting fact though: Ryan Jackson, now Pruitt's chief of staff, was once Inhofe's point person on the Tar Creek issue. Photo gallery here.

Pruitt's new gig: Trump named the EPA administrator to chair the Gulf Coast Ecosystem Restoration Council, a group formed after the Deepwater Horizon oil spill restore the ecosystems and economies of the Gulf Coast, your ME host reports. Pruitt named Kenneth Wagner, a senior adviser, to be his designee on the council.

MAY FERC NOW BE WHOLE: New FERC Chairman Kevin McIntyre will be sworn in today, bringing the five-member agency to full power, Pro's Eric Wolff reports. His swearing-in will put to rest rumors that either the Trump administration or McIntyre himself were delaying his start date to give current Chairman Neil Chatterjee enough service time to make staffing changes

MORE HEARINGS COMING ON CLEAN POWER PLAN: EPA announced Wednesday it would hold additional public hearings on its plan to repeal the Clean Power Plan in San Francisco; Gillette, Wyo.; and Kansas City, Mo., Pro's Emily Holden reports. Pruitt said the change was "due to the overwhelming response" and the agency will announce the dates and locations of the meetings in the coming weeks.

SPLIT OVER EXTENDERS? Ways and Means Chairman Kevin Brady told reporters Wednesday he doesn't like the idea of moving a package of extenders this year but hasn't made a final decision yet, Pro Tax's Brian Faler reports . "It's horrible policy and process," he said. But those comments come as Thune, the Senate's number three Republican, said lawmakers will revive biodiesel, geothermal and other energy-related breaks along with other "cats and dogs." Doing an extenders package as the chambers work to iron out differences between their broader tax bills is likely to test tax writers' bandwidth.

Shutdown watch: Congressional leaders head to the White House for a meeting with Trump on government funding today, but GOP lawmakers expect to pass a two-week spending package despite internal division within their party, POLITICO's Rachael Bade and Sarah Ferris report. House Freedom Caucus leaders have been asking for a commitment GOP leadership does not believe it can give them: a promise to "hold the line" and refuse Senate Democrats' demands for increased spending on non-defense programs.

House Democrats, including Minority Whip Steny Hoyer, hold a press conference at 10 a.m. in Cannon 234 to call on Republicans to take up additional federal assistance for Puerto Rico and the U.S. Virgin Islands. Watch here.

ICYMI: Both sides framed their arguments at a hearing of the U.S. Trade Representative over whether to impose tariffs on solar equipment imports in language aimed at swaying Trump, Pro's Eric Wolff reports.

PATAGONIA SUES OVER BEARS EARS: A coalition of groups, including Patagonia, became the latest to file a lawsuit challenging the Trump administration's downsizing of Bears Ears National Monument on Monday. Link to the lawsuit filed in Washington federal court here.

ENDANGERMENT FINDING PUSHBACK STALLS: Conservative state lawmakers and businesses that are members of the American Legislative Exchange Council on Wednesday shot down an effort to urge Pruitt to challenge a science-based endangerment finding that requires EPA action on greenhouse gas emissions. "In subcommittee, a substantive conversation occurred where arguments were made for and against the draft model policy," said Bill Meierling, executive vice president of external relations for the

group. "After debate, it was clear that neither the public nor the private sector supported the draft as written."

Meierling added that "ALEC members prefer to advance policy only after a consensus opinion has been reached." Reports suggested later the resolution had been pulled in the aftermath of strong opposition, including from Exxon Mobil. Pruitt was expected to speak at the ALEC meeting on Friday but canceled due to a "scheduling conflict," Meierling said.

NO COMMENT: Murkowski forcefully urged Sen. Al Franken to step down amid sexual harassment allegations on Wednesday, but a spokeswoman declined to state whether Roy Moore would be welcome on her committee if he wins the Alabama special election next week. "We aren't commenting until after the special election and decisions about committee seats are made by conference," she said. Outgoing Alabama Sen. Luther Strange currently has a slot on the energy panel.

THERE'S ALWAYS A TIE: Congressional Democrats said Tuesday they have evidence then-national security adviser Michael Flynn sent assurances to former business partners that a U.S.-Russia energy partnership in the Middle East, which reportedly would have included more than two dozen nuclear plants in the region, was "good to go," POLITICO's Kyle Cheney reports. The revelations from a whistleblower came in a letter released Tuesday.

MAIL CALL! LET'S BOOST EFFICIENCY CAPS! A collection of energy efficiency organizations, led by the Alliance to Save Energy, sent a letter to congressional appropriators on Wednesday urging them to boost "budget cap allocations for federal energy efficiency programs." Failure to do so could result in steep cuts to EPA and DOE programs across the board, the groups warn. Link here.

TAKE A GLANCE! LESSONS FROM THE RFS: The American Enterprise Institute is out with a report looking at policymaking lessons from the RFS. It argues the biofuels mandate would be better as a rate standard than a volume standard, EPA should issue multiyear rather than annual rules and that uncertainty should be explicitly incorporated into future rulemakings, among other things.

BAD SOLAR ACTORS: Campaign for Accountability released the results of a years-long investigation concluding two companies — Vivint and SolarCity — received more complaints about their sales tactics than others in the solar industry. "Unfortunately, the deceptive sales tactics of solar companies, like Vivint and SolarCity, are making rooftop solar a risky bet," Daniel Stevens, the group's executive director, said in a statement. Read it here.

DREAMS TURNED REALITY? The Center for Western Priorities is out with a report finding the Trump administration has already granted 13 of the energy industry's 24 top priorities. Read it here.

SUGGESTIONS GIVEN: American Council for Capital Formation released a paper this

morning with ten ideas for improving the regulatory process. It's the product of a November 2016 roundtable with Sens. Mike Rounds, Angus King, James Lankford and others. Link here.

MOVER, SHAKER: Michael Boucher has joined Crowell & Moring LLP environment and natural resources practice as a partner in Washington. He joins from Dentons US LLP, where he led that firm's chemical, pesticide, and consumer product regulation team.

QUICK HITS

— California AG on Trump EPA: 'It's almost as if they believe they're above the law'. The Hill.

— Wall Street's Fracking Frenzy Runs Dry as Profits Fail to Materialize. Wall Street Journal.

— The IHS Markit electric resiliency study - much less than meets the eye. Utility Dive.

— Patagonia sues over Trump's monuments order. AP.

— Volkswagen Official Gets 7-Year Term in Diesel-Emissions Cheating. New York Times.

— Pipeline explodes in southeastern New Mexico oil patch. AP.

— Christie backs nuclear subsidies but won't sign 'wish list' bill from environmental groups. POLITICO New Jersey.

HAPPENING TODAY

9:00 a.m. — The Washington International Trade Association holds an event as part of its NAFTA series: "Energy and the NAFTA," Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Ave. NW

10:00 a.m. — EPA Administrator Scott Pruitt appears before the House Energy and Commerce Environment Subcommittee, Rayburn 2123

10:00 a.m. — "Transforming the Department of the Interior for the 21st Century," House Natural Resources Oversight and Investigations Subcommittee, Longworth 1324

11:00 a.m. — The World Bank conference call briefing on the One Planet Summit, RSVP: himtiaz@worldbankgroup.org

12:00 p.m. — "The Business Case for Tax Incentives Promoting Energy Efficiency," Alliance to Save Energy, Rayburn 2203

2:00 p.m. — The House Natural Resources Federal Lands Subcommittee holds a hearing on

various bills, Longworth 1324

2:00 p.m. — "OPEC's World Oil Outlook 2017," Center for Strategic and International Studies, 1616 Rhode Island Avenue, NW

THAT'S ALL FOR ME!

To view online:
https://www.politicopro.com/newsletters/morning-energy/2017/12/pruitt-heads-to-house-grilling-today-043377

Stories from POLITICO Pro

Biofuel backers claim victory in EPA battle Back

By Eric Wolff | 10/20/2017 05:37 PM EDT

Biofuels backers were breathing a sigh of relief on Friday after EPA Administrator Scott Pruitt backed away from changes to the Renewable Fuels Standard, a reversal that left oil refiners frustrated.

Pruitt acceded to demands from Sen. Joni Ernst that he publicly promise not to pursue plans to change the biofuel program rules — changes that had been sought by oil refiners who have long complained about the costs of implementing the program that many see as a giveaway to the corn states.

Pruitt's letter to Ernst, Sen. Chuck Grassley and five other Midwestern Republican senators delivered what they'd asked for: A promise not to expand the group of companies required to comply with the program, to keep the biodiesel volume requirements at levels proposed in July, to not alter the policy that strips RFS credits from exported ethanol, and to explore allowing year-round sale of gasoline with 15 percent ethanol nationwide.

The quick reversal by Pruitt — at the direction of President Donald Trump — showed the influence of the biofuel lobby, corn growers and farm-state lawmakers to scuttle changes in the decade-old policy sought by the energy industry.

"This was a basket of bad ideas for biofuels," said Brooke Coleman, head of the industry lobby group Advanced Biofuels Business Council. "And there's no way that we could have any other response than to take this approach. [Pruitt] didn't kick tires on changing the RFS, he tried to take a baseball bat to the program, and the response was matching and in response to, from a magnitude perspective, to the initial foul."

The push by the senators, as well as Midwestern governors, "made a huge difference in this matter," said Michael McAdams, head of the Advanced Biofuels Association. "In addition, the collective unity of the entire biofuels industry, including those who distribute and market these fuels, made a significant impression on the importance and support for the

RFS program."

But oil refiners who have said the high cost of biofuel credits, called Renewable Identification Numbers, was costing them hundreds of millions of dollars, lamented the power of the biofuels lobby and the corn-belt lawmakers.

"The [Pruitt] letter is a result of political pressure applied by Midwestern politicians," said one refining source. "Some Midwesterners cannot accept any premise that the RFS could be improved. As a result, their overreaction included everything from holds on confirmations to even more personal threats launched at the White House and EPA."

The unified and vociferous campaign by the biofuels industry in attacking the proposal that would have lowered biodiesel volume mandates surprised some in the refining industry, as well as the political staff in the EPA, sources tell POLITICO.

The Trump administration's embrace of the oil industry had raised refiners' hopes that it could have the best opportunity in years for significant RFS changes, and refining giant Valero Energy, along with a group of Pennsylvania companies, believed they would get relief from what they considered an onerous program.

But Grassley took to the Senate floor to blast Pruitt's biofuel plans as a "betrayal" of Trump's promises to protect ethanol, and he arranged a call with Trump and Pruitt that led to the meeting in his office with Pruitt and Ernst as well as Deb Fischer (Neb.), John Thune (S.D.), Ben Sasse (Neb.), Pat Roberts (Kan.) and Mike Rounds (S.D.). Following that meeting, Ernst demanded the public statement from Pruitt, and said she would withhold her support for Bill Wehrum, who was nominated to run the agency's air office, forcing a delay in the Environment and Public Works Committee's vote until next week.

Ernst spokeswoman Brook Hougeson told POLITICO, "Now that Sen. Ernst has received the assurances that the EPA will support the spirit and the letter of the RFS, she will support Mr. Wehrum."

Valero was disappointed its efforts to change the program had been shot down by the fierce political opposition.

"These senators have intervened in a regulatory process, and the proposals and concepts in the letter address RFS implementation problems to which these senators have offered no constructive solutions," Valero said in a statement. "The only unifying principle of their bullying opposition seems to be a desire to maintain the status quo at all costs and to protect windfall profits associated with unregulated trading of renewable identification numbers, or RINs. Their position advances neither the goals nor the efficient implementation of the RFS, and places U.S. manufacturing jobs at risk."

But in a statement, the White House made clear that Trump remained fully behind the biofuels program.

"President Donald J. Trump promised rural America that he would protect the Renewable Fuel Standard, and has never wavered from that promise," spokeswoman Kelly Love said in a statement. "The president has had constructive conversations with several key officials about the RFS over the past week, and he understands their concerns. The Trump administration will protect the RFS and ensure that our Nation's hardworking farmers continue to fuel America."

One energy executive said the biofuel backers were victorious because they were unified in their support for the RFS, while Republicans, the oil industry, and even the refiners were not on the same page.

"The ethanol boys won this round, no doubt, but at a pretty high cost," said Stephen Brown, vice president for federal government affairs for Andeavor. "The refining industry is anything but united on the RFS beyond a sunset as individual companies have each made investments and honed mitigation strategies to comply with the statute. As those investment decisions become increasingly operationally embedded, the industry will continue to splinter on the suite of RFS issues."

But some producers are still wary of Pruitt's pledge in his Thursday letter, and they note that he promised to release a final rule in which none of the mandatory volumes will be less than he proposed in July. For some producers, those volumes were already too low.

"There's some work to do here," Coleman said. "We won't know until the rule is done. And we recognize it's an ongoing rulemaking, it's not like they're going or republish the rule, they've said what they can say. The final rule really matters."

To view online click here.

Back

'Largest ever' Interior Alaska oil lease sale draws little interest Back

By Ben Lefebvre | 12/06/2017 08:26 PM EDT

The Interior Department received only seven bids from two companies today in what it had billed as the "largest ever" oil and gas lease sale in the National Petroleum Reserve in Alaska.

The bids on the 10.3 million unleased acres in the NPR-A generated just $1.2 million in high bids, according to a Bureau of Land Management summary. The relatively low amount could undercut GOP arguments that opening up the nearby Arctic National Wildlife Refuge would generate $1 billion in revenue.

A BLM Alaska lease sale last year generated $18 million for 1.4 million acres offered.

Subsidiaries of ConocoPhillips and Anadarko were the only two companies that participated in the lease sale. The companies only bid for 80,000 acres, or less than 1 percent of the acreage offered. The highest bid amount was $14.99 per acre.

Low oil prices and the relatively cheap and plentiful land available for hydraulic fracturing in the lower 48 has hurt oil company interest in the out-of-the-way fields of Alaska and the Gulf of Mexico. Interior Secretary Ryan Zinke and Sen. Lisa Murkowski (R-Alaska) have pushed to open more public land to drilling, however, saying that doing so is important to increase domestic energy production.

Zinke had previously said that today's "large and unprecedented sale in Alaska will help achieve our goal of American Energy Dominance."

An Interior spokesperson did not immediately respond to questions.

WHAT'S NEXT: Republicans hope to keep ANWR drilling provisions in their budget proposal.

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Back

Democrats worry Arctic National Wildlife Refuge being lost amid tax debate Back

By Ben Lefebvre | 11/29/2017 05:17 AM EDT

Democrats' fight to keep oil and gas rigs out of the Arctic National Wildlife Refuge is losing ground as the Republican tax plan advances — and it's almost as if no one has noticed.

The prospect of drilling in the untouched Alaskan tundra is as close to reality as it's been in more than a decade, with none of the political drama that in past decades turned the refuge's fate into a top-tier rallying cry for liberals. Legislation to allow drilling in ANWR is quietly hitching a ride on the tax code overhaul that Senate Republicans hope to complete by the end of the week, overshadowed by larger debates on whether the bill is a giveaway to rich people and corporations at the expense of the poor and working class.

"It's really not gotten the attention that it should," Sen. Tammy Duckworth (D-Ill.), a member of the Energy and Natural Resources Committee, told POLITICO about the ANWR provision. "It's not just the budget discussion. It's about everything else that's going on, the flurry of all sorts of other news."

Angus King (I-Maine) said Republicans were trying to shield ANWR from opposition by adding it to the larger bill rather than bringing it to the floor separately under rules, which would require it to win support from 60 senators to overcome a filibuster.

"Well, clearly the strategy is to try to get it through as part of this tax reform effort and thereby avoid a direct up-or-down vote," King said in an interview earlier this month.

The nonstop news cycle and preponderance of other concerns with the tax bill are making it difficult to focus on an issue that normally fires up Democratic voters.

"I do think that putting ANWR in the budget reconciliation package hasn't drawn as much extremist opposition because it is completely overshadowed by tax reform, which is the center of the package," said Chris Guith, senior vice president of the U.S. Chamber of Commerce's Global Energy Institute. "But there are some who aren't exactly supportive of tax reform that support ANWR, and it's possible to see ANWR bring a vote or two to help pass tax reform."

Senate Energy Chair Lisa Murkowski (R-Alaska) easily advanced legislation through her committee directing the Interior Department to hold two lease sales for drilling in ANWR over the next decade. It would raise $1 billion over that period, according to the Congressional Budget Office, making it eligible for inclusion in a budget reconciliation package that Democrats cannot filibuster.

The reconciliation package also will include Republicans' tax plan and a repeal of the Obamacare individual mandate. While Murkowski helped scuttle the Obamacare repeal push earlier this year, she says she supports ending the mandate. Murkowski's office did not respond to a request for comment.

ANWR, a swath of tundra on the northern Alaska coast, is home to polar bears, porcupine caribou and a landscape that hasn't been touched in thousands of years. Congress designated the 19 million-acre area a wildlife refuge in 1980, but it set aside a 1.5-million-acre parcel known as "10-02" for possible drilling if future lawmakers approved such a plan. The U.S. Geological Survey estimated in 1998 that part of ANWR could hold up to 12 billion barrels of oil, and President Donald Trump and Alaska Republicans have called it essential for their plans for American "energy dominance."

Sen. Susan Collins (R-Maine), who is undecided on the tax bill for a several reasons, said she will support an amendment on the Senate floor to eliminate the ANWR language, but she said success there is not a prerequisite for her to vote for the underlying bill. "No it is not, but I would certainly try to get it out of the package," Collins told reporters Tuesday. Collins was the only Republican to cross the aisle on an unsuccessful amendment to keep pro-drilling language out of the underlying budget resolution, meaning it is unlikely that she would be able to strip the ANWR provision from a reconciliation bill.

But Democrats say that passing a deficit-increasing tax bill in order to open ANWR would actually harm energy-producing states. That's because the $1.5 trillion shortfall from the GOP tax cuts would trigger required "pay-as-you-go" cuts to mandatory spending programs, according to a CBO analysis sent to House Minority Whip Steny Hoyer (D-Md.).

One of the programs on the pay-go chopping block would be the energy royalty revenue sharing program carried out through the Mineral Leasing Act. Cutting those payments would lose Alaska an estimated $15 million in energy royalty payments next year alone, an amount important to a state already facing budget shortfalls.

"Communities throughout the West would be impacted by the loss of revenue, which is used to support a variety of needs including infrastructure, school funding, conservation, and recreation," Hoyer said in a statement to POLITICO. "This is yet another example of the consequences associated with forcing through legislation to add $1.5 trillion to the deficit in order to give tax cuts to the wealthy."

Pay-go cuts also would hit popular programs like Medicare and student loans, but Congress can waive the law with 60 votes in the Senate. Democrats are not yet on board with that approach.

The current push to open ANWR, coming amid a swarm of competing headlines and buried in larger legislation, has come nearer to succeeding than the GOP's two previous attempts. President Bill Clinton vetoed a budget package in 1995 that included language opening ANWR, while a Democratic filibuster thwarted a second attempt in 2005.

Environmental groups have targeted public engagement at only a handful of congressional districts. The League of Conservation Voters spent $550,000 on television ads in three Republican congressional districts. The LCV also paid for a bipartisan polling firm to probe public opinion on opening ANWR, but even that focused only on registered voters in eight congressional districts.

"The reason they're trying to sneak it into the tax package is they know they don't have the votes otherwise," said Tiernan Sittenfeld, the league's senior vice president of government affairs. "They know they can't pass it under regular order, that's why they're doing a sneak attack."

Even ANWR supporters are staying out of the spotlight.

"I haven't seen any full-out, front-page ads, nothing like that," Alaska Oil and Gas Association President Kara Moriarty said. "We're a little battle-weary, to be honest. Alaskans support opening up ANWR. There's been a few statements reiterating that."

Nick Juliano contributed to this report.

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Back

The Environmental Scandal in Scott Pruitt's Backyard Back

By Malcolm Burnley | 12/06/2017 05:57 PM EDT

PICHER, Okla. — Tar Creek, Oklahoma, is breathtaking in a terrible way: At one time the world's deepest source of lead and zinc, the three-town region is now a cratered landscape so poisonous that no one, aside from 10 holdouts, can live there. Mountains of ashlike "chat," a toxic residue from lead-zinc milling, rise majestically among the remains of homes torn from their foundations. Abandoned pets forage around the ruins. A child's teddy bear lies sprawled in a ghostly living room. A gorilla statue fronts an empty high school, atop a sign proclaiming "1A Football State Champs, 1984."

Tar Creek is also part of the environmental legacy of one of the state's—and nation's—leading politicians, Senator Jim Inhofe, and his longtime ally, Scott Pruitt, the former Oklahoma attorney general who is now head of President Donald Trump's Environmental Protection Agency. After the EPA struggled to clean up the area, in 2006, Inhofe endorsed a plan in which a trust overseen by local citizens would use federal dollars to purchase homes and businesses in the toxic region so residents could move elsewhere. Then, when the plan proved so problematic that it spawned more than a half-dozen civil lawsuits and an audit into possible criminal wrongdoing, Pruitt, as the state's attorney general, invoked an exception to state freedom-of-information laws to keep the audit from being an open public record.

Now, that decision is coming into new light as many Oklahomans clamor for the audit to be released, suggesting that its revelations will prove embarrassing to Inhofe, who played a key role in designing the buyout plan, and cast doubt on Pruitt's decision not to move forward with charges. Last week, a Washington, D.C., nonprofit called the Campaign for Accountability raised the stakes even further, filing suit in Oklahoma courts to force the release of the audit.

"If you take a look at Scott Pruitt's record, you see a general disregard for transparency," said Daniel Stevens, the group's executive director. "I don't think it's outside our bounds to say that Pruitt is trying to hide evidence of criminal wrongdoing."

Pruitt, in an interview, dismissed the idea that he was covering anything up, saying his former office's grand jury unit reviewed the audit and determined that no charges were warranted. He said he declined to make it public because he didn't want innocent people to be besmirched, even though the auditor rejected that reasoning and maintained it should be a public document. "It was important to protect the individuals' reputation that were in that investigation," Pruitt said.

Nonetheless, the mess at Tar Creek continues to follow Pruitt in other ways. As EPA administrator, he has assumed full responsibility for the still-faltering cleanup. And eyebrows were raised in Oklahoma this past January when, as Pruitt was awaiting confirmation for his EPA post, a White House spokesperson told Bloomberg News that the handling of Tar Creek was emblematic of Pruitt's philosophy: "national standards, neighborhood solutions."

Pruitt, in an interview, said he knew nothing about the Bloomberg article, saying only that he endorses the EPA's current work at Tar Creek and the principle of combining federal resources and state and local leadership, rather than the buyout that occurred before his time as EPA administrator, while he was Oklahoma's attorney general.

"I think as far as a model going forward outside of the buyout, what we're trying to do is have a renewed focus on what I think are some of the most beneficial things we can do for citizens across the country, and that's to address some of these legacy sites that have substantial environmental challenges that allow them to once again enjoy the communities in their backyard," he said.

But many residents of the Tar Creek area, who gave up their homes in a buyout they considered both coercive and corrupt, continue to blame Pruitt for the fact that no one was prosecuted. They described a program so rife with good-old-boy corruption that certain individuals received outsize payoffs while some homeowners got so little they couldn't relocate anywhere nearby; meanwhile, they said, the people hired to demolish the homes received inflated contracts through a flawed process.

"We were lied to and deceived from Day One," said Gloria Workman, who said her son has learning disabilities from growing up in the polluted zone of Tar Creek, which had lead-poisoning levels in children that were three times higher than those registered in Flint, Michigan, during the peak of its recent water crisis. "Not only were we losing our homes, we were raped in the process."

"It was a nightmare," said Mary Thompson, who was still awaiting a resolution from the trust when an EF4 tornado ripped through Tar Creek in 2008, throwing bodies and trailers through the sky, killing six people and destroying more than 100 homes. Without homes, many people took lower-than-expected buyout offers—however insufficient they were perceived to be—because they had nothing left, she said.

"They preyed on us after the tornado," said Thompson, whose home was leveled.

Nonetheless, Inhofe, in a 2015 news release touting the completion of the buyout, cast it as a success because it did not lead to an expanded federal role.

"This is an example of a government program created for a specific purpose and then dissolves after the job is completed," Inhofe proclaimed.

Now, he continues to defend it but sounds less celebratory. "The first thing to know about the Superfund site at Tar Creek is that it's what's called a 'mega-site' and that it is an exceptional circumstance in every way. You can't compare it to any other Superfund site in the country," Inhofe said in a statement to POLITICO. "The voluntary relocation assistance to get people out of harm's way was right for the situation at Tar Creek, but may not be for every other Superfund—that is why state and local partnership is critical."

To many former residents, who still want the investigative report by the state auditor to see

the light of day, even these modest and conditional endorsements feel like slaps in the face.

"People hate the government out here, and it's because of things like this," said Aletha Redden, a lifelong resident of the area who has a Donald Trump bumper sticker on her pickup truck. "I want Scott Pruitt to know: This is not the model."

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A flat expanse of dusty roads and scrubby vegetation situated in the heart of Tornado Alley, the Tar Creek area was once the mainstay of the Quapaw Tribe, which was forcibly relocated there by the U.S. government in 1834. At the time, the territory had little economic value, but a half-century later, prospectors discovered enormously rich ore. By the turn of the 20th century, companies broke ground with drill rigs on Quapaw land.

Many of those firms made fortunes, luring white settlers into an uneasy state of coexistence with the Quapaw. Tar Creek proved to be the deepest reservoir of lead-zinc ore in the world, producing a whopping $1 billion in minerals between 1908 and 1950, according to the Oklahoma Historical Society. Picher, the largest of the mining towns, swelled to a population of 14,000.

Almost every aspect of life in Tar Creek traced back to the mines. The high school took on the mascot of a gorilla, a reference to workers in the mines who broke up boulders with hammers. Children played in sandboxes filled with chat, the chalky mining debris. Teenagers earned the nickname "chat rats" for climbing up the pillowy piles of toxic rubble throughout town and rolling tires down their slopes.

By the end of World War II, however, the boom was over. Most of the mining companies decamped for richer pastures. For the families left behind—including that of Yankees slugger Mickey Mantle, who grew up in the Tar Creek area in the 1940s—it was a slowly unfolding disaster. The extent of Tar Creek's collapse was reflected in the words of John F. Kennedy, who barnstormed into Joplin, Missouri—25 miles away from Tar Creek—in the closing days of the 1960 presidential campaign.

"My own judgment is I know no tougher occupation in the world that [sic] to be a miner, lead, zinc, coal. I am always glad to meet them because I think they live with peril," Kennedy declared. "They have as tough a life as there is. Every other one whose hand you shake has a finger off, a foot crushed, the chances of in 20 years their having a bad accident are more than any of the rest of us. And yet in this community and in West Virginia and Idaho and in other sections of the United States, there has been no group that has been harder hit, no group that has been more forgotten."

Indeed, after the last prospector looking for ore packed up and left in the mid-1970s, people looked to casinos and farming to make a living. But the residue from decades of mining was poisoning them. In 1979, acid mine water leached into the ground, threatening the area's aquifers, killing fish and turning creeks a rusty orange color. When the federal Superfund program—designed to clean up the nation's most polluted and contaminated land—kicked

off in the early 1980s, Tar Creek was named to the inaugural National Priorities List. It's still on the list.

The EPA has spent more than $176 million over the past 25 years on cleanup work inside the 42-square-mile-area, on projects from plugging mine shafts to removing contaminated surface soil in people's yards. Though the amount of money sounds large, it hasn't been nearly enough to remove the toxic dangers, and many residents insist the cleanup was mishandled from the get-go. In some cases, the removal of soil resulted in sloping yards, which, during bouts of rain, caused flooding and mold inside houses. In 2000, the FBI raided the offices of the EPA's prime contractor at Tar Creek, Morrison-Knudsen. The company later settled a lawsuit brought by the federal government alleging false representation of billing and progress reports for a sum of $1 million. In the settlement, the company made no admission of wrongdoing.

Meanwhile, the environmental hazards began to multiply: Shortly after the start of that Superfund spending spree, in 1993, researchers at the University of Oklahoma found that 34 percent of Quapaw children were living with lead concentrations above the federal limit. Further studies found alarming rates of lead and arsenic in both the tribal and non-tribal populations. In 1997, a university-lead study estimated that 21 percent of children near Tar Creek had elevated blood-lead levels (defined as 10 micrograms per liter at the time), which is three times higher than the highest measurements found in Flint, Michigan, in 2015. The learning disabilities and memory loss that had plagued the schools and curtailed lifespans for decades suddenly had a culprit.

As the dangers became ever-more visible and the cleanup lagged, residents rallied around the idea that the government should quickly buy them out of their homes, rather than wait for the hazardous materials to be removed. They thought they might have an ally in the state's senior senator, Inhofe, a Republican who was chair of the Senate Environment and Public Works Committee. But Inhofe, who has a skepticism about environmental science that exceeds that of any of his colleagues, refused to consider the idea. "There will never be a buyout. I promise you that," Inhofe told the *Tulsa World* in late 2003.

Inhofe's refusal to take action of any sort was often criticized in local press, due in part to the relentless attacks of a young Democratic congressman named Brad Carson. "If you'd asked people in Oklahoma politics at the time, they'd say we were mortal enemies," said Carson, referring to himself and Inhofe. "I was elected [to Congress] in 2000, and my goal was to untie the Gordian knot. The area is desperately poor. If it was in suburban Tulsa or Oklahoma City, there would've been outrage."

In 2004, Governor Brad Henry signed a bill authorizing the use of state dollars for the relocation of roughly 100 families with children under the age of 6. Under pressure to take further action, the senior senator began to come around. At first, he secured $2 million in federal funding to pay for a study that discovered that 286 homes within Tar Creek were at risk of being swallowed up from cave-ins of underground mine shafts. This provided an opportunity for Inhofe to reverse himself on the buyout, supporting it on the grounds of protecting residents from cave-ins.

"The stability with the underground mine workings was worse than anyone had previously been thought," recalls Ed Keheley, a retired nuclear engineer and native of Picher who co-authored the study's final report. In the spring of 2006, Inhofe announced a joint federal and state buyout program that would begin with $20 million in funding, with the express purpose of relocating any and all people who'd voluntarily leave Tar Creek.

Having once opposed the buyout to his political detriment, Inhofe now used his clout to keep on funding it, but with the idea that decision-making would be concentrated among local leaders, not the federal government. With Inhofe's support, the Oklahoma legislature created a nine-member panel called the Lead Impacted Communities Relocation Assistance Trust to assume control over the project. The members were all volunteers, helping their community, but some had a vested interest in the buyout: They included, for example, a local banker whose institution would later give loans to people to help them relocate; local property owners whose own homes—and those of relatives—would be subject to the buyout; town officials; and a leader of the Quapaw Tribe.

Inhofe cast himself in the role of the community's protector, putting out a 2008 campaign ad that declared: "Tar Creek: poisoned earth, the threat of schools and churches sinking into abandoned mines. Everyone thought it would be too much to tackle, except for one stubborn man named Inhofe."

But over a five-year period, the buyout would become the subject of a host of civil lawsuits and the subject of a state investigation.

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The local members of the trust—few, if any, of them schooled in environmental management—had two major tasks: figuring out how much each property owner should be paid for their home or business, and then choosing a company to demolish the properties. Both tasks would become the subject of complaints about cronyism, with residents saying the trust members rewarded their friends and politically connected individuals.

It didn't help that the trust often met behind closed doors, and that the vice chairman of the trust resigned within a year. The trust's sole employee, operations manager Sonya Harris, also quit, declaring in her resignation letter that she could no longer continue "with a clear conscience without recommending a change; I will not place myself in a position to be perceived as approving of the operations to this point."

The first case to raise eyebrows involved the mayor of Picher, Ernest "Sam" Freeman. In 2005, when the buyout was first being discussed as a probability, he acquired three large parcels of former mining land covered with chat from the Picher Development Authority, which he chaired. Freeman bought them at 3 cents per square foot, for a total price of $2,088.50, according to the findings of a state audit at the time. It was, the audit declared, a violation of state laws forbidding members of public boards from entering into contracts with those boards. Ottawa County District Attorney Eddie Wyant called on Freeman to

return the properties to the development authority in lieu of charges.

"If Sam wanted to buy that land, he needed to get off the board and purchase it legally," Wyant told a local newspaper at the time. "I am not one to put anyone in jail over this, but he needs to clear it up." Wyant, when reached by phone, declined to comment further.

Freeman returned the land, but, in a move that enraged some neighbors, profited off it anyway. The trust had decided that, because so much former mining land had been taken over by state authorities and tribal members, those who owned mobile homes or other shelters on land they didn't own would be eligible for buyouts. Freeman made a claim based on the fact that he had been maintaining and renting out homes on the chat-infested property for years before he tried to buy it.

Trust documents show that Freeman received at least $274,000 from the buyout, more than half of which came from the same lots he had been ordered to return by law enforcement. (Freeman told POLITICO a payout of more than a quarter-million sounded accurate enough, though he declined to provide an exact figure.) Neighbors suspected cronyism. Freeman, who is no longer mayor, denied receiving any preferential treatment. "These people thought I bought the lots to make a killing in the buyout," he said. "I don't think I got more than anyone else would have."

The size of the mayor's profit diminished public confidence in the trust, just as it was engaged in the most delicate part of its task, figuring out how much to pay each individual property owner. Property owners were supposed to receive fair market prices as if pollution hadn't existed in Tar Creek, based on the sales of similar properties elsewhere in northeast Oklahoma. But those calculations appeared to lack uniformity.

The average payout for the 695 properties involved in the buyout was just over $65,000, but the disparity in prices between two properties could be dramatic. Residents complained about lowball offers on some decent properties and overly high payouts for others that were rundown or minuscule in size.

"I got $3,000 for my gun shop. It took me $16,000 to build it," said former Tar Creek resident John Frazier.

Wally Long said he and his wife got $35,000 for their Dairy Queen, while another Dairy Queen right up the road got substantially more.

"We were told [by the trust] that's all the money there is," Long said. "It bothered my wife a lot. She put 23 years of her life into this business."

Meanwhile, a trust member named Janell Trimble got $185,000 for her house, and her brother collected $115,000 for his fiberboard house.

"I may be a member of the [relocation trust's committee], but I honor my duties and I recuse myself when family members are involved," Trimble told the *Tulsa World* in 2008. "[B]ut

as a buyout participant I also expect to be treated just like the next person."

Nonetheless, both Trimble and her brother received more than 35 percent above the average price per square foot. On the other end of the spectrum, an elderly woman named Betty Betts received an offer of $12,000 for her home; when she protested, the appraised value was raised to $20,000. Many people got so little for their homes that they had to turn around and take out loans in order to resettle elsewhere in Oklahoma. In the end, the trust finished up with millions in unspent funds.

Residents concentrated their anger on the company that the trust hired to conduct the appraisals, Cinnabar, which had previously made headlines for its management of a noise-insulation program at the Tulsa Airport, which involved multiple lawsuits . In response, the trust engaged an "appraisal reviewer" to go back over Cinnabar's work. But the reviewer, a company named Van Tuyl Associates, quickly came under criticism as well. "They [often] didn't get out of their car. They never entered these homes," said Keheley, who was a member of the trust at the time. (Van Tuyl Associates is now defunct; its former president could not be reached for comment.)

When the unrest over the buyout made the local newspapers, the trust's leadership pointed to a 95 percent acceptance rate for buyout offers. But some residents accused trustees of pressuring them with "take it or leave it" offers, according to a class-action lawsuit brought against the trustees, Cinnabar and Van Tuyl by more than 250 residents affected by the buyout. Plaintiffs also complained that they were denied the right to view the appraisal paperwork. There was even a fake camera—and posters notifying residents they were being videotaped—in the room where buyout offers were made, an apparent attempt to compel residents to take the offers, according to documents in the suit.

The suit, filed in Oklahoma district court, accused the defendants of cheating average property owners and rewarding friends and associates of the trustees. Depositions revealed an explanation for some of the inconsistencies in appraisals: For certain properties, Cinnabar expanded the boundaries of where it could find "comparables"—properties in adjacent counties whose sale prices were used to calculate the appraisals—with the approval of a state employee named J.D. Strong, who, according to the lawsuit, played a significant role in overseeing the trust.

One of the properties appraised in this fashion was that of Trimble, whose $185,000 payout, according to appraisal documents, had infuriated other residents.

When, in 2008, residents outlined their frustrations in a scathing six-page letter to Inhofe, Henry and other elected officials, Strong dictated the governor's reply, which was co-signed by Inhofe, lawyers for the plaintiffs asserted in his deposition. "I may have drafted this," Strong responded, when presented with a copy of the letter saved on Strong's computer.

In an interview, Strong defended the trust and its system of appraisals: "We knew going in that we weren't going to be the most popular. We went in with the idea that we were going to be fair. I can honestly say that, looking back, we were fair and unbiased and frugal."

During the six years the lawsuit was making its way through the state court system, both Cinnabar and Van Tuyl Associates declared bankruptcy. Eventually, the plaintiffs and the trust settled the case in 2015 for $1.3 million, which, after deducting attorney fees, meant that each resident ended up receiving an additional $2,600.

But that didn't satisfy many property owners.

"The people of Tar Creek were treated like second-class citizens, based on where they were born and lived," concluded Wally Kennedy, a columnist at the *Joplin Globe* who reported on northeast Oklahoma, including Tar Creek, for more than 30 years. "For someone to portray the buyout of the people of Tar Creek as a successful program is lying through their teeth."

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Once the trust obtained the properties on the toxic land, the next problem was how to destroy the empty structures that were on them.

Inhofe made sure there was enough money for the job. Even as he joined fellow Republicans in condemning President Barack Obama's 2009 stimulus bill as an unwarranted giveaway, the senior senator helped secure an additional $15.7 million in the bill to help the trust finish its work.

The trust hired a local businessman named Jack Dalrymple to oversee bids for the demolition contract. He was best known for organizing an annual deer hunt for paralyzed veterans, an endeavor that earned him a lifetime achievement award from a local Chamber of Commerce. His payment was to be 10 percent of the value of the winning bid. He formulated a scoring system to evaluate bids and, in March 2010, the trust awarded the contract to Stone's Backhoe, the most expensive of all four bids. At $2.1 million, it was nearly four times the cost of the lowest bidder.

Just 14 days after Stone's was declared the winner, it asked that the contract be reassigned to two subcontractors, CWF Enterprises, a carpet-cleaning business, and Vision Construction and Management. Former residents contend that there were longstanding ties between Dalrymple and the subcontractors. Whether or not they were friends before, they soon became hunting buddies. In October 2012, local coverage of Dalrymple's annual event for paralyzed veterans pictured the heads of the two firms setting up the flag for the hunt.

One of the losing contractors filed suit against the trust and individual trustees in Oklahoma district court, accusing them of violating the state's open-meeting act and competitive bidding act. The district county judge sided with the plaintiff, reopening the bidding process.

But rather than blame Dalrymple, the trust gave him a new contract. It included a flat rate for his services, $305,472—about $100,000 more than he would have received had the

contract remained with Stone's.

In January 2011, a $1.7 million demolition contract was awarded to none other than CWF Enterprises, the carpet-cleaning business, which was also the least expensive of the three bids received. A month later, however, the estimated cost of the contract ballooned to $3,050,786—almost exactly 10 times what Dalrymple received in his new contract.

While many residents cried foul, Andy Lester, the trust's attorney, attributed the increase to the fact that the EPA-controlled repository for dumping debris had just closed down. Trekking the remains of the houses and businesses to a dumping ground further away caused the massive change order, and a near doubling of the contract.

Lester also defends the choice of Dalrymple to handle the bids, contending that he was an engineer with some prior experience with public contracts and that the trust members couldn't handle the process on their own.

"It is important to remember that the trust board consisted of nine members—including, for example, a physician, a school teacher, and a mushroom farmer. They were volunteers, not professionals at this kind of work," Lester said. "Jack Dalrymple is a professional engineer with significant experience. And candidly, there are very few professional engineers in northeast Oklahoma."

Nonetheless, lawyers out of the Tulsa region filed a lawsuit in 2012 under the False Claims Act that accused the trust members, Dalrymple and the heads of the companies hired to do demolition work of being part of a "good old boy network" and defrauding federal taxpayers.

Attorneys for the plaintiffs, Zach and Brad Barron, say the lawsuit fizzled when the Department of Justice took the stance that "the government didn't sustain damages" from the charges laid out in the complaint. In a false claims lawsuit, where the plaintiffs are effectively trying to recoup money that's owed to the government, a lack of willingness from the government is effectively a death knell, the Barrons said. The lawsuit was eventually dismissed.

In an interview, Dalrymple insisted the allegations of cronyism were entirely unfounded.

"There were a lot of emotions and feelings during that period," he said. "When you ask someone to leave their home, it's a tough thing. But ... there was nothing there."

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Still, the drumbeat of complaints continued, eventually reaching the ear of Jerry Morris, the state director for Oklahoma's then-junior senator, Republican Tom Coburn.

It was no secret that Coburn, a physician who cast himself as a political outsider, didn't look upon Inhofe with any sort of fond feelings of mentorship.

"I think they were often seen as having very different approaches to politics," said David Blatt of the Oklahoma Policy Institute. "Inhofe is seen as a classic, pork-barrel politician who'd bring federal dollars to Oklahoma, the more the merrier." Whereas Coburn, Blatt says, "hated that kind of politics and did as little of it as he possibly could. In fact, he spoke disdainfully and caustically about it the whole time he was in the Senate."

Coburn was not shy about stepping on his fellow Republican's toes. Morris forwarded a memo with a lengthy list of allegations related to the awarding of contracts in the Tar Creek buyout, especially regarding the demolition work, to then-Attorney General Pruitt. In April 2011, Pruitt asked the state auditor and inspector, Gary Jones, to look into the memoranda sent from Coburn's office.

"I have determined that these concerns are serious in nature such that an investigation of the matter is warranted," Pruitt wrote to Jones. A 17-point list of allegations for Jones to investigate followed, including whether there was collusion between Dalrymple and the contractors hired to do the demolition work.

After spending almost two years on the investigation, Jones turned over the results of the audit to the attorney general's office in January 2014, apparently believing it had uncovered important information.

For a year and a half, the attorney general sat on the findings. Then, in May 2015, Pruitt announced that he wouldn't press charges. In addition, he vowed to keep the audit secret by refusing to release it.

Jones fired back at the attorney general's office days later, penning a letter to Pruitt that described his rationale for withholding the audit as "baffling."

"To our knowledge, the individuals named in the report are members of a public trust or contractor whose services were retained as part of this substantive project," Jones wrote. Further, he contended, "our office has received no inquiries from you or your staff regarding the content of the audit report."

Pruitt justified the secrecy by comparing the investigation results to the findings of a grand jury. "Specifically, our office is concerned about publication of unsubstantiated criminal allegations against private citizens," Pruitt wrote in a 2015 statement.

In an interview with POLITICO, Pruitt appeared to go one step further, suggesting the audit had in fact been vetted by a grand jury.

"You're addressing issues that it's been some months since I've looked into," Pruitt said. "I know the decision I made at that time was based upon the investigative audit. The investigative audit didn't yield anything to the grand jury, and, as such, it was important to protect the individuals' reputation that were in that investigation."

But when asked to clarify, a Pruitt staff member indicated that he was using the term "grand jury" as shorthand for the Multi-County Grand Jury Unit, a division of the AG's office, headed at the time by a Pruitt appointee, which decides whether to take cases to a grand jury for indictment.

It's not the same as a grand jury finding. Nonetheless, the attorney general's office, now overseen by Mike Hunter, Pruitt's former top deputy, has denied all open records requests for the audit, declaring it to be "under the supervision of the Multi-County Grand Jury Unit." A spokeswoman for the Oklahoma attorney general's office said that if there was in fact a grand jury, the office couldn't confirm or deny that.

These rationales befuddle open records experts.

"I don't think there's anything in the law that would prohibit it [the investigation] from being released," said Joey Senat of Oklahoma State University, the president of FOIA Oklahoma. "The law doesn't require that the audit be kept secret. What would its release be harming? They've closed the investigation and decided not to prosecute."

Jones, who is now running for governor, reiterated his call for the attorney general's office to release the audit, saying in a statement that "regarding any investigation of this kind, we always err on the side of transparency and the people of Oklahoma have a right to know."

Concluded Senat: "When you have the state auditor [Gary Jones] saying these are not unsubstantiated claims and this is a serious problem, good government would call for letting the public know what happened and showing the public the audit. Transparency helps alleviate a lot of concerns about favoritism, corruption, and incompetency—if those are indeed unfounded."

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Tar Creek today looks like an abandoned landfill. Illegal dumping has added a fresh layer of grime to the already ruined patch of earth. Giant craters from collapsed mine shafts, some as large as 200 feet in diameter, are filled with Bud Light cans, shotgun shells and the tangled remains of kids' playground equipment. "We call this urban renewal, Picher style," quipped former resident Gloria Workman.

Abandoned houses that were not part of the buyout are now coated with graffiti. The charred remains of the former mining museum in Picher, which burned down at the hands of arsonists, stands as a teetering monument to Tar Creek's former way of life. And the sense of danger and destruction extends beyond the former buyout area: On rainy days, local fields used for football practice bleed a toxic shade of orange.

The EPA is continuing its now 33-year-old cleanup effort, and it's thrust the Quapaws back into stewardship of the land. Although the tribe leased away or sold off significant chunks of Tar Creek to mining companies throughout the 20th century, the Quapaws have at least temporarily regained control of all of it. Since 2012, the tribe—a sovereign nation with

roughly 5,500 members—has been the primary EPA contractor for environmental remediation at Tar Creek. It's the first time any tribe has been a prime contractor on a Superfund site, assigning all the contracts and overseeing all the work.

"It's a great story," said Craig Kreman, assistant environmental director of the Quapaw tribe. "We're employing tribal members a lot of the time and members of the community. So that income [from the EPA contract] stays here in this community and is being spent in this community. We're not hiring a contractor out of Georgia."

Every day, a steady stream of trucks haul away more than 2,000 tons of soil saturated with cadmium, lead and other metals at the site. Each patch of earth requires years of passive soil treatments before it tests clean enough to plant row crops like winter wheat. Half-acre by half-acre, the hope is that Tar Creek can be put into productive agricultural use decades from now.

In August, after touring the abandoned area and surrounding towns, Pruitt's senior adviser Albert "Kell" Kelly, praised the EPA's efforts surrounding Tar Creek in sweeping terms: "People from all across the country count on the Superfund program to address pollution and revitalize their communities. Tar Creek cleanup is an excellent example of how the program should work. State and local partners, tribal partners, and EPA—all working together year after year to address historical pollution at this mega-site. It's cooperative federalism working at its best."

But many local observers, including Ed Keheley, aren't nearly as positive.

"Usually, the EPA comes in, they do their dirty work, sprinkle some wheat seed, take a picture to show Congress, and next year it looks like this," he said, pointing to a barren pasture. "Clearly, the EPA hasn't had the best interests of the people at heart. So I get personally offended when people like Scott Pruitt suggest otherwise."

For his part, Pruitt announced a fresh grant of $5 million to the Quapaw-led project last May, and he is quick to distance this experiment in local control from the one that preceded it.

"We [the EPA] can't impact the buyout. We didn't authorize the buyout. I didn't manage the buyout and its unique situation," Pruitt said. "I think what's most tangible is what we can do together with the tribe to advance and continue remediation."

When asked to respond to the undying complaints of residents in rural Ottawa County, where Tar Creek is located—a county in which Trump received 71 percent of the vote in November 2016—Pruitt changed the subject. "I had no experience with Tar Creek, to be honest with you," he said.

That's true, except it was his office's decision, when he was attorney general, not to prosecute the people accused of mishandling the trust money, Keheley and other local residents point out.

But what galls them more than the failure to prosecute is the failure to release the results of a government investigation—an audit that they believe will raise questions about Pruitt's unwillingness to press charges and cast a negative light on a project near and dear to Inhofe's heart.

Pruitt's connections to Inhofe are extensive. One of Pruitt's first hires as EPA chief was Ryan Jackson, a longtime Inhofe staffer and the senator's point person on Tar Creek, who is now Pruitt's chief of staff. He also brought on four other former aides to Inhofe, the Senate's leading proponent of the idea that man-made pollution contributing to climate change is a conspiracy and a hoax. Three of them are Pruitt's senior advisers on air, climate and legal issues.

"It gives me a level of comfort to know that we have a bureaucracy that's actually going to be serving instead of ruling," Inhofe told the *Washington Post*, applauding Pruitt for hiring his staff.

Numerous veteran Oklahoma political watchers, some of whom spoke to POLITICO on condition of anonymity, suggest that there may be an ulterior motive in Pruitt's embrace of Inhofe: It's widely believed that Pruitt, who is 49, wants to run for Inhofe's seat when the senator retires. Many observers think Inhofe is unlikely to seek reelection in 2020, when he'll be 85. And some have noted that Pruitt's decision not to advance the case against the buyout trust spared Inhofe the embarrassment of seeing the program he personally tailored and promoted go down in scandal.

"Pruitt is a rising Republican political star previously in Oklahoma and now nationally," said one journalist who closely follows the Oklahoma political scene. "There have been rumblings that Pruitt might have his eye on higher office. ... Pruitt would do everything to keep Inhofe close, assuming he wants to run for that seat."

Wally Kennedy, the *Joplin Globe* columnist who has covered the Tar Creek trust more closely than any other journalist, said, "My sense of the way that unfolded was that Pruitt decided he was not going to do any kind of prosecution, and then Inhofe writes a letter saying what an outstanding job the trust did. My reaction was 'Huh?'"

"The fact that the audit was not publicly disclosed tells me that somebody is hiding something," he added. "This is Oklahoma taxpayers' money being committed to ratting out what appears to be some apparent corruption. But everybody looks the other way. That's why I'm talking to you. Because if you can shed a light on this, maybe somebody will say 'We need to take a second look at this.'"

Pruitt, however, insists his decisions were strictly based on the law, and an Inhofe staffer flatly dismissed the possibility of Inhofe influencing Pruitt's decision.

"Senator Inhofe would have had no involvement in the case or in any of then-Attorney General Pruitt's decisions," the staffer said.

Pruitt was similarly bemused by the idea that there would have been any sort of political calculation behind his decision to shield the audit. The only politics in this case, he suggested, was on the part of those who want to embarrass him and Inhofe.

"You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys," Pruitt said in frustration.

Others argue that transparency in this case is not a political issue as much as a legal right.

"The open records act seems pretty clear this audit should be released," said Stevens, executive director of Campaign for Accountability. "You have to ask why he's not releasing it? Pruitt should have to be held accountable for this."

To view online click here.

Back

Pruitt named chair of Gulf Coast Ecosystem Restoration Council Back

By Anthony Adragna | 12/06/2017 07:28 PM EDT

President Donald Trump announced today that EPA Administrator Scott Pruitt would chair the Gulf Coast Ecosystem Restoration Council.

The group, formed in 2012 after the Deepwater Horizon oil spill, helps restore the ecosystems and economies of the Gulf Coast. Pruitt was unanimously selected by Alabama, Florida, Louisiana, Mississippi and Texas, the five states on the council.

"I am honored to be selected by the states and look forward to working with the governors to continue the excellent work of this Council to further the critical mission of restoring the Gulf of Mexico ecosystem," he said in a statement.

Pruitt named Kenneth Wagner, a senior adviser, to be his designee on the council. He takes over the chairmanship from the Secretary of Agriculture.

WHAT'S NEXT: Pruitt begins his chairmanship of the group.

To view online click here.

Back

Powelson says McIntyre to be sworn in Thursday Back

By Eric Wolff | 12/06/2017 03:33 PM EDT

New FERC Chairman Kevin McIntyre will be sworn in on Thursday, FERC Commissioner Rob Powelson told an audience of electric power officials in Philadelphia today.

"At a general session this afternoon in Philadelphia, one of the key speakers was FERC Commissioner Rob Powelson, and during his speech this afternoon he confirmed that Kevin McIntyre will be sworn in tomorrow," PJM Interconnection spokeswoman Susan Buehler said.

President Donald Trump nominated McIntyre, a partner at the law firm of Jones Day, to be commissioner and designated him to be chair months ago. The Senate confirmed him in early November, and he received his signed commission just before Thanksgiving.

His swearing in will put to rest rumors that either the Trump administration or McIntyre himself were delaying his start date to give current Chairman Neil Chatterjee enough service time to make staffing changes. Chatterjee will miss that deadline by a day.

It also puts McIntyre in charge of the process initiated by Energy Secretary Rick Perry that is aimed at supporting coal-fired and nuclear power plants in an effort to protect the power grid's resilience. Action on that proposal is expected by Monday.

To view online click here.

Back

EPA to hold more hearings on Clean Power Plan withdrawal Back

By Emily Holden | 12/06/2017 03:28 PM EDT

EPA will hold three additional public hearings on a proposal to withdraw the Clean Power Plan, in San Francisco; Gillette, Wyo.; and Kansas City, Mo., the agency announced today.

EPA Administrator Scott Pruitt in a press release said the change was "due to the overwhelming response" to two days of hearings in West Virginia last week. Many environmental advocates criticized EPA for initially scheduling hearings only in coal country.

The agency will announce the dates and locations of the meetings in the coming weeks, and speakers must register.

The Obama administration, by comparison, held public hearings on the proposed climate standards in 2015 in Pittsburgh, Denver, Atlanta and Washington, D.C.

WHAT'S NEXT: Comments on the draft withdrawal are due Jan. 16.

To view online click here.

Back

Republicans divided over taking up tax extenders this year Back

By Brian Faler | 12/06/2017 05:40 PM EDT

Republican leaders are divided over whether to take up a second tax-cut bill this year.

Senate Republicans want to move legislation reviving a rump group of tax "extenders," separate from their more sweeping plan to rewrite the code.

But the House's top tax writer isn't so sure.

"I don't like the extenders," said House Ways and Means Chairman Kevin Brady (R-Texas). "It's horrible policy and process."

"No decision yet," he added, saying lawmakers need to talk it over.

His comments came after Sen. John Thune, the chamber's No. 3 Republican, said today lawmakers will revive biodiesel, geothermal and other energy-related breaks along with other "cats and dogs," including a tax credit to maintain short-line railroads.

Thirty-four temporary tax provisions expired at the end of last year, including 16 energy ones, and lawmakers are now facing demands to revive them. Some want to attach the provisions to funding legislation needed to keep the government open H.J. Res. 123 (115).

Many Republicans had sworn off the "extender" ritual after a 2015 tax agreement made many of the breaks permanent while giving others what lawmakers said was one final extension — which, for some, ended last year.

Putting together an extender bill, even as lawmakers negotiate a final compromise on their tax-overhaul plans, is likely to test tax writers' bandwidth.

To view online click here.

Back

Solar pitches target Trump at USTR hearing Back

By Eric Wolff | 12/06/2017 03:46 PM EDT

Supporters of tough trade tariffs on solar energy equipment and their opponents squared off again at a hearing of the U.S. Trade Representative today. with both sides coloring their arguments in language aimed at swaying the White House.

The two companies seeking tariffs on foreign shipments of solar panels and cells, Suniva and SolarWorld Americas, pressed the case that barriers were vital for protecting U.S. manufacturing of the clean energy technology because of its importance for national security — issues at the heart of President Donald Trump's "America First" agenda.

"A strong remedy is required to persevere the U.S. industry, provide breathing space for this American-invented manufacturing technology," said Matt Card, vice president of operations for bankrupt Suniva. "Anything less would ... result in the loss of this industry. That would have a dramatic negative impact on national security."

Witnesses at the hearing opposed to instituting tariffs raised the same issues, but contended that trade barriers would threaten other businesses, and that the benefits of tariffs would help only a narrow segment of the solar industry.

"Factories in South Carolina and across the nation would suffer from solar tariffs," South Carolina Gov. Henry McMaster told the panel. "While there is only one operating factory in the U.S. petitioning for these tariffs, there are over 50 American-owned factories employing thousands of people that would be the ones harmed, including a steel mill in South Carolina that provides American-made steel for many of the U.S. factories that produce metal equipment for the utility scale solar farms."

The panel, which included representatives from the departments of Energy, Treasury, State, Labor and Commerce, and from the Council of Economic Advisers, appeared unmoved by the national security arguments, and instead peppered parties with detailed questions about the potential tariffs' impacts on U.S. solar power demand. Panel members also questioned whether a few years of trade protections would be enough time for Suniva and SolarWorld to hike their production enough to catch up to overseas competition.

They pressed witnesses from both side on how tariffs would effect the domestic solar market, whether a modest tariff would be effective, and their opinions on the recommendations the U.S. International Trade Commission sent the White House last month. ITC members recommended a range of options, from sliding scale of tariffs to a cap on total shipments.

The Trade Representative will send the White House a recommendation, and Trump has until Jan. 26 to make a decision.

To view online click here.

Back

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Yes, very	Somewhat	Neutral	Not really	Not at all

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To: Block, Molly[block.molly@epa.gov]; Grantham, Nancy[Grantham.Nancy@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]; Abboud, Michael[abboud.michael@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]; Daniell, Kelsi[daniell.kelsi@epa.gov]; Grantham, Nancy[Grantham.Nancy@epa.gov]; Hewitt, James[hewitt.james@epa.gov]; Konkus, John[konkus.john@epa.gov]; Lyons, Troy[lyons.troy@epa.gov]; Palich, Christian[palich.christian@epa.gov]; Richardson, RobinH[Richardson.RobinH@epa.gov]; Ringel, Aaron[ringel.aaron@epa.gov]; Wagner, Kenneth[wagner.kenneth@epa.gov]; Wilcox, Jahan[wilcox.jahan@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Bennett, Tate[Bennett.Tate@epa.gov]; Idsal, Anne[idsal.anne@epa.gov]; Beach, Christopher[beach.christopher@epa.gov]
From: Gray, David
Sent: Fri 4/6/2018 9:28:47 PM
Subject: RE: SJWP Latest Information
San Jacinto Comms Plan April 2018 edit.docx

Here you go

From: Block, Molly
Sent: Friday, April 06, 2018 1:36 PM
To: Gray, David <gray.david@epa.gov>; Grantham, Nancy <Grantham.Nancy@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Abboud, Michael <abboud.michael@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Daniell, Kelsi <daniell.kelsi@epa.gov>; Grantham, Nancy <Grantham.Nancy@epa.gov>; Hewitt, James <hewitt.james@epa.gov>; Konkus, John <konkus.john@epa.gov>; Lyons, Troy <lyons.troy@epa.gov>; Palich, Christian <palich.christian@epa.gov>; Richardson, RobinH <Richardson.RobinH@epa.gov>; Ringel, Aaron <ringel.aaron@epa.gov>; Wagner, Kenneth <wagner.kenneth@epa.gov>; Wilcox, Jahan <wilcox.jahan@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>; Bennett, Tate <Bennett.Tate@epa.gov>; Idsal, Anne <idsal.anne@epa.gov>; Beach, Christopher <beach.christopher@epa.gov>
Subject: RE: SJWP Latest Information

Thanks David! Adding Chris Beach to take a look at the Administrator's quote. Can you send over the comms strategy again? It looks like the press release was attached twice to the original email. Thanks!

Molly

From: Gray, David
Sent: Friday, April 6, 2018 2:30 PM

To: Grantham, Nancy <Grantham.Nancy@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Abboud, Michael <abboud.michael@epa.gov>; Block, Molly <block.molly@epa.gov>; Bowman, Liz <Bowman.Liz@epa.gov>; Daniell, Kelsi <daniell.kelsi@epa.gov>; Grantham, Nancy <Grantham.Nancy@epa.gov>; Hewitt, James <hewitt.james@epa.gov>; Konkus, John <konkus.john@epa.gov>; Lyons, Troy <lyons.troy@epa.gov>; Palich, Christian <palich.christian@epa.gov>; Richardson, RobinH <Richardson.RobinH@epa.gov>; Ringel, Aaron <ringel.aaron@epa.gov>; Wagner, Kenneth <wagner.kenneth@epa.gov>; Wilcox, Jahan <wilcox.jahan@epa.gov>; Kelly, Albert <kelly.albert@epa.gov>; Bennett, Tate <Bennett.Tate@epa.gov>; Idsal, Anne <idsal.anne@epa.gov>
Subject: SJWP Latest Information

All – Here is a copy of the draft press release and communication strategy. We are continuing to refine these materials with OPA. Ex. 5 - Deliberative Process

Ex. 5 - Deliberative Process

David

David Gray

Deputy Regional Administrator (acting)

EPA Region 6 – Dallas

(214) 665-2100 office

Ex. 6 - Personal Privacy

Ex. 6 - Personal Privacy

gray.david@epa.gov

To: Bennett, Tate[Bennett.Tate@epa.gov]
From: Anna Palmer Jake Sherman Daniel Lippman
Sent: Thur 12/7/2017 11:25:40 AM
Subject: POLITICO Playbook, presented by PhRMA: STATE DEPT issues 'worldwide caution,' as HAMAS calls for UPRISING IN ISRAEL after Trump announcement -- FIRST IN PLAYBOOK: Tax air wars in NY -- TOM LOBIANCO writing Pence book -- THE WING holds D.C. welcome dinner

View online version | Add politicoplaybook@politico.com to your address book.

Today's POLITICO Playbook presented by PhRMA

By JAKE SHERMAN (sherman@politico.com; @JakeSherman), ANNA PALMER (anna@politico.com; @apalmerdc) and DANIEL LIPPMAN (daniel@politico.com; @dlippman)

Listen to today's Audio Briefing | Subscribe on Apple Podcasts | Visit the online home of Playbook

Driving the Day

THE STATE DEPARTMENT has issued a "worldwide caution" for U.S. citizens traveling the world. **MATT LEE,** the AP's longtime diplomatic correspondent **(@APDiploWriter),** says: "The last time the @StateDept issued a 'Worldwide Caution' because of a US policy decision was March 2003 at the start of the Iraq war." ***The State Department memo*** http://bit.ly/2B0IFkY

AP/GAZA CITY, at 4:18 a.m.: "GAZA CITY, Gaza Strip (AP) - Hamas leader calls for new uprising against Israel in wake of US decision to recognize Jerusalem as Israel's capital."

-- ADELSON'S PAPER -- ISRAEL HAYOM FRONT PAGE: In English: "Thank you, Mr. President! Jerusalem" (the "usa" in Jerusalem is colored with the American flag). In Hebrew: "The capital of Israel" http://bit.ly/2jYPwAZ

WSJ EDITORIAL -- "The Reality of Jerusalem": "Arab leaders denounced the Embassy move, but we wonder how long the fury will last. The Sunni Arabs also confront the threats of Islamic terrorism and Iranian imperialism, and the Palestinians are a third order concern. If the movement of an American Embassy that was signaled more than 20 years ago is enough to scuttle peace talks, then maybe the basis for peace doesn't yet exist." http://on.wsj.com/2AZOrU3

Good Thursday morning. EXPECTED TODAY: House Republican leaders tell us they feel confident they will pass a bill to fund government for two weeks. Sen. Al Franken (D-Minn.) is widely expected to resign. And Congressional leaders head to the White House for fiscal talks.

TRUTH BOMB: THE NEXT MONTH IS GOING TO BE A MESS -- It looks like Congress is going to avoid a government shutdown this week. But this is only the beginning of a very, very messy month for Republican leaders. Top GOP lawmakers, at the moment, are not completely certain how they'll fund the government when funding expires on Dec. 22. One idea bouncing around is for the House to send the Senate a bill it won't even be able to take up -- a yearlong bill that increases military spending but doesn't bump domestic spending. Conservatives are itching for House Republican leaders to stand firm when the Senate rejects its opening funding salvo later this month.

-- ALSO TOUGH: Republicans and Democrats are almost certain to cut a deal to boost spending, renew CHIP -- the massive children's health program and bolster Obamacare. Some of that could come at the end of the month, or next month, on the back of an omnibus spending package, which will lump together 12 spending bills. The mood isn't good at the moment, and it only seems to be getting worse. Optimists hope tax reform makes all Republicans happy. Color us a tad skeptical.

AROUND THE TAX REFORM HORN ...

-- HOUSE/SENATE DIFFERENCES: "Tax Bill Is Likely to Undo Health Insurance Mandate, Republicans Say," by NYT's Robert Pear and Tom Kaplan: "House and Senate negotiators thrashing out differences over a major tax bill are likely to eliminate the insurance coverage mandate at the heart of the Affordable Care Act, lawmakers say.

"But a deal struck by Senate Republican leaders and Senator Susan Collins of Maine to mitigate the effect of the repeal has been all but rejected by House Republicans, potentially jeopardizing Ms. Collins's final yes vote. 'I don't think the American people voted for bailing out big insurance,' said Representative Dave Brat, Republican of Virginia, who opposes a separate measure to lower insurance premiums that Ms. Collins thought she had secured." http://nyti.ms/2AZIhU0

-- THE FIGHT OVER 20 PERCENT: "Corporate rate cut in tax bill could change as GOP hunts for votes," by Seung Min Kim, Nancy Cook and Bernie Becker: "In a closed-door meeting Wednesday with CEOs from the Business Roundtable, Republican Sen. Pat Toomey and White House economic adviser Gary Cohn in separate sessions told the crowd their strong preference was to keep the corporate rate at 20 percent, where it is now in the legislation, even as lawmakers were under intense pressure to find new revenue, according to three people familiar with the meeting.

"Both men left the crowd with the impression that the corporate rate was a target in the hunt for that revenue and could rise as a result. ... Each percentage point the corporate rate increases is worth about $100 billion over a decade. The top corporate rate is now 35 percent. ...

"Boosting the corporate tax rate could open a floodgate of other demands from lawmakers seeking to get provisions in the tax bill. Sen. Marco Rubio (R-Fla.), for

instance, told POLITICO on Wednesday that if the rate goes up to 22 percent 'and they don't use some portion of it to help' boost the child tax credit, 'I'm going to have a big problem.'" http://politi.co/2nARInh

-- K STREET INC.: "Lawmakers face pressure to save deductions for mortgage interest and state and local taxes," by Theo Meyer, Aaron Lorenzo and Colin Wilhelm: "Lobbyists have launched an all-out effort to save tax breaks and protect powerful industries as the Republicans' tax overhaul lurches toward President Donald Trump's desk. Builders and real estate interests are pushing to save the mortgage interest deduction. Businesses are fighting to strip out a last-minute provision inserted into the Senate bill that would preserve the corporate alternative minimum tax. And a coalition of trade groups and local government leaders is urging Republicans not to cut the state and local tax deduction.

"With Trump pressing Congress to send him a bill before Christmas, lobbyists must decide where they want to focus their efforts over the next week. Some are working the senators and representatives who will make up the conference committee charged with ironing out the differences between the House and Senate bill. Others are working to persuade Republican leaders or leaning on the members of Congress whose constituents may see their taxes go up if changes aren't made to the bill." http://politi.co/2nCatqu

FIRST IN PLAYBOOK -- TAX AIR WARS IN NEW YORK - 45Committee, a group backed by the Adelson and Ricketts families, is launching ads against House GOP members who opposed both the tax bill and Obamacare repeal. The first ad -- on which the group says it's spending six figures -- criticizes Rep. Dan Donovan (R-N.Y.) for saying he is opposed to Obamacare and supports a tax overhaul, but voting against them. It's part of 45Committee's $10 million effort on tax reform, a representative of the group said. The ad's narrator ends the spot by saying "If he won't keep his word and support tax reform, how can we ever trust him again?" ***The ad*** http://bit.ly/2Ah695L

-- SCOOP: AMERICAN ACTION NETWORK is putting $2 million on TV, explaining what they believe the tax bill would do for 24 districts across the country. ***The ad*** http://bit.ly/2joVCeo

WSJ'S KRISTINA PETERSON and **KATE DAVIDSON: "House Republicans Weigh Linking Debt Ceiling Increase to Spending Bill":** "Rep. Doug Collins of Georgia, a member of House GOP leadership and the head of a working group of House Republicans on the debt limit, said lawmakers were considering increasing the debt ceiling as part of the bill funding the government for the rest of the fiscal year, known as an omnibus.

"GOP leaders are likely to seek to raise the debt limit enough to last at least through next November's midterm elections, lawmakers and aides said. They will have to act, likely by March, to avoid a default.

"'There's just going to be an omnibus at some point, probably after the first of the year,' Mr. Collins said in an interview this week. 'Probably there'll be some debt ceiling discussions with the White House [going] into that bigger omnibus bill,' he said, but noted that the group of 23 House Republicans hadn't reached a final decision." http://on.wsj.com/2nBwOoh

****** **A message from PhRMA** : A medicine's path from the biopharmaceutical company to the patient involves many entities across the supply chain. A new report examines how money flows through this system - which includes wholesalers, pharmacy benefit managers, pharmacies and insurers - and how that impacts what patients pay at the pharmacy. Read more. http://onphr.ma/2kgd6Nu ******

IF YOU READ ONE THING - POLITICO MAGAZINE INVESTIGATION: "The Environmental Scandal in Scott Pruitt's Backyard: It's one of the dirtiest places in America. Former residents of Tar Creek, Oklahoma, want to know why Trump's EPA chief didn't prosecute allegations of wrongdoing during a federal buyout program," by Malcolm Burnley in Picher, Oklahoma: "Tar Creek, Oklahoma, is breathtaking in a terrible way: At one time the world's deepest source of lead and zinc, the three-town region is now a cratered landscape so poisonous that no one, aside from 10 holdouts, can live there. Mountains of ashlike 'chat,' a toxic residue from lead-zinc milling, rise majestically among the remains of homes torn from their foundations. Abandoned pets forage around the ruins. A child's teddy bear lies sprawled in a ghostly living room. A gorilla statue fronts an empty high school, atop a sign proclaiming '1A Football State Champs, 1984.'

"Tar Creek is also part of the environmental legacy of one of the state's-and nation's-leading politicians, Senator Jim Inhofe, and his longtime ally, Scott Pruitt, the former Oklahoma attorney general who is now head of President Donald Trump's [EPA]. After the EPA struggled to clean up the area, in 2006, Inhofe endorsed a plan in which a trust overseen by local citizens would use federal dollars to purchase homes and businesses in the toxic region so residents could move elsewhere. Then, when the plan proved so problematic that it spawned more than a half-dozen civil lawsuits and an audit into possible criminal wrongdoing, Pruitt, as the state's attorney general, invoked an exception to state freedom-of-information laws to keep the audit from being an open public record.

"Now, that decision is coming into new light as many Oklahomans clamor for the audit to be released, suggesting that its revelations will prove embarrassing to Inhofe, who played a key role in designing the buyout plan, and cast doubt on Pruitt's decision not to move forward with charges." http://politi.co/2kuwKFw

ATTN. DETROIT -- "John Conyers III was arrested for domestic abuse but not prosecuted," by NBC News' Andrew Blankstein in LA: "John Conyers III, a Detroit hedge fund manager named as a possible successor to his scandal-rocked father, Rep. John Conyers, was arrested in Los Angeles this year on suspicion of domestic violence, but prosecutors declined to charge him, according to documents obtained by NBC

News. ... Conyers III, 27, was arrested on Feb. 15 at a Los Angeles residence on suspicion of violence against his girlfriend after the alleged victim called police. ... The girlfriend said that Conyers III suspected her of cheating after he went through her computer. She told police that he 'body slammed her on the bed and then on the floor where he pinned her down and spit on her,' the report says." http://nbcnews.to/2zUliWp

FOR YOUR RADAR -- "N. Korea says war is inevitable as allies continue war games," by AP's Kim Tong-Hyung in Seoul, South Korea: "North Korea says a nuclear war on the Korean Peninsula has become a matter of when, not if, as it continued to lash out at a massive joint military exercise between the United States and South Korea involving hundreds of advanced warplanes. In comments attributed to an unnamed Foreign Ministry spokesman, North Korea also claimed high-ranked U.S. officials, including CIA Director Mike Pompeo, have further confirmed American intent for war with a series of 'bellicose remarks.'" http://bit.ly/2iznFXY

JARED WATCH -- "Kushner bets he can have it both ways on Jerusalem move," by Annie Karni: "Jared Kushner is betting the house on a risky strategy that Middle East experts worry will derail any future Israeli-Palestinian peace deal - as well as what remains of the powerful son-in-law's shrinking West Wing portfolio. He privately encouraged President Donald Trump's announcement Wednesday that 'Jerusalem is Israel's capital,' which was seen by some experts in the region as a setback for peace efforts led by Kushner and his small team.

"The group has made dozens of trips to the region and spent hours on listening tours, working to gain the trust of the Palestinians and the broader Arab world. 'It is very, very hard to imagine how that peace effort can be continued,' said Ghaith al-Omari, who served as an adviser to the Palestinian Authority's negotiating team from 1999 to 2002. 'All the Arab leaders who have been cultivating relations with the new administration will be forced to come out very strongly against this.' But a person close to Kushner said he was forceful in his backing of the move. 'Encouraging would be an understatement,' the person said. 'It was him.'" http://politi.co/2k3bEdr

THE BACK STORY -- "Inside the demise of Al Franken," by Elana Schor and Seung Min Kim: "Al Franken weathered six women's sexual misconduct allegations without hearing a single resignation call from his fellow Democratic senators. No. 7 broke the dam. The Democratic women of the Senate had been talking among themselves about the Franken allegations for weeks, one Democratic aide said. None, however, went further than to call for a Senate Ethics Committee probe of the Minnesota senator, who many of them had considered a close friend.

"That stance became increasingly untenable as the accusations against Franken piled up. In calls and texts, the female senators eventually came to an unstated agreement, according to another aide familiar with their discussions: The next credible story of misconduct in a credible news outlet would would prompt them to call for Franken's resignation. When POLITICO reported Wednesday that a former Democratic congressional aide said Franken tried to forcibly kiss her in 2006, the aide said, it 'was

the tipping point.'

"The first public resignation nudge came from Sen. Kirsten Gillibrand (D-N.Y.), a champion for reform of Capitol Hill's sexual harassment policy who one day earlier publicly declined to push Franken. Six more Senate Democratic women followed, with head-snapping speed. 'I think many people have been talking about this for some time. And we all responded with what we had been feeling today,' Sen. Patty Murray (D-Wash.) said after she said Franken should step aside. 'It wasn't coordinated, it just happened.'" http://politi.co/2iXZ2bb

THE REPLACEMENT -- "Female lieutenant governor expected to replace Franken if he resigns," by Maggie Severns: "Minnesota Gov. Mark Dayton is expected to appoint his lieutenant governor and close ally, Tina Smith, to Al Franken's seat if the Democratic senator resigns on Thursday, three people familiar with the Democratic governor's thinking said. But that appointment would be just the start of a huge upheaval in Minnesota.

"Part of the reason Smith could be heading to the Senate, the sources said, is because she has indicated no interest in running for Congress in the past and would not run for the remainder of Franken's term, which expires in 2020, in a 2018 special election. That would clear the way for a wide-open Democratic primary next year if Franken steps down." http://politi.co/2BQf7UM

FIRST PERSON - TINA DUPUY in The Atlantic, "I Believe Franken's Accusers Because He Groped Me, Too: The Democratic Party needs to stand with women who have been harassed-and not defend the politicians who abused them." http://theatln.tc/2iZhZu9

RUSSIA WATCH -- "Trump Jr. cites attorney-client privilege in not answering panel's questions about discussions with his father," by Kyle Cheney: "Donald Trump Jr. on Wednesday cited attorney-client privilege to avoid telling lawmakers about a conversation he had with his father, President Donald Trump, after news broke this summer that the younger Trump - and top campaign brass - had met with Russia-connected individuals in Trump Tower during the 2016 campaign.

"Though neither Trump Jr. nor the president is an attorney, Trump Jr. told the House Intelligence Committee that there was a lawyer in the room during the discussion, according to the committee's top Democrat, Rep. Adam Schiff of California. Schiff said he didn't think it was a legitimate invocation of attorney-client privilege. 'I don't believe you can shield communications between individuals merely by having an attorney present,' he said, after the committee's lengthy interview with Trump Jr. 'That's not the purpose of attorney-client privilege.'" http://politi.co/2kusF43

TRUMP'S THURSDAY -- The president is meeting with Republican senators and RNC Chair Ronna Romney McDaniel. He is also signing a proclamation for National Pearl Harbor Remembrance Day. In the afternoon he will meet with congressional leaders

and former Ambassador to the United Nations John Bolton. He and the First Lady will also host a Hanukkah reception.

THE JUICE...

-- **FIRST IN PLAYBOOK** - **TOM LOBIANCO,** an AP White House reporter, has signed a deal to write a book on Vice President Mike Pence. LoBianco has covered the former governor of Indiana for multiple news organizations, including the AP and the Indianapolis Star, since 2011. The book was sold by Bridget Matzie of Aevitas Creative Management to Julia Cheiffetz of Dey Street Books, an imprint of HarperCollins.

-- **JUSTIN MYERS** has been hired as the CEO of For Our Future and For Our Future Action Fund. For Our Future was founded in 2016, when it ran a $60 million ground operation to help progressive candidates. He most recently has been SVP at the Pivot Group and is an alum of DCCC, Kay Hagan and the New Jersey Democratic State Committee, where he was ED.

-- **THE WING,** a New York-based women's co-working and social club, held a "welcome" dinner at 1789 last night. It is opening its D.C. outpost in Georgetown early next year. **SPOTTED:** Sens. Amy Klobuchar (D-Minn.), Heidi Heitkamp (D-N.D.) and Kirsten Gillibrand (D-N.Y.), Audrey Gelman, Giovanna Lockhart, Dayna Grayson, Alyssa Mastromonaco, Edith Gregson, Juleanna Glover, Kasie Hunt, Kristen Welker, Annie Karni, Pia Carusone, Susan Tynan, Tammy Haddad and Katie Glueck.

FUN VIDEO -- @TheDailyShow: "Trump's Best Words of 2017" - ***1-min. video*** http://bit.ly/2kvGTSs (h/t Matt Negrin)

HAPPENING TONIGHT -- Our first live podcast taping is **TONIGHT** at 7 p.m. at Sixth and I. Our inaugural guests: **MICHAEL BARBARO,** host of the New York Times' hit podcast "The Daily," **DCCC EXECUTIVE DIRECTOR DAN SENA** and **NRCC EXECUTIVE DIRECTOR JOHN ROGERS.** And a panel of **POLITICO** stars: **RACHAEL BADE, SEUNG MIN KIM** and **ANNIE KARNI.** Get your tickets now! http://bit.ly/2hWK7tF

Playbook Reads

PHOTO DU JOUR: A motorist on Highway 101 watches flames from the Thomas fire leap above the roadway north of Ventura, Calif., on Dec. 6. | Noah Berger/AP Photo

THE LATEST ON THE BAN -- "Appeals court considers legality of latest Trump travel ban," by Josh Gerstein: "A federal appeals court gave a somewhat friendlier reception Wednesday to President Donald Trump's latest travel ban order, just two days after the Supreme Court allowed the policy to be implemented in full for the first time. A

three-judge panel of the 9th Circuit Court of Appeals met in Seattle to hear arguments over an injunction against varied travel restrictions Trump issued in September on citizens of six majority Muslim countries, as well as North Korea and Venezuela." http://politi.co/2jm0bWL

JUST POSTED -- "The surgeon general and his brother: A family's painful reckoning with addiction," by Andrew Joseph in STAT News: http://bit.ly/2j0ZYvw

HMM - "VA cuts program for homeless vets after touting Trump's commitment," by Arthur Allen and Lorraine Woellert: "Four days after Veterans Affairs Secretary David Shulkin held a big Washington event to tout the Trump administration's promise to house all homeless vets, the agency did an about-face, telling advocates it was pulling resources from a major housing program. The VA said it was essentially ending a special $460 million program that has dramatically reduced homelessness among chronically sick and vulnerable veterans.

"Instead, the money would go to local VA hospitals that can use it as they like, as long as they show evidence of dealing with homelessness. Anger exploded on a Dec. 1 call that was arranged by Shulkin's Advisory Committee on Homeless Veterans to explain the move. Advocates for veterans, state officials and even officials from HUD, which co-sponsors the program, attacked the decision, according to five people who were on the call." http://politi.co/2nCuQ6L

VALLEY TALK -- "Silicon Valley Investor Shervin Pishevar Accused Of Spreading False Information To Cover Up Alleged Sexual Misconduct," by BuzzFeed's Ryan Mac: "Venture capitalist Shervin Pishevar, who has been accused by multiple unnamed women of sexual misconduct in a recent news report, is now being accused by a Republican-affiliated opposition research firm of spreading false information about it in an attempt to cover up his alleged wrongdoings. In a bizarre twist on Wednesday, Definers Public Affairs - which Pishevar is suing for allegedly helping to spread a false police report that accuses him of rape - filed a motion to dismiss the investor's suit in full.

"That motion, made in San Francisco Superior Court, argues that Pishevar's lawsuit should be thrown out under California's anti-Strategic Lawsuit Against Public Participation (anti-SLAPP) law, which was designed to prevent litigation that is simply meant to silence or intimidate critics by burying them under legal costs." http://bzfd.it/2BH5RI2

ZACK STANTON in POLITICO Magazine: **"John Conyers Was An Icon. Then He Lost His Way:** It's time to reckon with the legacy of a man who saw so much and stayed too long": http://politi.co/2B8OgX3

****** **A message from PhRMA** : A medicine's path from the biopharmaceutical company to the patient involves many entities across the supply chain. A new report examines how money flows through this system - which includes wholesalers,

pharmacy benefit managers, pharmacies and insurers - and how that impacts what patients pay at the pharmacy. Read more. http://onphr.ma/2kgd6Nu ******

DESSERT -- "A history of the final dying days of the power suit," by WaPo's Robin Givhan: "Douglas Heye wears suits. Like a lot of men, he gives a fair amount of consideration to the way those suits are styled. Unlike a lot of men, he is willing and able to break down those considerations into specifics. 'I like a pocket square, but I generally don't wear one with a tie,' says Heye, a former Republican strategist, now a CNN contributor. 'If I'm wearing a tie, three out of four times it's blue. I like blue and I've been told it works for me. ... If I'm wearing a jacket and no tie, I always like a pocket square. I think it's a little bit more dressy. It shows a little bit of effort.'

"Effort is important. The whole reason for wearing the suit, he says, is to set a tone. He recently attended a meeting where he knew everyone else would be casual. But he couldn't bring himself to show up in khakis and a golf shirt. A suit, he reasoned, signaled a certain seriousness. 'But I don't know,' he says. 'Maybe it means something to me and not the viewer.'" http://wapo.st/2Akck9h

MEDIAWATCH -- "ABC reprimands producer for giving data to Trump campaign," by Michael Calderone: "In their new book 'Let Trump Be Trump,' campaign insiders Corey Lewandowski and David Bossie wrote that Chris Vlasto -- then-executive producer of 'Good Morning America' and now senior executive producer for investigative reporting -- called Bossie, Trump's deputy campaign manager, at 5:01 p.m. on election night with information being shared within a consortium of the Associated Press and the major TV networks. ...

"Bossie had known Vlasto for decades, going back to when Bossie was a Republican House investigator in the 1990s and Vlasto was covering the Clinton Whitewater investigations, according to the book. Vlasto was considered for a senior communications position in the Trump White House in the weeks after the election before pulling himself out of consideration." http://politi.co/2BayJWQ

--PER MICHAEL CALDERONE IN MORNING MEDIA: "Doyle McManus is taking a buyout from the Los Angeles Times after 39 years with the paper. He said in a note to friends that he'll write occasional op-ed columns for the paper as a contributing writer, and that he plans to do more long-form pieces -- and possibly a book."

Playbookers

SPOTTED: Donald Rumsfeld in Farragut Square yesterday after getting a haircut

SPOTTED at the annual American Defense International holiday party at the Hotel George hosted by defense lobbyists Van Hipp and Michael Herson: Rick Harrison, star of History Channel's "Pawn Stars," Ed Nixon, brother of former President Richard Nixon,

former Virginia Governor, RNC Chair and presidential candidate Jim Gilmore, Reps. Debbie Wasserman-Schultz (D-Fla.), Adam Schiff (D-Calif.), Adam Smith (D-Wash.), Joe Wilson (R-S.C.), Jim Banks (R-Ind.), Scott Taylor (R-Va.), Bill Shuster (R-Pa.), Pete Visclosky (D-Ind.), Bradley Byrne (R-Ala.), Martha McSally (R-Ariz.), Charlie Crist (D-Fla.), Mario Diaz-Balart (R-Fla.), and Mike Turner (R-Ohio).

TRANSITIONS -- "Cruz chief of staff leaves Capitol Hill," by Seung Min Kim: "Sen. Ted Cruz's chief of staff is leaving Capitol Hill after more than a year leading the Texas Republican's congressional operation in Washington and in his home state. David Polyansky, 46, came on board as Cruz's chief of staff following the Republican National Convention in 2016 at a time when the senator re-focused his energies on Texas following his unsuccessful presidential campaign.

"Now, Polyansky is returning to Houston, where his family resides, and staying on as a senior adviser for Cruz's re-election campaign in 2018. ... Pre Shah, currently Cruz's chief counsel, will take over for Polyansky as the senator's chief of staff. Cruz's legislative director, Steve Chartan, will become deputy chief of staff while keeping his legislative duties." http://politi.co/2AyC0Ou

-- SPOTTED: Cruz, Polyansky and Scott Reed in a booth at Capital Grille last night - also seen there: Rep. Jeff Duncan (R-S.C.) chatting with Arkansas Lt. Gov. Tim Griffin. Rep. Duncan Hunter (R-Calif.) and Rep. Roger Williams (R-Texas) were also at the restaurant.

BIRTHDAY OF THE DAY: Suhail Khan, Microsoft director of external affairs. **A fun fact about Suhail:** "I was a nanny in college, have ridden a '61 Harley Davidson since high school and am currently restoring a '67 Shelby Mustang GT500. I was also front row for Metallica three times this summer." **Read his Playbook Plus Q&A:** http://politi.co/2AzrXss

BIRTHDAYS: Carole Simpson is 76 ... Sen. Susan Collins (R-Maine) is 65 ... Sen. Thad Cochran (R-Miss.) is 8-0 ... CNN's Ashley Killough (hat tip: Kevin Cirilli) ... Emily Hamilton, director at Hamilton Place Strategies ... Kate Tummarello, policy analyst at Electronic Frontier Foundation ... Allie Grasgreen Ciaramella, comms manager at the National College Access Network ... Nicolás Luis Rosero ... Larisa Alexandrovna Horton ... Oath's Sarindee Wickramasuriya ... former Amb. Michael Punke, VP of global public policy for Amazon Web Services and author of "The Revenant" ... Scott Greene ... Kenny Fried ... Patrick Lee Plaisance is 54 ... Molly Block, newly-hired press secretary at EPA ... Ben Fallon ... Maria Fuentes ... Jeannie Lough ... Doug Henwood ... Dafna Tapiero ... Adam Culbertson ... Michael Steinhardt is 77 ... Jonathan Tisch is 64 ... Edelman's Erika Reyes ... NYT's Dean Chang ...

... Priya Dayananda of KPMG ... Anne MacMillan of Invariant ... Sam Runyon, deputy press secretary for Sen. Joe Manchin (D-W.Va.), celebrating over three days (h/t Jonathan Kott) ... Christina Freundlich ... Olivia Wenk (h/t Dad, Christopher) ... Tyler Prell ... Robert Cresanti, pres. and CEO of Int'l Franchise Association ... Mary Heitman,

EVP at IFA ... Illinois State Sen. Dan McConchie ... Rep. Duncan Hunter (R-Calif.) is 41 (h/t Robb Watters) ... Tom Frieden ... Mike Klein ... Deloitte's Sam Schofield, a State alum (h/t Nihal Krishan, "his fellow Fessenden Fiefdom housemate") ... Jenny Kordick ... Amanda Faulkner, public policy and government relations at Google (h/t Ben Khouri) ... Lisa Sun ... Raj Peter Bhakta ... Tim Andrews ... Kim Bradford ... Peter Truell is 62 ... Brian Mosteller ... Mike Meece ... Cristina Beato ... Noam Chomsky is 89 ... Alice Parker ... Ruthanne Buck ... Sachin Chheda ... Antha Williams ... Jeff Blum (h/ts Teresa Vilmain)

****** **A message from PhRMA** : In the competitive marketplace for medicines, negotiations between pharmacy benefit managers (PBMs) and biopharmaceutical companies result in substantial rebates and fees. According to a new report, in many cases, this system often creates incentives for PBMs to prefer medicines with higher list prices and higher rebates. Read more about how money flows through the supply chain here: http://onphr.ma/2kgd6Nu ******

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To: Bennett, Tate[Bennett.Tate@epa.gov]
From: POLITICO Pro Energy
Sent: Thur 12/7/2017 10:45:23 AM
Subject: Morning Energy: Pruitt heads to House grilling today — Major flop in Alaska lease sale bodes ill for ANWR estimates — McIntyre gets sworn in at FERC today

By Anthony Adragna | 12/07/2017 05:43 AM EDT

With help from Emily Holden, Eric Wolff and Alex Guillén

WELCOME TO CONGRESS, MR. PRUITT: EPA Administrator Scott Pruitt makes his long-awaited first appearance before a House Energy and Commerce subpanel this morning where he's expected to get grilled on a host of issues. The session will be broken into two segments — 10-11 a.m. and then 2 p.m. onwards — to allow Pruitt to attend a White House meeting on biofuels (more on that below). Look for E&C Environment Chairman John Shimkus to recognize the arrangement is "not ideal, but gives members maximum ability to personally question the administrator about the agency's mission" during his opening remarks.

What Republicans will say: Expect Chairman Greg Walden to press Pruitt on budget transparency and his plans to address staffing issues: "I expect that 'Back to Basics' is not an abdication of environmental protection, but rather a rededication to mastering the most fundamental aspects of EPA's mission," he'll say, according to prepared remarks glimpsed by ME. Shimkus said his questions could touch on a range of topics, including TSCA, brownfields, safe drinking water and the agency's staffing.

And Democrats? "We're all noticing the orientation toward the environment is completely different with respect to budgeting, with respect to climate change, potentially with respect to methane, particulates," Rep. Scott Peters, a subcommittee member, told ME. "So, I just think we want to get a sense of where he's going and how he'll measure success." The committee's top Democrat, Frank Pallone, wouldn't reveal what he intends to grill Pruitt about when ME caught up to him in the hall.

Pro's Alex Guillén's expectations for Pruitt's first Capitol Hill appearance in six months: "Lawmakers have probably built up some serious questions in that time, so we could see questioning on practically any issue before EPA: the Clean Power Plan repeal effort; the Waters of the U.S. rewrite; Superfund work; proposed budget cuts; Pruitt's decision earlier this year not to ban chlorpyrifos; and his increased security and travel. Pruitt's prepared testimony offers a standard overview of his EPA philosophy."

Rally time: Environmental and public health advocates, including the Union of Concerned Scientists, Sierra Club, Business Forward and the Alliance of Nurses for Healthy Environments, will rally outside Rayburn at 9:20 a.m. to draw attention to Pruitt's lagging enforcement efforts, spending habits and overhauls of science advisory panels. Ahead of the session, the Environmental Defense Fund updated their "Pruitt Playbook" and the Union of Concerned Scientists offers some suggested questions to ask.

If you go: The hearing kicks off at 10 a.m. in Rayburn 2123.

WHY PRUITT'S LEAVING: Sen. Ted Cruz has secured a meeting today at 11:30 a.m. with President Donald Trump and several Cabinet members, including Pruitt, for what he told ME is likely to be a "free-ranging discussion" about biofuels and the recent fights over the Renewable Fuel Standard. His message? "We need to find a solution that is a win-win. That is a win for corn farmers across the Midwest but at the same time is a win for blue-collar union members who work in refineries and right now are being bankrupted by a regulatory system that isn't working," the Texas Republican said. Other Senate Republicans are expected to attend as well (perhaps the ones who signed this letter). Remember Cruz still has a hold on Bill Northey's USDA's farm and conservation mission nomination, so watch to see if that's lifted as the most immediate outcome of the session.

Oilies only: Sen. Chuck Grassley wasn't invited to the meeting, his spokesman said, but not to worry: Grassley has said that a White House RFS meeting would be "a waste of time." And if there's one thing energy world knows now, it's that if you don't have Gang Grain, you got nothing.

WELCOME TO THURSDAY! I'm your host Anthony Adragna, and no one was able to name the Father Millet Cross national monument (which has since been transferred by Congress to a state park) as our nation's smallest at just 0.0074 acres when designated. For today: Which state currently has the most national monuments at 18? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter @AnthonyAdragna, @Morning_Energy and @POLITICOPro.

ARCTIC LEASE SALE FLOP: Despite touting the "largest ever" lease sale in the National Petroleum Reserve-Alaska, BLM received just bids on seven of the 900 tracts offered, Pro's Ben Lefebvre reports . Those bids, generating just $1.2 million in high bids, came jointly by ConocoPhillips and Anadarko for 80,000 acres, or less than 1 percent of the acreage offered. The highest bid amount was $14.99 per acre. The relatively low amount could undercut GOP arguments that opening up the nearby Arctic National Wildlife Refuge would generate $1 billion in revenue. Leasing of state land did quite a bit better, according to the Anchorage Daily News.

For perspective: At the price of $14.99/acre, "leasing the entirety of the Arctic Refuge Coastal Plain's 1.5 million acres would raise slightly more than $11 million in revenue for the federal government, a far cry from the billion dollar lie that Trump and Republicans are feeding the American public," the Alaska Wilderness League's Kristen Miller said in a statement. Remember the Republican budget calls for Senate ENR to kick in $1 billion in revenue (which CBO said would come through ANWR drilling), though the lease results seem to bolster skepticism from environmental advocates and Democrats about those estimates.

Situational awareness: Energy Chairman Lisa Murkowski was named a tax conferee late Wednesday, along with Sens. Orrin Hatch, Mike Enzi, John Cornyn, John Thune, Rob Portman, Tim Scott and Pat Toomey . "With Congressman [Don Young] representing the House of Representatives on our energy provisions, Alaskans will have a very strong voice at the table to ensure this bill crosses the finish line," she said in a statement.

No (strategic petroleum) reservations: Count Shimkus, a tax conferee, among the backers of the Senate's approach of selling off 7 million barrels from the Strategic Petroleum Reserve as part of the final tax package H.R. 1 (115). "There was a reason to have the SPR," he told ME. "There is a credible reason to debate whether, for now and in the immediate future, there is a need." He also said he's a "big ANWR supporter" and that he doesn't see the Arctic drilling provision getting pulled from the final version.

INHOFE, PRUITT'S TOXIC LEGACY: POLITICO Magazine's Malcolm Burnley takes a deep dive into the contaminated Oklahoma region of Tar Creek, an area so poisonous that only 10 holdouts live there, and he finds a buyout program for residents that left Sen. Jim Inhofe awash in scandal and litigation. Then-Attorney General Scott Pruitt ultimately concluded an audit into possible criminal wrongdoing didn't warrant charges and he shielded his review from public release, only to have some in the state believe his efforts were designed to spare Inhofe embarrassment. Many residents in the polluted zone of Tar Creek continue to express shock that no one was prosecuted over what happened in their federal buyout program

Pruitt and Inhofe flatly denied there was any political motivation in shielding the audit. "It was important to protect the individuals' reputation that were in that investigation," Pruitt said in an interview. "You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys." One interesting fact though: Ryan Jackson, now Pruitt's chief of staff, was once Inhofe's point person on the Tar Creek issue. Photo gallery here.

Pruitt's new gig: Trump named the EPA administrator to chair the Gulf Coast Ecosystem Restoration Council, a group formed after the Deepwater Horizon oil spill restore the ecosystems and economies of the Gulf Coast, your ME host reports. Pruitt named Kenneth Wagner, a senior adviser, to be his designee on the council.

MAY FERC NOW BE WHOLE: New FERC Chairman Kevin McIntyre will be sworn in today, bringing the five-member agency to full power, Pro's Eric Wolff reports. His swearing-in will put to rest rumors that either the Trump administration or McIntyre himself were delaying his start date to give current Chairman Neil Chatterjee enough service time to make staffing changes

MORE HEARINGS COMING ON CLEAN POWER PLAN: EPA announced Wednesday it would hold additional public hearings on its plan to repeal the Clean Power Plan in San Francisco; Gillette, Wyo.; and Kansas City, Mo., Pro's Emily Holden reports. Pruitt said the change was "due to the overwhelming response" and the agency will announce the dates and locations of the meetings in the coming weeks.

SPLIT OVER EXTENDERS? Ways and Means Chairman Kevin Brady told reporters Wednesday he doesn't like the idea of moving a package of extenders this year but hasn't made a final decision yet, Pro Tax's Brian Faler reports . "It's horrible policy and process," he said. But those comments come as Thune, the Senate's number three Republican, said lawmakers will revive biodiesel, geothermal and other energy-related breaks along with other "cats and dogs." Doing an extenders package as the chambers work to iron out differences between their broader tax bills is likely to test tax writers' bandwidth.

Shutdown watch: Congressional leaders head to the White House for a meeting with Trump on government funding today, but GOP lawmakers expect to pass a two-week spending package despite internal division within their party, POLITICO's Rachael Bade and Sarah Ferris report. House Freedom Caucus leaders have been asking for a commitment GOP leadership does not believe it can give them: a promise to "hold the line" and refuse Senate Democrats' demands for increased spending on non-defense programs.

House Democrats, including Minority Whip Steny Hoyer, hold a press conference at 10 a.m. in Cannon 234 to call on Republicans to take up additional federal assistance for Puerto Rico and the U.S. Virgin Islands. Watch here.

ICYMI: Both sides framed their arguments at a hearing of the U.S. Trade Representative over whether to impose tariffs on solar equipment imports in language aimed at swaying Trump, Pro's Eric Wolff reports.

PATAGONIA SUES OVER BEARS EARS: A coalition of groups, including Patagonia, became the latest to file a lawsuit challenging the Trump administration's downsizing of Bears Ears National Monument on Monday. Link to the lawsuit filed in Washington federal court here.

ENDANGERMENT FINDING PUSHBACK STALLS: Conservative state lawmakers and businesses that are members of the American Legislative Exchange Council on Wednesday shot down an effort to urge Pruitt to challenge a science-based endangerment finding that requires EPA action on greenhouse gas emissions. "In subcommittee, a substantive conversation occurred where arguments were made for and against the draft model policy," said Bill Meierling, executive vice president of external relations for the group. "After debate, it was clear that neither the public nor the private sector supported the draft as written."

Meierling added that "ALEC members prefer to advance policy only after a consensus opinion has been reached." Reports suggested later the resolution had been pulled in the aftermath of strong opposition, including from Exxon Mobil. Pruitt was expected to speak at the ALEC meeting on Friday but canceled due to a "scheduling conflict," Meierling said.

NO COMMENT: Murkowski forcefully urged Sen. Al Franken to step down amid sexual harassment allegations on Wednesday, but a spokeswoman declined to state whether Roy Moore would be welcome on her committee if he wins the Alabama special election next week. "We aren't commenting until after the special election and decisions about committee seats are made by conference," she said. Outgoing Alabama Sen. Luther Strange currently has a slot on the energy panel.

THERE'S ALWAYS A TIE: Congressional Democrats said Tuesday they have evidence then-national security adviser Michael Flynn sent assurances to former business partners that a U.S.-Russia energy partnership in the Middle East, which reportedly would have included more than two dozen nuclear plants in the region, was "good to go," POLITICO's Kyle Cheney reports. The revelations from a whistleblower came in a letter released Tuesday.

MAIL CALL! LET'S BOOST EFFICIENCY CAPS! A collection of energy efficiency organizations, led by the Alliance to Save Energy, sent a letter to congressional appropriators on Wednesday urging them to boost "budget cap allocations for federal energy efficiency programs." Failure to do so could result in steep cuts to EPA and DOE programs across the board, the groups warn. Link here.

TAKE A GLANCE! LESSONS FROM THE RFS: The American Enterprise Institute is out with a report looking at policymaking lessons from the RFS. It argues the biofuels mandate would be better as a rate standard than a volume standard, EPA should issue multiyear rather than annual rules and that uncertainty should be explicitly incorporated into future rulemakings, among other things.

BAD SOLAR ACTORS: Campaign for Accountability released the results of a years-long investigation concluding two companies — Vivint and SolarCity — received more complaints about their sales tactics than others in the solar industry. "Unfortunately, the deceptive sales tactics of solar companies, like Vivint and SolarCity, are making rooftop solar a risky bet," Daniel Stevens, the group's executive director, said in a statement. Read it here.

DREAMS TURNED REALITY? The Center for Western Priorities is out with a report finding the Trump administration has already granted 13 of the energy industry's 24 top priorities. Read it here.

SUGGESTIONS GIVEN: American Council for Capital Formation released a paper this morning with ten ideas for improving the regulatory process. It's the product of a November 2016 roundtable with Sens. Mike Rounds, Angus King, James Lankford and others. Link here.

MOVER, SHAKER: Michael Boucher has joined Crowell & Moring LLP environment and natural resources practice as a partner in Washington. He joins from Dentons US LLP, where he led that firm's chemical, pesticide, and consumer product regulation team.

QUICK HITS

— California AG on Trump EPA: 'It's almost as if they believe they're above the law'. The Hill.

— Wall Street's Fracking Frenzy Runs Dry as Profits Fail to Materialize. Wall Street Journal.

— The IHS Markit electric resiliency study - much less than meets the eye. Utility Dive.

— Patagonia sues over Trump's monuments order. AP.

— Volkswagen Official Gets 7-Year Term in Diesel-Emissions Cheating. New York Times.

— Pipeline explodes in southeastern New Mexico oil patch. AP.

— Christie backs nuclear subsidies but won't sign 'wish list' bill from environmental groups. POLITICO New Jersey.

HAPPENING TODAY

9:00 a.m. — The Washington International Trade Association holds an event as part of its NAFTA series: "Energy and the NAFTA," Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Ave. NW

10:00 a.m. — EPA Administrator Scott Pruitt appears before the House Energy and Commerce Environment Subcommittee, Rayburn 2123

10:00 a.m. — "Transforming the Department of the Interior for the 21st Century," House Natural Resources Oversight and Investigations Subcommittee, Longworth 1324

11:00 a.m. — The World Bank conference call briefing on the One Planet Summit, RSVP: himtiaz@worldbankgroup.org

12:00 p.m. — "The Business Case for Tax Incentives Promoting Energy Efficiency," Alliance to Save Energy, Rayburn 2203

2:00 p.m. — The House Natural Resources Federal Lands Subcommittee holds a hearing on various bills, Longworth 1324

2:00 p.m. — "OPEC's World Oil Outlook 2017," Center for Strategic and International Studies, 1616 Rhode Island Avenue, NW

THAT'S ALL FOR ME!

To view online: https://www.politicopro.com/newsletters/morning-energy/2017/12/pruitt-heads-to-house-grilling-today-043377

Stories from POLITICO Pro

Biofuel backers claim victory in EPA battle Back

By Eric Wolff | 10/20/2017 05:37 PM EDT

Biofuels backers were breathing a sigh of relief on Friday after EPA Administrator Scott Pruitt backed away from changes to the Renewable Fuels Standard, a reversal that left oil refiners frustrated.

Pruitt acceded to demands from Sen. Joni Ernst that he publicly promise not to pursue plans to change the biofuel program rules — changes that had been sought by oil refiners who have long complained about the costs of implementing the program that many see as a giveaway to the corn states.

Pruitt's letter to Ernst, Sen. Chuck Grassley and five other Midwestern Republican senators delivered what they'd asked for: A promise not to expand the group of companies required to comply with the program, to keep the biodiesel volume requirements at levels proposed in July, to not alter the policy that strips RFS credits from exported ethanol, and to explore allowing year-round sale of gasoline with 15 percent ethanol nationwide.

The quick reversal by Pruitt — at the direction of President Donald Trump — showed the influence of the biofuel lobby, corn growers and farm-state lawmakers to scuttle changes in the decade-old policy sought by the energy industry.

"This was a basket of bad ideas for biofuels," said Brooke Coleman, head of the industry lobby group Advanced Biofuels Business Council. "And there's no way that we could have any other response than to take this approach. [Pruitt] didn't kick tires on changing the RFS, he tried to take a baseball bat to the program, and the response was matching and in response to, from a magnitude perspective, to the initial foul."

The push by the senators, as well as Midwestern governors, "made a huge difference in this matter," said Michael McAdams, head of the Advanced Biofuels Association. "In addition, the collective unity of the entire biofuels industry, including those who distribute and market these fuels, made a significant impression on the importance and support for the RFS program."

But oil refiners who have said the high cost of biofuel credits, called Renewable Identification Numbers, was costing them hundreds of millions of dollars, lamented the power of the biofuels lobby and the corn-belt lawmakers.

"The [Pruitt] letter is a result of political pressure applied by Midwestern politicians," said one refining source. "Some Midwesterners cannot accept any premise that the RFS could be improved. As a result, their overreaction included everything from holds on confirmations to even more personal threats launched at the White House and EPA."

The unified and vociferous campaign by the biofuels industry in attacking the proposal that would have lowered biodiesel volume mandates surprised some in the refining industry, as well as the political staff in the EPA, sources tell POLITICO.

The Trump administration's embrace of the oil industry had raised refiners' hopes that it could have the best opportunity in years for significant RFS changes, and refining giant Valero Energy, along with a group of Pennsylvania companies, believed they would get relief from what they considered an onerous program.

But Grassley took to the Senate floor to blast Pruitt's biofuel plans as a "betrayal" of Trump's promises to protect ethanol, and he arranged a call with Trump and Pruitt that led to the meeting in his office with Pruitt and Ernst as well as Deb Fischer (Neb.), John Thune (S.D.), Ben Sasse (Neb.), Pat Roberts (Kan.) and Mike Rounds (S.D.). Following that meeting, Ernst demanded the public statement from Pruitt, and said she would withhold her support for Bill Wehrum, who was nominated to run the agency's air office, forcing a delay in the Environment and Public Works Committee's vote until next week.

Ernst spokeswoman Brook Hougeson told POLITICO, "Now that Sen. Ernst has received the assurances that the EPA will support the spirit and the letter of the RFS, she will support Mr. Wehrum."

Valero was disappointed its efforts to change the program had been shot down by the fierce political opposition.

"These senators have intervened in a regulatory process, and the proposals and concepts in the letter address RFS implementation problems to which these senators have offered no constructive solutions," Valero said in a statement. "The only unifying principle of their bullying opposition seems to be a desire to maintain the status quo at all costs and to protect windfall profits associated with unregulated trading of renewable identification numbers, or RINs. Their position advances neither the goals nor the efficient implementation of the RFS, and places U.S. manufacturing jobs at risk."

But in a statement, the White House made clear that Trump remained fully behind the biofuels program.

"President Donald J. Trump promised rural America that he would protect the Renewable Fuel Standard, and has never wavered from that promise," spokeswoman Kelly Love said in a statement. "The president has had constructive conversations with several key officials about the RFS over the past week, and he understands their concerns. The Trump administration will protect the RFS and ensure that our Nation's hardworking farmers continue to fuel America."

One energy executive said the biofuel backers were victorious because they were unified in their support for the RFS, while Republicans, the oil industry, and even the refiners were not on the same page.

"The ethanol boys won this round, no doubt, but at a pretty high cost," said Stephen Brown, vice president for federal government affairs for Andeavor. "The refining industry is anything but united on the RFS beyond a sunset as individual companies have each made investments and honed mitigation strategies to comply with the statute. As those investment decisions become increasingly operationally embedded, the industry will continue to splinter on the suite of RFS issues."

But some producers are still wary of Pruitt's pledge in his Thursday letter, and they note that he promised to release a final rule in which none of the mandatory volumes will be less than he proposed in July. For some producers, those volumes were already too low.

"There's some work to do here," Coleman said. "We won't know until the rule is done. And we recognize it's an ongoing rulemaking, it's not like they're going or republish the rule, they've said what they can say. The final rule really matters."

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Back

'Largest ever' Interior Alaska oil lease sale draws little interest Back

By Ben Lefebvre | 12/06/2017 08:26 PM EDT

The Interior Department received only seven bids from two companies today in what it had billed as the "largest ever" oil and gas lease sale in the National Petroleum Reserve in Alaska.

The bids on the 10.3 million unleased acres in the NPR-A generated just $1.2 million in high bids, according to a Bureau of Land Management summary. The relatively low amount could undercut GOP arguments that opening up the nearby Arctic National Wildlife Refuge would generate $1 billion in revenue.

A BLM Alaska lease sale last year generated $18 million for 1.4 million acres offered.

Subsidiaries of ConocoPhillips and Anadarko were the only two companies that participated in the lease sale. The companies only bid for 80,000 acres, or less than 1 percent of the acreage offered. The highest bid amount was $14.99 per acre.

Low oil prices and the relatively cheap and plentiful land available for hydraulic fracturing in the lower 48 has hurt oil company interest in the out-of-the-way fields of Alaska and the Gulf of Mexico. Interior Secretary Ryan Zinke and Sen. Lisa Murkowski (R-Alaska) have pushed to open more public land to drilling, however, saying that doing so is important to increase domestic energy production.

Zinke had previously said that today's "large and unprecedented sale in Alaska will help achieve our goal of American Energy Dominance."

An Interior spokesperson did not immediately respond to questions.

WHAT'S NEXT: Republicans hope to keep ANWR drilling provisions in their budget proposal.

To view online click here.

Back

Democrats worry Arctic National Wildlife Refuge being lost amid tax debate Back

By Ben Lefebvre | 11/29/2017 05:17 AM EDT

Democrats' fight to keep oil and gas rigs out of the Arctic National Wildlife Refuge is losing ground as the Republican tax plan advances — and it's almost as if no one has noticed.

The prospect of drilling in the untouched Alaskan tundra is as close to reality as it's been in more than a decade, with none of the political drama that in past decades turned the refuge's fate into a top-tier rallying cry for liberals. Legislation to allow drilling in ANWR is quietly hitching a ride on the tax code overhaul that Senate Republicans hope to complete by the end of the week, overshadowed by larger debates on whether the bill is a giveaway to rich people and corporations at the expense of the poor and working class.

"It's really not gotten the attention that it should," Sen. Tammy Duckworth (D-Ill.), a member of the Energy and Natural Resources Committee, told POLITICO about the ANWR provision. "It's not just the budget discussion. It's about everything else that's going on, the flurry of all sorts of other news."

Angus King (I-Maine) said Republicans were trying to shield ANWR from opposition by adding it to the larger bill rather than bringing it to the floor separately under rules, which would require it to win support from 60 senators to overcome a filibuster.

"Well, clearly the strategy is to try to get it through as part of this tax reform effort and thereby avoid a direct up-or-down vote," King said in an interview earlier this month.

The nonstop news cycle and preponderance of other concerns with the tax bill are making it difficult to focus on an issue that normally fires up Democratic voters.

"I do think that putting ANWR in the budget reconciliation package hasn't drawn as much extremist opposition because it is completely overshadowed by tax reform, which is the center of the package," said Chris Guith, senior vice president of the U.S. Chamber of Commerce's Global Energy Institute. "But there are some who aren't exactly supportive of tax reform that support ANWR, and it's possible to see ANWR bring a vote or two to help pass tax reform."

Senate Energy Chair Lisa Murkowski (R-Alaska) easily advanced legislation through her committee directing the Interior Department to hold two lease sales for drilling in ANWR over the next decade. It would raise $1 billion over that period, according to the Congressional Budget Office, making it eligible for inclusion in a budget reconciliation package that Democrats cannot filibuster.

The reconciliation package also will include Republicans' tax plan and a repeal of the Obamacare individual mandate. While Murkowski helped scuttle the Obamacare repeal push earlier this year, she says she supports ending the mandate. Murkowski's office did not respond to a request for comment.

ANWR, a swath of tundra on the northern Alaska coast, is home to polar bears, porcupine caribou and a landscape that hasn't been touched in thousands of years. Congress designated the 19 million-acre area a wildlife refuge in 1980, but it set aside a 1.5-million-acre parcel known as "10-02" for possible drilling if future lawmakers approved such a plan. The U.S. Geological Survey estimated in 1998 that part of ANWR could hold up to 12 billion barrels of oil, and President Donald Trump and Alaska Republicans have called it essential for their plans for American "energy dominance."

Sen. Susan Collins (R-Maine), who is undecided on the tax bill for a several reasons, said she will support an amendment on the Senate floor to eliminate the ANWR language, but she said success there is not a prerequisite for her to vote for the underlying bill. "No it is not, but I would certainly try to get it out of the package," Collins told reporters Tuesday. Collins was the only Republican to cross the aisle on an unsuccessful amendment to keep pro-drilling language out of the underlying budget resolution, meaning it is unlikely that she would be able to strip the ANWR provision from a reconciliation bill.

But Democrats say that passing a deficit-increasing tax bill in order to open ANWR would actually harm energy-producing states. That's because the $1.5 trillion shortfall from the GOP tax cuts would trigger required "pay-as-you-go" cuts to mandatory spending programs, according to a CBO analysis sent to House Minority Whip Steny Hoyer (D-Md.).

One of the programs on the pay-go chopping block would be the energy royalty revenue sharing program carried out through the Mineral Leasing Act. Cutting those payments would lose Alaska an estimated $15 million in energy royalty payments next year alone, an amount important to a state already facing budget shortfalls.

"Communities throughout the West would be impacted by the loss of revenue, which is used to support a variety of needs including infrastructure, school funding, conservation, and recreation," Hoyer said in a statement to POLITICO. "This is yet another example of the consequences associated with forcing through legislation to add $1.5 trillion to the deficit in order to give tax cuts to the wealthy."

Pay-go cuts also would hit popular programs like Medicare and student loans, but Congress can waive the law with 60 votes in the Senate. Democrats are not yet on board with that approach.

The current push to open ANWR, coming amid a swarm of competing headlines and buried in larger legislation, has come nearer to succeeding than the GOP's two previous attempts. President Bill Clinton vetoed a budget package in 1995 that included language opening ANWR, while a Democratic filibuster thwarted a second attempt in 2005.

Environmental groups have targeted public engagement at only a handful of congressional districts. The League of Conservation Voters spent $550,000 on television ads in three Republican congressional districts. The LCV also paid for a bipartisan polling firm to probe public opinion on opening ANWR, but even that focused only on registered voters in eight congressional districts.

"The reason they're trying to sneak it into the tax package is they know they don't have the votes otherwise," said Tiernan Sittenfeld, the league's senior vice president of government affairs. "They know they can't pass it under regular order, that's why they're doing a sneak attack."

Even ANWR supporters are staying out of the spotlight.

"I haven't seen any full-out, front-page ads, nothing like that," Alaska Oil and Gas Association

President Kara Moriarty said. "We're a little battle-weary, to be honest. Alaskans support opening up ANWR. There's been a few statements reiterating that."

Nick Juliano contributed to this report.

To view online click here.

Back

The Environmental Scandal in Scott Pruitt's Backyard Back

By Malcolm Burnley | 12/06/2017 05:57 PM EDT

PICHER, Okla. — Tar Creek, Oklahoma, is breathtaking in a terrible way: At one time the world's deepest source of lead and zinc, the three-town region is now a cratered landscape so poisonous that no one, aside from 10 holdouts, can live there. Mountains of ashlike "chat," a toxic residue from lead-zinc milling, rise majestically among the remains of homes torn from their foundations. Abandoned pets forage around the ruins. A child's teddy bear lies sprawled in a ghostly living room. A gorilla statue fronts an empty high school, atop a sign proclaiming "1A Football State Champs, 1984."

Tar Creek is also part of the environmental legacy of one of the state's—and nation's—leading politicians, Senator Jim Inhofe, and his longtime ally, Scott Pruitt, the former Oklahoma attorney general who is now head of President Donald Trump's Environmental Protection Agency. After the EPA struggled to clean up the area, in 2006, Inhofe endorsed a plan in which a trust overseen by local citizens would use federal dollars to purchase homes and businesses in the toxic region so residents could move elsewhere. Then, when the plan proved so problematic that it spawned more than a half-dozen civil lawsuits and an audit into possible criminal wrongdoing, Pruitt, as the state's attorney general, invoked an exception to state freedom-of-information laws to keep the audit from being an open public record.

Now, that decision is coming into new light as many Oklahomans clamor for the audit to be released, suggesting that its revelations will prove embarrassing to Inhofe, who played a key role in designing the buyout plan, and cast doubt on Pruitt's decision not to move forward with charges. Last week, a Washington, D.C., nonprofit called the Campaign for Accountability raised the stakes even further, filing suit in Oklahoma courts to force the release of the audit.

"If you take a look at Scott Pruitt's record, you see a general disregard for transparency," said Daniel Stevens, the group's executive director. "I don't think it's outside our bounds to say that Pruitt is trying to hide evidence of criminal wrongdoing."

Pruitt, in an interview, dismissed the idea that he was covering anything up, saying his former office's grand jury unit reviewed the audit and determined that no charges were warranted. He said he declined to make it public because he didn't want innocent people to be besmirched, even though the auditor rejected that reasoning and maintained it should be a public document. "It was

important to protect the individuals' reputation that were in that investigation," Pruitt said.

Nonetheless, the mess at Tar Creek continues to follow Pruitt in other ways. As EPA administrator, he has assumed full responsibility for the still-faltering cleanup. And eyebrows were raised in Oklahoma this past January when, as Pruitt was awaiting confirmation for his EPA post, a White House spokesperson told Bloomberg News that the handling of Tar Creek was emblematic of Pruitt's philosophy: "national standards, neighborhood solutions."

Pruitt, in an interview, said he knew nothing about the Bloomberg article, saying only that he endorses the EPA's current work at Tar Creek and the principle of combining federal resources and state and local leadership, rather than the buyout that occurred before his time as EPA administrator, while he was Oklahoma's attorney general.

"I think as far as a model going forward outside of the buyout, what we're trying to do is have a renewed focus on what I think are some of the most beneficial things we can do for citizens across the country, and that's to address some of these legacy sites that have substantial environmental challenges that allow them to once again enjoy the communities in their backyard," he said.

But many residents of the Tar Creek area, who gave up their homes in a buyout they considered both coercive and corrupt, continue to blame Pruitt for the fact that no one was prosecuted. They described a program so rife with good-old-boy corruption that certain individuals received outsize payoffs while some homeowners got so little they couldn't relocate anywhere nearby; meanwhile, they said, the people hired to demolish the homes received inflated contracts through a flawed process.

"We were lied to and deceived from Day One," said Gloria Workman, who said her son has learning disabilities from growing up in the polluted zone of Tar Creek, which had lead-poisoning levels in children that were three times higher than those registered in Flint, Michigan, during the peak of its recent water crisis. "Not only were we losing our homes, we were raped in the process."

"It was a nightmare," said Mary Thompson, who was still awaiting a resolution from the trust when an EF4 tornado ripped through Tar Creek in 2008, throwing bodies and trailers through the sky, killing six people and destroying more than 100 homes. Without homes, many people took lower-than-expected buyout offers—however insufficient they were perceived to be—because they had nothing left, she said.

"They preyed on us after the tornado," said Thompson, whose home was leveled.

Nonetheless, Inhofe, in a 2015 news release touting the completion of the buyout, cast it as a success because it did not lead to an expanded federal role.

"This is an example of a government program created for a specific purpose and then dissolves after the job is completed," Inhofe proclaimed.

Now, he continues to defend it but sounds less celebratory. "The first thing to know about the Superfund site at Tar Creek is that it's what's called a 'mega-site' and that it is an exceptional circumstance in every way. You can't compare it to any other Superfund site in the country," Inhofe said in a statement to POLITICO. "The voluntary relocation assistance to get people out of harm's way was right for the situation at Tar Creek, but may not be for every other Superfund—that is why state and local partnership is critical."

To many former residents, who still want the investigative report by the state auditor to see the light of day, even these modest and conditional endorsements feel like slaps in the face.

"People hate the government out here, and it's because of things like this," said Aletha Redden, a lifelong resident of the area who has a Donald Trump bumper sticker on her pickup truck. "I want Scott Pruitt to know: This is not the model."

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A flat expanse of dusty roads and scrubby vegetation situated in the heart of Tornado Alley, the Tar Creek area was once the mainstay of the Quapaw Tribe, which was forcibly relocated there by the U.S. government in 1834. At the time, the territory had little economic value, but a half-century later, prospectors discovered enormously rich ore. By the turn of the 20th century, companies broke ground with drill rigs on Quapaw land.

Many of those firms made fortunes, luring white settlers into an uneasy state of coexistence with the Quapaw. Tar Creek proved to be the deepest reservoir of lead-zinc ore in the world, producing a whopping $1 billion in minerals between 1908 and 1950, according to the Oklahoma Historical Society. Picher, the largest of the mining towns, swelled to a population of 14,000.

Almost every aspect of life in Tar Creek traced back to the mines. The high school took on the mascot of a gorilla, a reference to workers in the mines who broke up boulders with hammers. Children played in sandboxes filled with chat, the chalky mining debris. Teenagers earned the nickname "chat rats" for climbing up the pillowy piles of toxic rubble throughout town and rolling tires down their slopes.

By the end of World War II, however, the boom was over. Most of the mining companies decamped for richer pastures. For the families left behind—including that of Yankees slugger Mickey Mantle, who grew up in the Tar Creek area in the 1940s—it was a slowly unfolding disaster. The extent of Tar Creek's collapse was reflected in the words of John F. Kennedy, who barnstormed into Joplin, Missouri—25 miles away from Tar Creek—in the closing days of the 1960 presidential campaign.

"My own judgment is I know no tougher occupation in the world that [sic] to be a miner, lead, zinc, coal. I am always glad to meet them because I think they live with peril," Kennedy declared. "They have as tough a life as there is. Every other one whose hand you shake has a finger off, a foot crushed, the chances of in 20 years their having a bad accident are more than any of the rest of us. And yet in this community and in West Virginia and Idaho and in other sections of the United States, there has been no group that has been harder hit, no group that has

been more forgotten."

Indeed, after the last prospector looking for ore packed up and left in the mid-1970s, people looked to casinos and farming to make a living. But the residue from decades of mining was poisoning them. In 1979, acid mine water leached into the ground, threatening the area's aquifers, killing fish and turning creeks a rusty orange color. When the federal Superfund program—designed to clean up the nation's most polluted and contaminated land—kicked off in the early 1980s, Tar Creek was named to the inaugural National Priorities List. It's still on the list.

The EPA has spent more than $176 million over the past 25 years on cleanup work inside the 42-square-mile-area, on projects from plugging mine shafts to removing contaminated surface soil in people's yards. Though the amount of money sounds large, it hasn't been nearly enough to remove the toxic dangers, and many residents insist the cleanup was mishandled from the get-go. In some cases, the removal of soil resulted in sloping yards, which, during bouts of rain, caused flooding and mold inside houses. In 2000, the FBI raided the offices of the EPA's prime contractor at Tar Creek, Morrison-Knudsen. The company later settled a lawsuit brought by the federal government alleging false representation of billing and progress reports for a sum of $1 million. In the settlement, the company made no admission of wrongdoing.

Meanwhile, the environmental hazards began to multiply: Shortly after the start of that Superfund spending spree, in 1993, researchers at the University of Oklahoma found that 34 percent of Quapaw children were living with lead concentrations above the federal limit. Further studies found alarming rates of lead and arsenic in both the tribal and non-tribal populations. In 1997, a university-lead study estimated that 21 percent of children near Tar Creek had elevated blood-lead levels (defined as 10 micrograms per liter at the time), which is three times higher than the highest measurements found in Flint, Michigan, in 2015. The learning disabilities and memory loss that had plagued the schools and curtailed lifespans for decades suddenly had a culprit.

As the dangers became ever-more visible and the cleanup lagged, residents rallied around the idea that the government should quickly buy them out of their homes, rather than wait for the hazardous materials to be removed. They thought they might have an ally in the state's senior senator, Inhofe, a Republican who was chair of the Senate Environment and Public Works Committee. But Inhofe, who has a skepticism about environmental science that exceeds that of any of his colleagues, refused to consider the idea. "There will never be a buyout. I promise you that," Inhofe told the *Tulsa World* in late 2003.

Inhofe's refusal to take action of any sort was often criticized in local press, due in part to the relentless attacks of a young Democratic congressman named Brad Carson. "If you'd asked people in Oklahoma politics at the time, they'd say we were mortal enemies," said Carson, referring to himself and Inhofe. "I was elected [to Congress] in 2000, and my goal was to untie the Gordian knot. The area is desperately poor. If it was in suburban Tulsa or Oklahoma City, there would've been outrage."

In 2004, Governor Brad Henry signed a bill authorizing the use of state dollars for the relocation

of roughly 100 families with children under the age of 6. Under pressure to take further action, the senior senator began to come around. At first, he secured $2 million in federal funding to pay for a study that discovered that 286 homes within Tar Creek were at risk of being swallowed up from cave-ins of underground mine shafts. This provided an opportunity for Inhofe to reverse himself on the buyout, supporting it on the grounds of protecting residents from cave-ins.

"The stability with the underground mine workings was worse than anyone had previously been thought," recalls Ed Keheley, a retired nuclear engineer and native of Picher who co-authored the study's final report. In the spring of 2006, Inhofe announced a joint federal and state buyout program that would begin with $20 million in funding, with the express purpose of relocating any and all people who'd voluntarily leave Tar Creek.

Having once opposed the buyout to his political detriment, Inhofe now used his clout to keep on funding it, but with the idea that decision-making would be concentrated among local leaders, not the federal government. With Inhofe's support, the Oklahoma legislature created a nine-member panel called the Lead Impacted Communities Relocation Assistance Trust to assume control over the project. The members were all volunteers, helping their community, but some had a vested interest in the buyout: They included, for example, a local banker whose institution would later give loans to people to help them relocate; local property owners whose own homes—and those of relatives—would be subject to the buyout; town officials; and a leader of the Quapaw Tribe.

Inhofe cast himself in the role of the community's protector, putting out a 2008 campaign ad that declared: "Tar Creek: poisoned earth, the threat of schools and churches sinking into abandoned mines. Everyone thought it would be too much to tackle, except for one stubborn man named Inhofe."

But over a five-year period, the buyout would become the subject of a host of civil lawsuits and the subject of a state investigation.

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The local members of the trust—few, if any, of them schooled in environmental management—had two major tasks: figuring out how much each property owner should be paid for their home or business, and then choosing a company to demolish the properties. Both tasks would become the subject of complaints about cronyism, with residents saying the trust members rewarded their friends and politically connected individuals.

It didn't help that the trust often met behind closed doors, and that the vice chairman of the trust resigned within a year. The trust's sole employee, operations manager Sonya Harris, also quit, declaring in her resignation letter that she could no longer continue "with a clear conscience without recommending a change; I will not place myself in a position to be perceived as approving of the operations to this point."

The first case to raise eyebrows involved the mayor of Picher, Ernest "Sam" Freeman. In 2005, when the buyout was first being discussed as a probability, he acquired three large parcels of

former mining land covered with chat from the Picher Development Authority, which he chaired. Freeman bought them at 3 cents per square foot, for a total price of $2,088.50, according to the findings of a state audit at the time. It was, the audit declared, a violation of state laws forbidding members of public boards from entering into contracts with those boards. Ottawa County District Attorney Eddie Wyant called on Freeman to return the properties to the development authority in lieu of charges.

"If Sam wanted to buy that land, he needed to get off the board and purchase it legally," Wyant told a local newspaper at the time. "I am not one to put anyone in jail over this, but he needs to clear it up." Wyant, when reached by phone, declined to comment further.

Freeman returned the land, but, in a move that enraged some neighbors, profited off it anyway. The trust had decided that, because so much former mining land had been taken over by state authorities and tribal members, those who owned mobile homes or other shelters on land they didn't own would be eligible for buyouts. Freeman made a claim based on the fact that he had been maintaining and renting out homes on the chat-infested property for years before he tried to buy it.

Trust documents show that Freeman received at least $274,000 from the buyout, more than half of which came from the same lots he had been ordered to return by law enforcement. (Freeman told POLITICO a payout of more than a quarter-million sounded accurate enough, though he declined to provide an exact figure.) Neighbors suspected cronyism. Freeman, who is no longer mayor, denied receiving any preferential treatment. "These people thought I bought the lots to make a killing in the buyout," he said. "I don't think I got more than anyone else would have."

The size of the mayor's profit diminished public confidence in the trust, just as it was engaged in the most delicate part of its task, figuring out how much to pay each individual property owner. Property owners were supposed to receive fair market prices as if pollution hadn't existed in Tar Creek, based on the sales of similar properties elsewhere in northeast Oklahoma. But those calculations appeared to lack uniformity.

The average payout for the 695 properties involved in the buyout was just over $65,000, but the disparity in prices between two properties could be dramatic. Residents complained about lowball offers on some decent properties and overly high payouts for others that were rundown or minuscule in size.

"I got $3,000 for my gun shop. It took me $16,000 to build it," said former Tar Creek resident John Frazier.

Wally Long said he and his wife got $35,000 for their Dairy Queen, while another Dairy Queen right up the road got substantially more.

"We were told [by the trust] that's all the money there is," Long said. "It bothered my wife a lot. She put 23 years of her life into this business."

Meanwhile, a trust member named Janell Trimble got $185,000 for her house, and her brother

collected $115,000 for his fiberboard house.

"I may be a member of the [relocation trust's committee], but I honor my duties and I recuse myself when family members are involved," Trimble told the *Tulsa World* in 2008. "[B]ut as a buyout participant I also expect to be treated just like the next person."

Nonetheless, both Trimble and her brother received more than 35 percent above the average price per square foot. On the other end of the spectrum, an elderly woman named Betty Betts received an offer of $12,000 for her home; when she protested, the appraised value was raised to $20,000. Many people got so little for their homes that they had to turn around and take out loans in order to resettle elsewhere in Oklahoma. In the end, the trust finished up with millions in unspent funds.

Residents concentrated their anger on the company that the trust hired to conduct the appraisals, Cinnabar, which had previously made headlines for its management of a noise-insulation program at the Tulsa Airport, which involved multiple lawsuits . In response, the trust engaged an "appraisal reviewer" to go back over Cinnabar's work. But the reviewer, a company named Van Tuyl Associates, quickly came under criticism as well. "They [often] didn't get out of their car. They never entered these homes," said Keheley, who was a member of the trust at the time. (Van Tuyl Associates is now defunct; its former president could not be reached for comment.)

When the unrest over the buyout made the local newspapers, the trust's leadership pointed to a 95 percent acceptance rate for buyout offers. But some residents accused trustees of pressuring them with "take it or leave it" offers, according to a class-action lawsuit brought against the trustees, Cinnabar and Van Tuyl by more than 250 residents affected by the buyout. Plaintiffs also complained that they were denied the right to view the appraisal paperwork. There was even a fake camera—and posters notifying residents they were being videotaped—in the room where buyout offers were made, an apparent attempt to compel residents to take the offers, according to documents in the suit.

The suit, filed in Oklahoma district court, accused the defendants of cheating average property owners and rewarding friends and associates of the trustees. Depositions revealed an explanation for some of the inconsistencies in appraisals: For certain properties, Cinnabar expanded the boundaries of where it could find "comparables"—properties in adjacent counties whose sale prices were used to calculate the appraisals—with the approval of a state employee named J.D. Strong, who, according to the lawsuit, played a significant role in overseeing the trust.

One of the properties appraised in this fashion was that of Trimble, whose $185,000 payout, according to appraisal documents, had infuriated other residents.

When, in 2008, residents outlined their frustrations in a scathing six-page letter to Inhofe, Henry and other elected officials, Strong dictated the governor's reply, which was co-signed by Inhofe, lawyers for the plaintiffs asserted in his deposition. "I may have drafted this," Strong responded, when presented with a copy of the letter saved on Strong's computer.

In an interview, Strong defended the trust and its system of appraisals: "We knew going in that

we weren't going to be the most popular. We went in with the idea that we were going to be fair. I can honestly say that, looking back, we were fair and unbiased and frugal."

During the six years the lawsuit was making its way through the state court system, both Cinnabar and Van Tuyl Associates declared bankruptcy. Eventually, the plaintiffs and the trust settled the case in 2015 for $1.3 million, which, after deducting attorney fees, meant that each resident ended up receiving an additional $2,600.

But that didn't satisfy many property owners.

"The people of Tar Creek were treated like second-class citizens, based on where they were born and lived," concluded Wally Kennedy, a columnist at the *Joplin Globe* who reported on northeast Oklahoma, including Tar Creek, for more than 30 years. "For someone to portray the buyout of the people of Tar Creek as a successful program is lying through their teeth."

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Once the trust obtained the properties on the toxic land, the next problem was how to destroy the empty structures that were on them.

Inhofe made sure there was enough money for the job. Even as he joined fellow Republicans in condemning President Barack Obama's 2009 stimulus bill as an unwarranted giveaway, the senior senator helped secure an additional $15.7 million in the bill to help the trust finish its work.

The trust hired a local businessman named Jack Dalrymple to oversee bids for the demolition contract. He was best known for organizing an annual deer hunt for paralyzed veterans, an endeavor that earned him a lifetime achievement award from a local Chamber of Commerce. His payment was to be 10 percent of the value of the winning bid. He formulated a scoring system to evaluate bids and, in March 2010, the trust awarded the contract to Stone's Backhoe, the most expensive of all four bids. At $2.1 million, it was nearly four times the cost of the lowest bidder.

Just 14 days after Stone's was declared the winner, it asked that the contract be reassigned to two subcontractors, CWF Enterprises, a carpet-cleaning business, and Vision Construction and Management. Former residents contend that there were longstanding ties between Dalrymple and the subcontractors. Whether or not they were friends before, they soon became hunting buddies. In October 2012, local coverage of Dalrymple's annual event for paralyzed veterans pictured the heads of the two firms setting up the flag for the hunt.

One of the losing contractors filed suit against the trust and individual trustees in Oklahoma district court, accusing them of violating the state's open-meeting act and competitive bidding act. The district county judge sided with the plaintiff, reopening the bidding process.

But rather than blame Dalrymple, the trust gave him a new contract. It included a flat rate for his services, $305,472—about $100,000 more than he would have received had the contract remained with Stone's.

In January 2011, a $1.7 million demolition contract was awarded to none other than CWF Enterprises, the carpet-cleaning business, which was also the least expensive of the three bids received. A month later, however, the estimated cost of the contract ballooned to $3,050,786—almost exactly 10 times what Dalrymple received in his new contract.

While many residents cried foul, Andy Lester, the trust's attorney, attributed the increase to the fact that the EPA-controlled repository for dumping debris had just closed down. Trekking the remains of the houses and businesses to a dumping ground further away caused the massive change order, and a near doubling of the contract.

Lester also defends the choice of Dalrymple to handle the bids, contending that he was an engineer with some prior experience with public contracts and that the trust members couldn't handle the process on their own.

"It is important to remember that the trust board consisted of nine members—including, for example, a physician, a school teacher, and a mushroom farmer. They were volunteers, not professionals at this kind of work," Lester said. "Jack Dalrymple is a professional engineer with significant experience. And candidly, there are very few professional engineers in northeast Oklahoma."

Nonetheless, lawyers out of the Tulsa region filed a lawsuit in 2012 under the False Claims Act that accused the trust members, Dalrymple and the heads of the companies hired to do demolition work of being part of a "good old boy network" and defrauding federal taxpayers.

Attorneys for the plaintiffs, Zach and Brad Barron, say the lawsuit fizzled when the Department of Justice took the stance that "the government didn't sustain damages" from the charges laid out in the complaint. In a false claims lawsuit, where the plaintiffs are effectively trying to recoup money that's owed to the government, a lack of willingness from the government is effectively a death knell, the Barrons said. The lawsuit was eventually dismissed.

In an interview, Dalrymple insisted the allegations of cronyism were entirely unfounded.

"There were a lot of emotions and feelings during that period," he said. "When you ask someone to leave their home, it's a tough thing. But ... there was nothing there."

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Still, the drumbeat of complaints continued, eventually reaching the ear of Jerry Morris, the state director for Oklahoma's then-junior senator, Republican Tom Coburn.

It was no secret that Coburn, a physician who cast himself as a political outsider, didn't look upon Inhofe with any sort of fond feelings of mentorship.

"I think they were often seen as having very different approaches to politics," said David Blatt of the Oklahoma Policy Institute. "Inhofe is seen as a classic, pork-barrel politician who'd bring

federal dollars to Oklahoma, the more the merrier." Whereas Coburn, Blatt says, "hated that kind of politics and did as little of it as he possibly could. In fact, he spoke disdainfully and caustically about it the whole time he was in the Senate."

Coburn was not shy about stepping on his fellow Republican's toes. Morris forwarded a memo with a lengthy list of allegations related to the awarding of contracts in the Tar Creek buyout, especially regarding the demolition work, to then-Attorney General Pruitt. In April 2011, Pruitt asked the state auditor and inspector, Gary Jones, to look into the memoranda sent from Coburn's office.

"I have determined that these concerns are serious in nature such that an investigation of the matter is warranted," Pruitt wrote to Jones. A 17-point list of allegations for Jones to investigate followed, including whether there was collusion between Dalrymple and the contractors hired to do the demolition work.

After spending almost two years on the investigation, Jones turned over the results of the audit to the attorney general's office in January 2014, apparently believing it had uncovered important information.

For a year and a half, the attorney general sat on the findings. Then, in May 2015, Pruitt announced that he wouldn't press charges. In addition, he vowed to keep the audit secret by refusing to release it.

Jones fired back at the attorney general's office days later, penning a letter to Pruitt that described his rationale for withholding the audit as "baffling."

"To our knowledge, the individuals named in the report are members of a public trust or contractor whose services were retained as part of this substantive project," Jones wrote. Further, he contended, "our office has received no inquiries from you or your staff regarding the content of the audit report."

Pruitt justified the secrecy by comparing the investigation results to the findings of a grand jury. "Specifically, our office is concerned about publication of unsubstantiated criminal allegations against private citizens," Pruitt wrote in a 2015 statement.

In an interview with POLITICO, Pruitt appeared to go one step further, suggesting the audit had in fact been vetted by a grand jury.

"You're addressing issues that it's been some months since I've looked into," Pruitt said. "I know the decision I made at that time was based upon the investigative audit. The investigative audit didn't yield anything to the grand jury, and, as such, it was important to protect the individuals' reputation that were in that investigation."

But when asked to clarify, a Pruitt staff member indicated that he was using the term "grand jury" as shorthand for the Multi-County Grand Jury Unit, a division of the AG's office, headed at the time by a Pruitt appointee, which decides whether to take cases to a grand jury for

indictment.

It's not the same as a grand jury finding. Nonetheless, the attorney general's office, now overseen by Mike Hunter, Pruitt's former top deputy, has denied all open records requests for the audit, declaring it to be "under the supervision of the Multi-County Grand Jury Unit." A spokeswoman for the Oklahoma attorney general's office said that if there was in fact a grand jury, the office couldn't confirm or deny that.

These rationales befuddle open records experts.

"I don't think there's anything in the law that would prohibit it [the investigation] from being released," said Joey Senat of Oklahoma State University, the president of FOIA Oklahoma. "The law doesn't require that the audit be kept secret. What would its release be harming? They've closed the investigation and decided not to prosecute."

Jones, who is now running for governor, reiterated his call for the attorney general's office to release the audit, saying in a statement that "regarding any investigation of this kind, we always err on the side of transparency and the people of Oklahoma have a right to know."

Concluded Senat: "When you have the state auditor [Gary Jones] saying these are not unsubstantiated claims and this is a serious problem, good government would call for letting the public know what happened and showing the public the audit. Transparency helps alleviate a lot of concerns about favoritism, corruption, and incompetency—if those are indeed unfounded."

***

Tar Creek today looks like an abandoned landfill. Illegal dumping has added a fresh layer of grime to the already ruined patch of earth. Giant craters from collapsed mine shafts, some as large as 200 feet in diameter, are filled with Bud Light cans, shotgun shells and the tangled remains of kids' playground equipment. "We call this urban renewal, Picher style," quipped former resident Gloria Workman.

Abandoned houses that were not part of the buyout are now coated with graffiti. The charred remains of the former mining museum in Picher, which burned down at the hands of arsonists, stands as a teetering monument to Tar Creek's former way of life. And the sense of danger and destruction extends beyond the former buyout area: On rainy days, local fields used for football practice bleed a toxic shade of orange.

The EPA is continuing its now 33-year-old cleanup effort, and it's thrust the Quapaws back into stewardship of the land. Although the tribe leased away or sold off significant chunks of Tar Creek to mining companies throughout the 20th century, the Quapaws have at least temporarily regained control of all of it. Since 2012, the tribe—a sovereign nation with roughly 5,500 members—has been the primary EPA contractor for environmental remediation at Tar Creek. It's the first time any tribe has been a prime contractor on a Superfund site, assigning all the contracts and overseeing all the work.

"It's a great story," said Craig Kreman, assistant environmental director of the Quapaw tribe. "We're employing tribal members a lot of the time and members of the community. So that income [from the EPA contract] stays here in this community and is being spent in this community. We're not hiring a contractor out of Georgia."

Every day, a steady stream of trucks haul away more than 2,000 tons of soil saturated with cadmium, lead and other metals at the site. Each patch of earth requires years of passive soil treatments before it tests clean enough to plant row crops like winter wheat. Half-acre by half-acre, the hope is that Tar Creek can be put into productive agricultural use decades from now.

In August, after touring the abandoned area and surrounding towns, Pruitt's senior adviser Albert "Kell" Kelly, praised the EPA's efforts surrounding Tar Creek in sweeping terms: "People from all across the country count on the Superfund program to address pollution and revitalize their communities. Tar Creek cleanup is an excellent example of how the program should work. State and local partners, tribal partners, and EPA—all working together year after year to address historical pollution at this mega-site. It's cooperative federalism working at its best."

But many local observers, including Ed Keheley, aren't nearly as positive.

"Usually, the EPA comes in, they do their dirty work, sprinkle some wheat seed, take a picture to show Congress, and next year it looks like this," he said, pointing to a barren pasture. "Clearly, the EPA hasn't had the best interests of the people at heart. So I get personally offended when people like Scott Pruitt suggest otherwise."

For his part, Pruitt announced a fresh grant of $5 million to the Quapaw-led project last May, and he is quick to distance this experiment in local control from the one that preceded it.

"We [the EPA] can't impact the buyout. We didn't authorize the buyout. I didn't manage the buyout and its unique situation," Pruitt said. "I think what's most tangible is what we can do together with the tribe to advance and continue remediation."

When asked to respond to the undying complaints of residents in rural Ottawa County, where Tar Creek is located—a county in which Trump received 71 percent of the vote in November 2016—Pruitt changed the subject. "I had no experience with Tar Creek, to be honest with you," he said.

That's true, except it was his office's decision, when he was attorney general, not to prosecute the people accused of mishandling the trust money, Keheley and other local residents point out.

But what galls them more than the failure to prosecute is the failure to release the results of a government investigation—an audit that they believe will raise questions about Pruitt's unwillingness to press charges and cast a negative light on a project near and dear to Inhofe's heart.

Pruitt's connections to Inhofe are extensive. One of Pruitt's first hires as EPA chief was Ryan Jackson, a longtime Inhofe staffer and the senator's point person on Tar Creek, who is now

Pruitt's chief of staff. He also brought on four other former aides to Inhofe, the Senate's leading proponent of the idea that man-made pollution contributing to climate change is a conspiracy and a hoax. Three of them are Pruitt's senior advisers on air, climate and legal issues.

"It gives me a level of comfort to know that we have a bureaucracy that's actually going to be serving instead of ruling," Inhofe told the *Washington Post*, applauding Pruitt for hiring his staff.

Numerous veteran Oklahoma political watchers, some of whom spoke to POLITICO on condition of anonymity, suggest that there may be an ulterior motive in Pruitt's embrace of Inhofe: It's widely believed that Pruitt, who is 49, wants to run for Inhofe's seat when the senator retires. Many observers think Inhofe is unlikely to seek reelection in 2020, when he'll be 85. And some have noted that Pruitt's decision not to advance the case against the buyout trust spared Inhofe the embarrassment of seeing the program he personally tailored and promoted go down in scandal.

"Pruitt is a rising Republican political star previously in Oklahoma and now nationally," said one journalist who closely follows the Oklahoma political scene. "There have been rumblings that Pruitt might have his eye on higher office. ... Pruitt would do everything to keep Inhofe close, assuming he wants to run for that seat."

Wally Kennedy, the *Joplin Globe* columnist who has covered the Tar Creek trust more closely than any other journalist, said, "My sense of the way that unfolded was that Pruitt decided he was not going to do any kind of prosecution, and then Inhofe writes a letter saying what an outstanding job the trust did. My reaction was 'Huh?'"

"The fact that the audit was not publicly disclosed tells me that somebody is hiding something," he added. "This is Oklahoma taxpayers' money being committed to ratting out what appears to be some apparent corruption. But everybody looks the other way. That's why I'm talking to you. Because if you can shed a light on this, maybe somebody will say 'We need to take a second look at this.'"

Pruitt, however, insists his decisions were strictly based on the law, and an Inhofe staffer flatly dismissed the possibility of Inhofe influencing Pruitt's decision.

"Senator Inhofe would have had no involvement in the case or in any of then-Attorney General Pruitt's decisions," the staffer said.

Pruitt was similarly bemused by the idea that there would have been any sort of political calculation behind his decision to shield the audit. The only politics in this case, he suggested, was on the part of those who want to embarrass him and Inhofe.

"You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys," Pruitt said in frustration.

Others argue that transparency in this case is not a political issue as much as a legal right.

"The open records act seems pretty clear this audit should be released," said Stevens, executive director of Campaign for Accountability. "You have to ask why he's not releasing it? Pruitt should have to be held accountable for this."

To view online click here.

Back

Pruitt named chair of Gulf Coast Ecosystem Restoration Council Back

By Anthony Adragna | 12/06/2017 07:28 PM EDT

President Donald Trump announced today that EPA Administrator Scott Pruitt would chair the Gulf Coast Ecosystem Restoration Council.

The group, formed in 2012 after the Deepwater Horizon oil spill, helps restore the ecosystems and economies of the Gulf Coast. Pruitt was unanimously selected by Alabama, Florida, Louisiana, Mississippi and Texas, the five states on the council.

"I am honored to be selected by the states and look forward to working with the governors to continue the excellent work of this Council to further the critical mission of restoring the Gulf of Mexico ecosystem," he said in a statement.

Pruitt named Kenneth Wagner, a senior adviser, to be his designee on the council. He takes over the chairmanship from the Secretary of Agriculture.

WHAT'S NEXT: Pruitt begins his chairmanship of the group.

To view online click here.

Back

Powelson says McIntyre to be sworn in Thursday Back

By Eric Wolff | 12/06/2017 03:33 PM EDT

New FERC Chairman Kevin McIntyre will be sworn in on Thursday, FERC Commissioner Rob Powelson told an audience of electric power officials in Philadelphia today.

"At a general session this afternoon in Philadelphia, one of the key speakers was FERC Commissioner Rob Powelson, and during his speech this afternoon he confirmed that Kevin McIntyre will be sworn in tomorrow," PJM Interconnection spokeswoman Susan Buehler said.

President Donald Trump nominated McIntyre, a partner at the law firm of Jones Day, to be

commissioner and designated him to be chair months ago. The Senate confirmed him in early November, and he received his signed commission just before Thanksgiving.

His swearing in will put to rest rumors that either the Trump administration or McIntyre himself were delaying his start date to give current Chairman Neil Chatterjee enough service time to make staffing changes. Chatterjee will miss that deadline by a day.

It also puts McIntyre in charge of the process initiated by Energy Secretary Rick Perry that is aimed at supporting coal-fired and nuclear power plants in an effort to protect the power grid's resilience. Action on that proposal is expected by Monday.

To view online click here.

Back

EPA to hold more hearings on Clean Power Plan withdrawal Back

By Emily Holden | 12/06/2017 03:28 PM EDT

EPA will hold three additional public hearings on a proposal to withdraw the Clean Power Plan, in San Francisco; Gillette, Wyo.; and Kansas City, Mo., the agency announced today.

EPA Administrator Scott Pruitt in a press release said the change was "due to the overwhelming response" to two days of hearings in West Virginia last week. Many environmental advocates criticized EPA for initially scheduling hearings only in coal country.

The agency will announce the dates and locations of the meetings in the coming weeks, and speakers must register.

The Obama administration, by comparison, held public hearings on the proposed climate standards in 2015 in Pittsburgh, Denver, Atlanta and Washington, D.C.

WHAT'S NEXT: Comments on the draft withdrawal are due Jan. 16.

To view online click here.

Back

Republicans divided over taking up tax extenders this year Back

By Brian Faler | 12/06/2017 05:40 PM EDT

Republican leaders are divided over whether to take up a second tax-cut bill this year.

Senate Republicans want to move legislation reviving a rump group of tax "extenders," separate from their more sweeping plan to rewrite the code.

But the House's top tax writer isn't so sure.

"I don't like the extenders," said House Ways and Means Chairman Kevin Brady (R-Texas). "It's horrible policy and process."

"No decision yet," he added, saying lawmakers need to talk it over.

His comments came after Sen. John Thune, the chamber's No. 3 Republican, said today lawmakers will revive biodiesel, geothermal and other energy-related breaks along with other "cats and dogs," including a tax credit to maintain short-line railroads.

Thirty-four temporary tax provisions expired at the end of last year, including 16 energy ones, and lawmakers are now facing demands to revive them. Some want to attach the provisions to funding legislation needed to keep the government open H.J. Res. 123 (115).

Many Republicans had sworn off the "extender" ritual after a 2015 tax agreement made many of the breaks permanent while giving others what lawmakers said was one final extension — which, for some, ended last year.

Putting together an extender bill, even as lawmakers negotiate a final compromise on their tax-overhaul plans, is likely to test tax writers' bandwidth.

To view online click here.

Back

Solar pitches target Trump at USTR hearing Back

By Eric Wolff | 12/06/2017 03:46 PM EDT

Supporters of tough trade tariffs on solar energy equipment and their opponents squared off again at a hearing of the U.S. Trade Representative today. with both sides coloring their arguments in language aimed at swaying the White House.

The two companies seeking tariffs on foreign shipments of solar panels and cells, Suniva and SolarWorld Americas, pressed the case that barriers were vital for protecting U.S. manufacturing of the clean energy technology because of its importance for national security — issues at the heart of President Donald Trump's "America First" agenda.

"A strong remedy is required to persevere the U.S. industry, provide breathing space for this American-invented manufacturing technology," said Matt Card, vice president of operations for bankrupt Suniva. "Anything less would ... result in the loss of this industry. That would have a

dramatic negative impact on national security."

Witnesses at the hearing opposed to instituting tariffs raised the same issues, but contended that trade barriers would threaten other businesses, and that the benefits of tariffs would help only a narrow segment of the solar industry.

"Factories in South Carolina and across the nation would suffer from solar tariffs," South Carolina Gov. Henry McMaster told the panel. "While there is only one operating factory in the U.S. petitioning for these tariffs, there are over 50 American-owned factories employing thousands of people that would be the ones harmed, including a steel mill in South Carolina that provides American-made steel for many of the U.S. factories that produce metal equipment for the utility scale solar farms."

The panel, which included representatives from the departments of Energy, Treasury, State, Labor and Commerce, and from the Council of Economic Advisers, appeared unmoved by the national security arguments, and instead peppered parties with detailed questions about the potential tariffs' impacts on U.S. solar power demand. Panel members also questioned whether a few years of trade protections would be enough time for Suniva and SolarWorld to hike their production enough to catch up to overseas competition.

They pressed witnesses from both side on how tariffs would effect the domestic solar market, whether a modest tariff would be effective, and their opinions on the recommendations the U.S. International Trade Commission sent the White House last month. ITC members recommended a range of options, from sliding scale of tariffs to a cap on total shipments.

The Trade Representative will send the White House a recommendation, and Trump has until Jan. 26 to make a decision.

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Back

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ENERGYWIRE — Wed., February 21, 2018

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Environmentalists lost big on LNG exports. Now what?

After years of fever-pitched opposition to liquefied natural gas exports, the Sierra Club quietly pulled its last LNG lawsuit from federal court last month. The withdrawal followed a series of losses in similar cases, a subdued end to environmentalists' chief legal campaign against shipping U.S. natural gas around the world.

TOP STORIES

2.ELECTRICITY:

Texas grid operator moves to protect state jurisdiction

3.INFRASTRUCTURE:

DOE's Walker plugs North American energy model

4.EPA:

IG report discounted Tar Creek Superfund fraud claims

LAW

5.SCIENCE:

D.C. court wades into messy feud between energy researchers

OIL AND GAS

6.ALASKA:

Interior to move quickly on ANWR leasing — Murkowski

7.PEOPLE:

Colo. governor's energy point man steps down

8.SAFETY:

Blaze at N.D. tank farm 'rare,' but owner citations frequent

ELECTRICITY

9.SECURITY:

DOJ task force takes aim at 'unprecedented' cyberthreat

10.UTILITIES:

Duke touts grid transformation plans

11.PIPELINES:

N.J. consumer advocate calls on FERC to reconsider PennEast

12.SOLAR:

Government mandates to cushion blow of Trump tariffs

13.SAFETY:

Tampa utility to appeal OSHA finding on molten-ash deaths

14.NUCLEAR:

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To: Bennett, Tate[Bennett.Tate@epa.gov]
From: Morning Agriculture
Sent: Tue 8/1/2017 2:05:07 PM
Subject: POLITICO's Morning Agriculture: Perdue hits the road in search of farm bill 'roots' — The Almanza era draws to a close — Mexico names new chief NAFTA negotiator

By Catherine Boudreau | 08/01/2017 10:01 AM EDT

With help from Eric Wolff and Adam Behsudi

PERDUE HITS THE ROAD IN SEARCH OF FARM BILL 'ROOTS': We'll spare you the Clark W. Griswold joke and get right down to it: Agriculture Secretary Sonny Perdue is set to depart on a five-state farm bill tour via RV, a journey that begins Thursday at the Wisconsin State Fair and signals the secretary's intent to be "intimately" involved in development of the 2018 measure. Perdue's summer road trip - dubbed "Back to Our Roots" - will also bring him to Minnesota, Iowa, Illinois and Indiana, USDA will announce this morning. His schedule is packed with listening sessions, to allow him to hear from producers and consumers across the country who are "on the front lines of American agriculture and ... know best what the current issues are," Perdue said in a statement. He'll have some fun along the way, attending a Minnesota Twins game with USDA employees and popping in at Indianapolis Colts training camp for an event on the NFL's "Fuel Up to Play 60" initiative.

"USDA will be intimately involved as Congress deliberates and formulates the 2018 Farm Bill," Perdue said in a statement. "We are committed to making the resources and the research available so that Congress can make good, facts-based, data-driven decisions. It's important to look at past practices to see what has worked and what has not worked, so that we create a farm bill for the future that will be embraced by American agriculture in 2018."

That would mark a significant departure from the USDA that Congress came to know under former President Barack Obama. While Obama included changes to crop insurance and other farm bill programs in his annual budget, former Agriculture Secretary Tom Vilsack largely stayed out of negotiations over the legislation.

Does Sonny do encores? Yup. A second RV tour is planned for later this summer, though details have yet to be announced. The trips will be documented on Perdue's Twitter account under #BackToOurRoots.

HAPPY TUESDAY, AUGUST 1! Welcome to Morning Ag, where your host would categorize this as a crime of passion. You know the deal: Thoughts, news, tips? Send them to cboudreau@politico.com and @ceboudreau. Follow the whole team at @Morning_Ag.

TEXANS FRET ABOUT NEXT GENERATION OF FARMERS: Sticking with the 2018 farm bill for a moment ... House Agriculture Chairman Mike Conaway said at the panel's field hearing in San Angelo, Texas on Monday that he wants to get a farm bill on the House floor by the end of this year - echoing a goal that his Senate counterpart, Pat Roberts , outlined last week. Over the course of three hours, some 80 farmers and ranchers, food bank employees, agricultural bankers and conservation groups discussed their concerns and suggestions on farm policy to

Conaway, ranking member Collin Peterson and six other committee members.

Calls for returning cotton to Title I so it can qualify for commodity supports, improving livestock disaster assistance and strengthening conservation programs like CSP and EQUIP were plentiful, but the more passionate statements came from producers who fear the next generation won't be on the farm for a variety of reasons: the lack of equity needed to secure financing; the constant rise in the cost of pesticides, seeds, and equipment while commodity prices slump, which makes it difficult to make a profit; and the deteriorating economic condition of rural America.

"I know five young growers who went out of business in the last three years," said Tony Dill of the Western Peanut Growers Association. "This is a very severe issue. I see no future in our country if we don't do something for younger farmers. A lot of us older farmers are living on equity, and younger farmers don't have that equity to get started."

THE ALMANZA ERA DRAWS TO A CLOSE: Al Almanza, administrator of the USDA Food Safety and Inspection Service, retired on Monday after 39 years at the agency. Secretary Perdue, in an email to staff, announced that two career employees will take on temporary leadership roles, beginning today: Paul Kiecker will be FSIS acting administrator, and Carmen Rottenberg will serve as acting deputy undersecretary for food safety - a post Almanza also held from September 2014 to December 2016.

In a farewell message to USDA employees last week, Almanza said highlights of his tenure include modernizing the poultry inspection system, reducing foodborne illnesses from listeriosis and E. coli and implementing stricter performance standards for campylobacter and salmonella in poultry.

The new line-up. Rottenberg has spent nearly six years in leadership roles at FSIS, including as deputy administrator and chief operating officer, overseeing the agency's $1-billion budget. Kiecker joined FSIS in 1988 as a food inspector and has held a number of positions since then, most recently as deputy assistant administrator for the Office of Field Operations.

MEXICO NAMES NEW CHIEF NAFTA NEGOTIATOR: Mexico is building out its negotiating team in preparation for the much-awaited renegotiation of NAFTA, naming Kenneth Smith Ramos on Monday to be its chief technical negotiator. Ramos, head of the trade and NAFTA office at the Mexican Embassy in Washington, will work just below Economy Secretary Ildefonso Guajardo and Undersecretary for Foreign Trade Juan Carlos Baker in leading the negotiations, a Guajardo spokesperson told our colleagues at Morning Trade.

Guajardo, speaking to reporters on Monday, highlighted Ramos' past work in Mexico's agriculture department as well as its economy ministry. "He is a man who has had a very, very long, intense and brilliant career in all foreign trade topics," Guajardo said in Spanish.

RFS HEARING BE POPPIN' LIKE CORN: EPA is throwing its annual Renewable Fuel Standard bash today, an all-day hearing for the agency to get feedback on its proposed rule, which will set the amount of biofuel that must be blended into the nation's fuel supply. The agency kept the ethanol mandate at the legal maximum of 15 billion gallons, but it dramatically

cut the amount of advanced biofuels, and it will surely get an earful on that.

RFS A-listers: EPA will hear from: Iowa Gov. Kim Reynolds; Nebraska Gov. Pete Ricketts; Chris Bliley of Growth Energy; Bob Dinneen of the Renewable Fuels Association; Frank Macchiarola of the American Petroleum Institute; and Donnell Rehagen of the National Biodiesel Board. Reynolds, whose state leads the nation in ethanol production, will tell EPA she's glad it is on track for an on-time rule (they're actually a bit behind schedule), but wants the agency "to raise the advanced biofuel, biodiesel and cellulosic volumes. The RFS is a bold policy, and Iowans and the industry as a whole have always risen to the challenge."

NMPF: PLANT-BASED FOOD PETITION 'INAPPROPRIATE': The Good Food Institute's effort to revive a 20-year-old soy industry petition that requested FDA allow plant-based products to be labeled as "milk" is as "inappropriate today as it was ... in 1997," the National Milk Producers Federation said in response Monday. "Nothing has happened in the intervening time period to allow the combination of soy powder, water, emulsifiers, stabilizers, sugar, sodium and added vitamins to magically become milk," NMPF President Jim Mulhern said in a statement. "Regardless of what food technologists might try, milk still only comes from mammals."

GFI also filed its own petition on Monday, asking FDA to codify its existing practice of allowing manufacturers to use common dairy names to broadly label plant-based foods and beverages. The FDA told MA in response on Monday that it is "reviewing the matter and takes action in accordance with public health priorities and agency resources."

THIS TAX REFORM TIMELINE IS ... 'AGGRESSIVE': The White House expects tax reform legislation to move quickly through Congress this fall, clearing the House in October and the Senate in November, legislative director Marc Short said Monday. Markups will begin in September. "So that, I think, is an aggressive schedule, but that is our timetable," he said during an event hosted by a pair of conservative political groups backed by the billionaire Koch brothers - Freedom Partners and Americans for Prosperity.

Short's ambitious timeline is the most specific to be laid out by either the White House or Congress in recent months, reports Pro Tax's Aaron Lorenzo. It jives with a joint statement issued by administration and congressional negotiators last week, which said the expectation is that tax reform legislation will move through committees "this fall," followed by consideration on the House and Senate floor. Republicans are planning to use special instructions in a budget resolution - should it advance through Congress - to pass tax reform with a simple majority in the Senate in order to short-circuit a Democratic filibuster. But Short also suggested a Republican-only pathway isn't completely necessary. Some Democrats might get on board, particularly those up for reelection next year in states Trump carried, he said.

THE 2018 WATCH: CASEY, TESTER GET NEW CHALLENGERS: Senate Agriculture Committee member Bob Casey (D-Pa.) has a new challenger in 2018: GOP Rep. Lou Barletta, two Republican sources told POLITICO's Kevin Robillard. Barletta, an early supporter of President Donald Trump, is an immigration hard-liner serving his fourth term in the House. Trump has publicly suggested Barletta challenge either Casey or Democratic Gov. Tom Wolf.

Barletta, a former mayor of Hazleton, Pa., is the biggest name in a large Republican field challenging Casey, a moderate who has emerged as a fierce Trump critic.

Tester territory: Montana State Auditor Matt Rosendale on Monday formally launched his campaign to challenge Democratic Sen. Jon Tester next year, and gave a heads-up to POLITICO's Elena Schneider. A handful of Republicans are already in the race, but Rosendale is the first statewide officeholder to jump in. Tester, an organic farmer and two-term incumbent, is one of the GOP's top Senate targets. Rosendale ran for Congress in 2014 and loaned his own campaign more than $1.1 million before losing to Interior Secretary Ryan Zinke in the Republican primary.

"I've always said that I will serve wherever Montanans feel I can be the most effective, and I've gotten calls from across the entire state from people who are not satisfied with the job that Tester is doing. He acts like a farmer when he's here, but he goes back to Washington and votes just like Chuck Schumer," Rosendale said. "We recognize that even if you go into federal government well-intentioned, there comes a time when you have been there too long."

U.S., BRAZIL TO COMPETE FOR CORN CUSTOMERS: Brazil's corn production in the 2016-17 season is forecast to be a record 97 million tons, while U.S. farmers are predicted to harvest their second-biggest crop this fall - setting up intense competition for buyers in the second half of 2017, Bloomberg reports . Two decades ago, Brazil wasn't even on the United States' radar as a competitor in corn exports, but has since ramped up shipments. In 2016, the country ranked third in corn exports, while the U.S. was No. 1 and Argentina No. 2, according to USDA data. Japan and Mexico are the top buyers of the commodity.

U.S. corn shippers are seeing slow bookings for the coming marketing year, which starts in September, Bloomberg reported, citing USDA data. Corn shipments from Brazil are climbing, but they are projected to continue to pace behind those of the U.S. Whether Brazil can steal more market share from U.S. farmers depends partly on the value of the Brazilian real and how many growers are willing to sell crops at low local prices, one analyst told Bloomberg.

Another factor? Trump. Mexico is looking to diversify its corn supply amid the political uncertainty surrounding NAFTA 2.0 and President Trump's harsh rhetoric. But Secretary Perdue, after two days of bilateral meetings in Mexico last week with Mexican Secretary of Agriculture José Calzada, said the U.S. still has an edge.

"I did not get any indication that they're seriously considering that," Perdue told reporters during a conference call on Friday. "I think while they may talk ... as if they're having conversations, we have a corner store location for their supply," he added, highlighting the U.S. agricultural sector's competitive and logistical advantages in relation to its southern neighbor.

ERS: FARM PRODUCTIVITY KEY TO FOOD SECURITY: Growth in agricultural productivity is strongly connected to improvements in developing countries' food security status, according to a report published by the USDA Economic Research Service on Monday. Investments in agricultural research and technology are central to efforts to meet the challenge of feeding a world population north of 9 billion by 2050. "On average, the faster the growth in

agricultural productivity, the larger the reductions in food insecurity," the report said.

ERS analyzed the role of trade, agricultural productivity, international aid, and better data and measurement in achieving food security gains in 76 low- and middle-income countries over the past 15 years. Since the U.S. provides about half of global food aid and support for agricultural development - between $6 billion and 7 billion annually over the last few years - the researchers said it's necessary to study factors that drive improvement if the U.S. is to reach its commitment of ending global food insecurity by 2030.

Cash is king? The report also found that for countries receiving aid, cash-transfer programs can be more cost effective than traditional methods like in-kind commodity donations, which represent the United States' largest form of food aid under the Food for Peace program. However, not all countries have sufficient food markets or the administrative capability to broadly implement cash programs. Advances in IT, personal identification, banking and mobile phones support the expansion of targeted cash-transfer programs. "These innovations can ... reduce the market distortions associated with acquiring, distributing, and storing commodities found in traditional in-kind programs," the report said. Read it here.

FARM CREDIT ADMIN NAMES NEW IG: The Farm Credit Administration announced Monday that Wendy Laguarda will become its inspector general, effective today. Laguarda, who joined the FCA Office of General Counsel in 1990 and rose to become assistant general counsel and the designated agency ethics official, succeeds Elizabeth Dean, who retired Monday.

MA'S INSTANT OATS:

- New Food Economy has this deep dive on who owns America's farmland (hint: it's increasingly not farmers).

- The country's largest fresh-garlic producer solved its labor shortage by raising wages to $13. The Mercury News explores whether it's an isolated success story or a fix for U.S. agriculture more broadly.

- A group of leading crop scientists is calling for a coordinated approach to research to tackle global food security threats, Feedstuffs reports.

- Researchers found that providing a 50 percent discount on the price of fruits and vegetables doubled consumers' intake of the produce. Read the study here.

THAT'S ALL FOR MA! See you again soon! In the meantime, drop your host and the rest of the team a line: cboudreau@politico.com and @ceboudreau; jhopkinson@politico.com and @JennyHops; hbottemiller@politico.com and @hbottemiller; jlauinger@politico.com and @jmlauinger; and P.J. Joshi, at pjoshi@politico.com and @pjoshiny. Follow @POLITICOPro and @Morning_Ag on Twitter.

To view online:
http://www.politico.com/tipsheets/morning-agriculture/2017/08/01/perdue-hits-the-road-in-

search-of-farm-bill-roots-221636

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From: Jackson, Ryan
Sent: Wed 11/29/2017 7:55:31 PM
Subject: FW: AGs Letter
Sign On Ltr to EPA re no action recommendation_11 29 2017.pdf

From: Nolan, Rich [mailto:RNolan@nma.org]
Sent: Wednesday, November 29, 2017 2:52 PM
To: Jackson, Ryan <jackson.ryan@epa.gov>
Subject: AGs Letter

AGs letter

November 29, 2017

SENT VIA FEDEX (OVERNIGHT)

The Honorable Scott Pruitt, Administrator
United States Environmental Protection Agency
1747 Pennsylvania Avenue, NW
Suite 800
Washington, DC 20006

Dear Administrator Pruitt:

As the chief legal officers of our respective states, we write today to urge the United States Environmental Protection Agency ("EPA") to publish a "no action" decision on the proposed rule entitled "Financial Responsibility Requirements Under CERCLA 108(b) for Classes of Facilities in the Hardrock Mining Industry," 82 Fed. Reg. § 3388 (Jan. 11, 2017)by the upcoming December 1, 2017 court ordered deadline. In short, the proposed rule amounts to unlawful executive overreach and is precisely the sort of unnecessary, duplicative , and punitive regulation that President Trump has committed to curtailing.

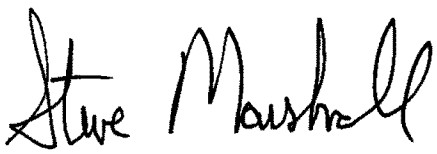
For many of the undersigned states, the mining sector is a key employer and revenue generator. However, all of the undersigned states care about federalism, the rule of law, and unnecessary economic burdens. According to EPA's own Regulatory Impact Analysis, this regulation, if adopted, would impose an estimated $7.1 billion in new financial obligations for affected facilities without creating any new or significant environmental protections. *See* 82 Fed. Reg. at 3392. Further, EPA's own figures suggest that facilities would incur annual costs of $171 million. *See* 82 Fed. Reg. at 3393. Numerous stakeholders have warned that such excessive cost burdens will serve to discourage domestic mineral production and industry investment. As a result, indirectly increasing the United States's reliance on metals and minerals from foreign countries and negatively impacting the local economies of our states, which depend on high-paying mining industry jobs and tax revenue that the sector garners.

Additionally, the process by which the regulation was proposed was fundamentally flawed a nd is yet another disturbing example of EPA's failure to engage in required consultation with states at the rule development phase, a scenario with which we have, unfortunately, become all too accustomed over the past eight years. There is overwhelming ev idence in the adminis trative record that the regulation is unnecessary, duplicative, and potentially impermissibly preempts state regulatory programs, including state mine bonding programs, which already effectively protect against the environmental risks underlying the § 108(b) proposal. Stakeholders ranging from state governors to mining companies to land management

agencies emphasized that the EPA failed to adequately account for existing state and federal programs that have financial assurance components designed to ensure an operator's ability to cover the costs associated with releases or threatened releases of hazardous substances from their facilities at all phases of mining, including reclamation, closure, and post-closure.

The D.C. Circuit was clear in its consent decree that although final action on the financial assurance regulations must be taken by December 1, 2017, EPA may decide, based on the input of stakeholders during the comment period, not to issue a rule at all. *In re Idaho Conservation League*, 811 F.3d 502, 514 (D.C. Cir. 2016) ("[T]he proposed joint order 'does not require EPA to promulgate a new, stricter rule.' At most, it 'merely requires that EPA conduct a rulemaking and then decide whether to promulgate a new rule — the content of which is not in any way dictated by the [proposed order on consent] . . . .'" (alteration in original) (emphasis omitted) (citation omitted)). Based on the foregoing and in the face of overwhelming evidence that the mining industry does not warrant a CERCLA § 108(b) program, we reiterate our request that EPA publish a notice of final action withdrawing the proposed rule.

Sincerely,



Steve Marshall
Attorney General of Alabama

Cynthia H. Coffman
Attorney General of Colorado

Mark Brnovich
Attorney General of Arizona

Pam Bondi
Attorney General of Florida

Leslie Rutledge
Attorney General of Arkansas

Jeffrey M. Landry
Attorney General of Louisiana

Timothy C. Fox
Attorney General of Montana

Marty J. Jackley
Attorney General of South Dakota

Adam Paul Laxalt
Attorney General of Nevada

W. Kenneth Paxton, Jr.
Attorney General of Texas

R. Michael DeWine
Attorney General of Ohio

Sean D. Reyes
Attorney General of Utah

Mike Hunter
Attorney General of Oklahoma

Patrick J. Morrisey
Attorney General of West Virginia

Alan M. Wilson
Attorney General of South Carolina

Brad D. Schimel
Attorney General of Wisconsin

Peter K. Michael
Attorney General of Wyoming

Cc via US MAIL:

The Honorable Mick Mulvaney, Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Ms. Neomi Rao, Administrator
Office of Information and Regulatory Affairs
C/o: Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

From: Burton, Tamika
Sent: Fri 6/29/2018 8:44:45 PM
Subject: Weekly report 6.29.2018
6.29.2018.pdf
Weekly Report 6.29.2018.docx

Good Afternoon,

Please find the Weekly Report for the week ending 6.29.2018.

Have a great weekend!

Tamika Burton

Staff Assistant to the Deputy Administrator

Immediate Office of the Administrator

MC 1104A Room 3412 WJC North

(202) 564-4771 (d)

Ex. 6 - Personal Privacy

burton.tamika@epa.gov

Ex. 5 - Deliberative Process

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located within the site. The Ottawa County Health Department reported that child who frequently visits the property has elevated concentrations of blood lead. Subsequent investigations by the Oklahoma Department of Environmental Quality (ODEQ) indicated elevated concentrations of lead in the soil. EPA and the ODEQ are meeting with the child's family this week to determine a course of action.

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Ex. 5 - Deliberative Process

To: Shimmin, Kaitlyn[shimmin.kaitlyn@epa.gov]; Beach, Christopher[beach.christopher@epa.gov]; Block, Molly[block.molly@epa.gov]; Jackson, Ryan[jackson.ryan@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]; Dravis, Samantha[dravis.samantha@epa.gov]; Wilcox, Jahan[wilcox.jahan@epa.gov]; Konkus, John[konkus.john@epa.gov]; Ferguson, Lincoln[ferguson.lincoln@epa.gov]; McMurray, Forrest[mcmurray.forrest@epa.gov]; Ford, Hayley[ford.hayley@epa.gov]; Bennett, Tate[Bennett.Tate@epa.gov]; Abboud, Michael[abboud.michael@epa.gov]; Daniell, Kelsi[daniell.kelsi@epa.gov]; Hanson, Paige (Catherine)[hanson.catherine@epa.gov]; Letendre, Daisy[letendre.daisy@epa.gov]; Grantham, Nancy[Grantham.Nancy@epa.gov]; Beck, Nancy[Beck.Nancy@epa.gov]; Wehrum, Bill[Wehrum.Bill@epa.gov]; Gunasekara, Mandy[Gunasekara.Mandy@epa.gov]; Bodine, Susan[bodine.susan@epa.gov]; Ross, David P[ross.davidp@epa.gov]; Leopold, Matt[Leopold.Matt@epa.gov]; Yamada, Richard (Yujiro)[yamada.richard@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Lyons, Troy[lyons.troy@epa.gov]
From: Hewitt, James
Sent: Wed 3/21/2018 1:07:07 PM
Subject: EPA Morning News Highlights 03.21.18
EPA Morning News Highlights 03.21.18 docx.docx

EPA Morning News Highlights 03.21.18

Tulsa World: EPA Administrator Scott Pruitt says lack of clean up of Tar Creek Superfund site is 'unacceptable'

Administrator Scott Pruitt of the U.S. Environmental Protection Agency said his new push on the nation's Superfund program finally can provide clarity and accountability to the Tar Creek area, for decades one of the oldest, largest and most complex toxic sites in the nation. "It is really unacceptable," Pruitt said as he recalled the history of the Tar Creek area in far northeastern Oklahoma, whose Superfund legacy dates back to 1983, as well as the amount of money and time deployed there. "You don't list a site in the mid-1980s and you don't take the kind of steps we have taken historically and still have issues today in 2018."The area in Ottawa County is contaminated by lead and other heavy metals from long-closed mining operations and is undermined with caverns that are prone to cave-ins. The Picher and Cardin communities were bought out by a federal program and are now ghost towns, but the mine wastes remain.

Hot Air: EPA Ends The Use Of "Secret Science" In Crafting Regulations

Just in case liberals didn't already have enough reasons to pin EPA Administrator Scott Pruitt's picture to their dart boards, he's just rolled out another policy change which will force the "party of science" to rely on actual science when pushing for regulatory changes. Promising to eliminate "secret science" in EPA deliberations, Pruitt is ordering all scientific studies used when considering new regulations to include publicly available data and methodologies. This was announced in an exclusive interview with The Daily Caller News Foundation.

Detroit News: EPA chief wants to eradicate lead from drinking water

The head of the Environmental Protection Agency says eradicating lead from drinking water is one of his top priorities three years after the Flint water crisis, and he's worried Americans aren't "sufficiently aware" of the threat. "I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," EPA Administrator Scott Pruitt told reporters this week at the agency's headquarters. "It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this." Pruitt is concerned that parents and citizens don't understand the threat of lead in drinking water or toys, and "we're looking at ways we can contribute to that dialogue," he said, according to an audio recording provided by the New York Post.

New York Post: EPA head calls for 'coordinated' response to NYC lead crisis

EPA Administrator Scott Pruitt called for a "coordinated" response between New York State and City officials to address the ongoing lead crisis. Asked whether federal intervention is needed to protect New York children and tenants from lead poisoning, the Environmental Protection Agency chief urged action on all fronts. "I think a local, state and federal response that is very coordinated and collaborative is terribly important," Pruitt said in an interview. "We each play a role. I'd love to see steps taken at the local level to invest." Gov. Cuomo already announced an emergency declaration for New York Housing Authority buildings and pledged an additional $250 million for upgrades. But heated public squabbles over resources and responsibility with rival Mayor de Blasio have complicated progress.

The Philadelphia Inquirer: Philly has a smog problem. Will Scott Pruitt's EPA say so?

Whether Philadelphia is violating the federal Clean Air Act remains in bureaucratic limbo. Despite deadlines, the EPA has refused to say whether Philadelphia and some other cities, including Pittsburgh, have met a 2015 benchmark of 70 parts per billion or less of ground-level ozone in the ambient atmosphere. Being out of compliance, or in "nonattainment," has a real-world impact on the state, city, businesses and industry, and even motorists through increased regulation and funding. The EPA was supposed to state whether Philadelphia was in compliance by last Oct. 1. Last week, a federal court ruled that the EPA, under its administrator, Scott Pruitt, broke the law by missing the deadline, and gave the EPA until April. On Monday, Pruitt's office said it would meet the deadline.

National Morning News Highlights 03.21.18

Politico: Congress struggles to clinch spending deal

Congressional leaders are racing to finalize a spending bill by the end of Tuesday but find themselves still at odds over a host of controversial issues — delaying plans to unveil the proposal and raising the prospect of weekend votes to avoid a shutdown. Democrats, Republicans and the White House battled late into the night Monday and into Tuesday afternoon over whether to include provisions on President Donald Trump's border wall, a massive New York infrastructure project and the special counsel's Russia investigation, according to lawmakers and aides in both parties. There were still a number of unresolved issues as of Tuesday evening, and multiple sources were pessimistic that negotiators would reach a deal in time to release the bill before Wednesday.

Wall Street Journal: Trump to Ramp Up Trade Restraints on China

The White House is preparing to crack down on what it says are improper Chinese trade practices by making it significantly more difficult for Chinese firms to acquire advanced U.S. technology or invest in American companies, individuals involved in the planning said. The administration plans to release on Thursday a package of proposed punitive measures aimed at China that include tariffs on imports worth at least $30 billion. But the tariffs won't be imposed immediately. Rather, U.S. industry will be given an opportunity to comment on which products should be subject to the duties. As part of the package, the White House will announce possible investment restrictions by Chinese firms in the U.S. and will direct the Treasury Department to outline rules governing investment from China.

TRUMP TWEETS

Tulsa World

http://www.tulsaworld.com/homepagelatest/epa-administrator-scott-pruitt-says-lack-of-clean-up-of/article_4a3e4982-569e-5023-8141-392ebe629a65.html

EPA Administrator Scott Pruitt says lack of clean up of Tar Creek Superfund site is 'unacceptable'

By: Jim Myers, 3/21/18

Administrator Scott Pruitt of the U.S. Environmental Protection Agency said his new push on the nation's Superfund program finally can provide clarity and accountability to the Tar Creek area, for decades one of the oldest, largest and most complex toxic sites in the nation.

"It is really unacceptable," Pruitt said as he recalled the history of the Tar Creek area in far northeastern Oklahoma, whose Superfund legacy dates back to 1983, as well as the amount of money and time deployed there.

"You don't list a site in the mid-1980s and you don't take the kind of steps we have taken historically and still have issues today in 2018."

The area in Ottawa County is contaminated by lead and other heavy metals from long-closed mining operations and is undermined with caverns that are prone to cave-ins. The Picher and Cardin communities were bought out by a federal program and are now ghost towns, but the mine wastes remain.

Pruitt blamed inconsistency, even within the EPA's 10 regions, as well as a lack of attention and focus, for slowing remediation outcomes.

"It is one of the things that seemed to be languishing as we arrived," Pruitt said, making it clear that the lack of urgency was something he found "palpable" at Superfund sites across the country.

"When it takes you 27, 28 years to make a decision — make a decision, not clean it up, not remediate, but make a decision on how you are going to remediate — that is unacceptable."

His comments came during one of several reporter roundtables he has been holding at the EPA's headquarters to mark his first year as administrator, during which he also became a leading voice in the Trump administration's major push on regulation reform.

Those efforts have prompted applause from his supporters and alarm from his critics.

Recently Pruitt is rarely out of the headlines, with stories ranging from travel expenses to speculation over whether his political future might include bids for a U.S. Senate seat or even the White House.

When given the chance to comment on yet another story this week about his political options, he took a pass.

Pruitt also declined to comment when asked about a recent decision by an Oklahoma judge to allow a lawsuit filed by Campaign for Accountability to continue. The lawsuit seeks to force the release of a 2014 audit of the Lead-Impacted Communities Relocation Trust, which was created in an effort to help move residents out of communities affected by the Tar Creek contamination.

"That is during my time as attorney general," he said. "I think it is better that I just keep it focused on the EPA matters."

Pruitt, who was Oklahoma's attorney general before being tapped by President Donald Trump to lead the EPA, had declined to file charges based on the audit by state Auditor Gary Jones and also had taken steps to bar its release to the public.

According to reporting by The Oklahoman, legal action in the case continues and eventually could include an appeal to the Oklahoma Supreme Court.

Pruitt's emphasis on Tar Creek and the other Superfund sites across the country grew out of a task force he created in 2017, just months after being sworn in as administrator.

Members of the Superfund Task Force came back with a list of specific recommendations under

major goals ranging from expediting cleanup and remediation to promoting redevelopment and community revitalization.

As part of that process, Tar Creek landed on a list Pruitt says he will use to keep the emphasis on the program.

Hot Air

https://hotair.com/archives/2018/03/20/epa-ends-use-secret-science-crafting-regulations/

EPA Ends The Use Of "Secret Science" In Crafting Regulations

By: Jazz Shaw 3/20/18

Just in case liberals didn't already have enough reasons to pin EPA Administrator Scott Pruitt's picture to their dart boards, he's just rolled out another policy change which will force the "party of science" to rely on actual science when pushing for regulatory changes. Promising to eliminate "secret science" in EPA deliberations, Pruitt is ordering all scientific studies used when considering new regulations to include publicly available data and methodologies. This was announced in an exclusive interview with The Daily Caller News Foundation.

"We need to make sure their data and methodology are published as part of the record," Pruitt said in an exclusive interview with The Daily Caller News Foundation. "Otherwise, it's not transparent. It's not objectively measured, and that's important."

Pruitt will reverse long-standing EPA policy allowing regulators to rely on non-public scientific data in crafting rules. Such studies have been used to justify tens of billions of dollars worth of regulations.

EPA regulators would only be allowed to consider scientific studies that make their data available for public scrutiny under Pruitt's new policy. Also, EPA-funded studies would need to make all their data public.

"When we do contract that science out, sometimes the findings are published; we make that part of our rule-making processes, but then we don't publish the methodology and data that went into those findings because the third party who did the study won't give it to us," Pruitt added.

In other words, science is not being excluded from any EPA studies. The agency is simply ensuring that groups conducting studies publish the data used to reach the conclusions they forward to the EPA so it can be examined and potentially challenged if it's found to be faulty. Surely nobody who's really interested in following the science could object to that, right?

Wrong. Democrats were immediately arguing against such a move, saying that forcing research organizations to publish their figures "would reveal confidential patient data." That's a rather odd argument in a couple of different ways. First of all, there's a lot of data collected for various studies used by the EPA which have nothing to do with medical records. Examples include all of the groundwater studies done when the Obama administration was considering banning fracking.

But even in cases where medical information is required, the groups conducting the study were able to obtain the patient data. As Steve Milloy, the publisher of JunkScience.com was quoted as saying, California regularly makes such data available under the name, 'Public Use Death Files.' Other medical information can be compiled and have the patients' names and other identifying personal information scrubbed. This is already done on a regular basis.

In fact, barring some subject which might compromise national security – such as the handling of tactical weapons materials – it's difficult to imagine many true, scientific studies which couldn't publish their underlying data, making it available for peer review. So if you're still opposed to federal agencies wanting to see such data, the next logical question to ask is precisely what it is that you're hiding.

The Detroit News

https://www.detroitnews.com/story/news/politics/2018/03/20/epa-pruitt-lead-water-flint/33125283/

EPA chief wants to eradicate lead from drinking water

By: Melissa Nann Burke, 3/20/18

The head of the Environmental Protection Agency says eradicating lead from drinking water is one of his top priorities three years after the Flint water crisis, and he's worried Americans aren't "sufficiently aware" of the threat.

"I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," EPA Administrator Scott Pruitt told reporters this week at the agency's headquarters.

"It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this."

Pruitt is concerned that parents and citizens don't understand the threat of lead in drinking water or toys, and "we're looking at ways we can contribute to that dialogue," he said, according to an audio recording provided by the New York Post.

"I do think that what happened in Flint is something that could happen elsewhere. We just simply need to take steps to do all that we can to address it prospectively and proactively," Pruitt said.

Pruitt said President Donald Trump's $1.5 trillion plan to bolster the nation's infrastructure over the next decade would include investments in aging water infrastructure.

Pruitt didn't describe a plan for replacing the thousands of lead service lines throughout the country – a cost estimated around $40 billion to $45 billion – but stressed the need for state and local governments to invest in such upgrades, perhaps with federal grant aid.

Pruitt added he would “love” to see local governments investing more in water infrastructure.

“These water treatment facilities – they have authority to bond out, to raise fees, to invest in corrosion control, the replacement of service lines and the rest,” Pruitt said. “And some of them just aren’t doing it.”

Gov. Rick Snyder has proposed having water customers across Michigan pay a $5 annual fee to help upgrade aging infrastructure and replace lead pipes in their local communities, but the plan hasn’t gained steam in the Republican-controlled Legislature.

U.S. Rep. Dan Kildee, D-Flint Township, said what Pruitt has described isn’t really a plan.

“When it comes to Mr. Pruitt, nice words don’t replace pipes. It takes money. What they have proposed is really nothing when it comes to infrastructure,” Kildee said of the Trump administration.

Kildee said what would help is Pruitt putting his support behind Kildee’s legislation that would reduce the acceptable amount of lead in drinking water to 5 parts per billion. The current federal action limit is 15 parts per billion.

“Force federal and state governments to stare this in the face by adopting a level that is science-based that says there is no acceptable level of lead,” he said.

EPA has spent a decade trying to update the rule.

Snyder called the rule “dumb and dangerous” after the Flint disaster. The state has proposed draft rules to drop the acceptable amount of lead in drinking water to 10 parts per billion by 2024.

The New York Post

https://nypost.com/2018/03/21/epa-head-calls-for-coordinated-response-to-nyc-lead-crisis/

EPA head calls for 'coordinated' response to NYC lead crisis

By: Marisa Schultz, 3/21/18

EPA Administrator Scott Pruitt called for a "coordinated" response between New York State and City officials to address the ongoing lead crisis.

Asked whether federal intervention is needed to protect New York children and tenants from lead poisoning, the Environmental Protection Agency chief urged action on all fronts.

"I think a local, state and federal response that is very coordinated and collaborative is terribly important," Pruitt said in an interview. "We each play a role. I'd love to see steps taken at the local level to invest."

Gov. Cuomo already announced an emergency declaration for New York Housing Authority buildings and pledged an additional $250 million for upgrades. But heated public squabbles over resources and responsibility with rival Mayor de Blasio have complicated progress.

Pruitt declined to weigh in on the Cuomo/de Blasio feud but encouraged broad infrastructure investment from all levels to prevent children from getting sick.

"I think the governor's call for that is important and it's something we think is important as well and we need to contribute to it along with the states, local cities and towns," Pruitt said.

While the problems in NYCHA are centered on lead paint, Pruitt has primarily tackled the issue of eliminating lead poisoning from water. He raised concerns over high lead levels found at certain New York City school water fountains.

"I do think that what happened in Flint is something that could happen elsewhere," Pruitt said. "We just simply need to take steps to do all that we can to address it prospectively and proactively."

Pruitt estimated it would take $40 billion – $45 billion to replace lead service lines nationwide and suggested President Trump's $1.5 trillion infrastructure plan can assist states and cities with the costs.

"I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," Pruitt said.

He added: "It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this."

The Philadelphia Inquirer

http://www.philly.com/philly/health/pruitt-epa-smog-philadelphia-ozone-20180320.html

Philly has a smog problem. Will Scott Pruitt's EPA say so?

By: Frank Kummer, 3/20/18

Mollie Michel of South Philadelphia keeps her children inside some days because of air pollution, so she's particularly irked by a long delay by the U.S. Environmental Protection Agency to say officially whether Philadelphia has a smog problem. That designation could mean more regulation to help clean up the dirty air, she said.

"You have a city with a childhood asthma rate twice as high as the national average," Michel said to bolster her argument. A member of Moms Clean Air Force, she gathered Tuesday with a few dozen other activists and local officials at City Hall to mark the first day of spring by protesting Trump administration policies.

Whether Philadelphia is violating the federal Clean Air Act remains in bureaucratic limbo. Despite deadlines, the EPA has refused to say whether Philadelphia and some other cities, including Pittsburgh, have met a 2015 benchmark of 70 parts per billion or less of ground-level ozone in the ambient atmosphere. Being out of compliance, or in "nonattainment," has a real-world impact on the state, city, businesses and industry, and even motorists through increased regulation and funding.

The EPA was supposed to state whether Philadelphia was in compliance by last Oct. 1. Last week, a federal court ruled that the EPA, under its administrator, Scott Pruitt, broke the law by missing the deadline, and gave the EPA until April.

On Monday, Pruitt's office said it would meet the deadline.

Pruitt said during a meeting with reporters at EPA headquarters in Washington that the scope of monitoring required to answer the smog question had caused the delay.

"The agency has been running behind for a number of years," said Pruitt, who took office a year ago.

Pruitt, who said he didn't have data specific to Philadelphia in front of him, also took issue with how the monitoring program has been carried out in the past, saving money by "modeling" — using data from one area and applying it to another.

"Real data is terribly important," Pruitt said. "When we go forward, we need to focus more on monitoring as opposed to modeling … You shouldn't get data from one monitor and extrapolate

it over a whole area because you're not dealing with real data at that point."

He said his office is "exploring ways" to pay for monitoring.

If Philadelphia is declared to have a smog problem, the Pennsylvania Department of Environmental Protection would be responsible for crafting a plan to reduce ground-level ozone. Ozone is formed when volatile organic compounds and nitrogen oxides — created by burning fossil fuels, and power plants and other industries — combine in sunlight. Long, hot, humid days act as smog factories, so smog is expected to increase as the climate warms up.

James Garrow, a spokesman for the city's Department of Public Health, said, "Philadelphia is indeed out of compliance" as of March 1. He said the trend for ground-level ozone has been going down for years and Philadelphia expects to meet requirements within a few years.

At the protest, Flora Cardoni, an organizer with PennEnvironment, joined Democratic State Reps. James R. Roebuck Jr. and Brian K. Sims, as well as members of Deep Green Philly and the Clean Air Council, in speaking out. Cardoni said it's already been too long a wait for action.

"Philadelphians want to walk along the Schuylkill, play in Fairmount Park, and wander the historic city without worrying about choking on smog and soot," she said.

Politico

https://www.politico.com/story/2018/03/20/omnibus-vote-house-thursday-473010?lo=ap_e1

Congress struggles to clinch spending deal

By: Burgess Everett, Rachel Bade, Sarah Ferris and Heather Caygle, 3/20/18

Congressional leaders are racing to finalize a spending bill by the end of Tuesday but find

themselves still at odds over a host of controversial issues — delaying plans to unveil the proposal and raising the prospect of weekend votes to avoid a shutdown.

Democrats, Republicans and the White House battled late into the night Monday and into Tuesday afternoon over whether to include provisions on President Donald Trump's border wall, a massive New York infrastructure project and the special counsel's Russia investigation, according to lawmakers and aides in both parties.

There were still a number of unresolved issues as of Tuesday evening, and multiple sources were pessimistic that negotiators would reach a deal in time to release the bill before Wednesday.

Asked how confident he was that the Senate would avoid weekend work, Sen. John Thune (R-S.D.) replied: "I'm not real confident at this point."

Dragging the talks into Wednesday would increase the chance that lawmakers pass a short-term spending bill to prevent a temporary shutdown when funding lapses Friday evening.

Several issues remain open after administration officials participated in a lengthy meeting Tuesday afternoon with top leadership and appropriations staffers that did little to break the logjam.

"Everything that remains is going to be pulling teeth to resolve," said a senior congressional aide with knowledge of the meeting, which included representatives from the White House and the Office of Management and Budget.

The New York-area Gateway project is a primary issue for the White House, according to the aide, but several other provisions are also still up in the air.

Trump is likely to support the bill if the Gateway project is excluded, the military receives a major budget boost and there is a significant infusion of border security funding, White House

legislative affairs director Marc Short said at the Capitol Tuesday.

House Speaker Paul Ryan (R-Wis.) told his conference that he is planning to pass the massive, $1.3 trillion omnibus on Thursday, according to House Republicans.

"I'm hoping today," Ryan told reporters when asked Tuesday morning when leaders would wrap up negotiations. He said lawmakers were not yet considering a short-term funding patch to buy more negotiating time. "There are some unresolved issues. We're working through them as we speak."

Senate Majority Leader Mitch McConnell (R-Ky.) said he would keep the Senate in until the bill is passed.

"We anticipate the House filing later today, which will give the Senate plenty of time to take a look at it and see what's in it," McConnell said on Tuesday afternoon.

Still, on the House's current schedule, the Senate would have just a day to pass the bill before government funding runs out on Friday evening — allowing for any one senator to shut the government down briefly. Sen. Rand Paul (R-Ky.) caused such a shutdown last month in protest over a budget deal.

Paul would not rule out doing everything he can to stop the spending bill if he views it as poorly as he did a budget bill in February.

"I will oppose the bill. I have to make a decision about whether or I will accept a time agreement," Paul told reporters on Tuesday.

Senate leaders are already entertaining a short-term spending bill in preparation for any antics by Paul.

"We're going to be here into the weekend, perhaps. But I think there could be some measures taken to keep the lights on. But we'll get it done," said Senate Majority Whip John Cornyn (R-Texas). "Anything can happen around here."

Congressional leaders had hoped to file the bill, which would fund the government through the end of September, on Monday night with a House vote on Wednesday. But Congress is bogged down over policy provisions that various congressional factions are trying to attach to the must-pass bill. Many lawmakers view the legislation as their last chance to get their priorities signed into law before the midterm elections.

“Negotiations continue between the four leaders. A few sticking points remain, but we are very close," said Senate Minority Leader Chuck Schumer (D-N.Y.). "I think it will be a fair compromise."

Lawmakers and aides estimated there were as many as 20 provisions still being debated. One of the most controversial is $900 million in funding for the Gateway tunnel project in New York, a key priority of Schumer and New York-area Republicans and Democrats.

Gateway supporters are trying to include language that would allow the project to apply for competitive grant money and prevent the Trump administration from squashing the project. Trump has told Republicans he will veto a bill that funds the project specifically. Schumer and GOP leaders were still battling over the provision as of Tuesday afternoon, and the New Yorker said the tunnel is of national significance despite Trump's complaints.

The White House remains unmoved, however.

“The secretary of transportation has explained if you put that much money in one project it’s going to crimp projects across the country she needs to fund. It‘s also a project that a majority of House Republicans… voted against," Short said. “The president has made his wishes well known so I think we’re going to be fine."

Another sticking point: immigration. Talks to protect young immigrants facing deportation fell apart over the weekend, but congressional Democrats spent Monday and Tuesday pushing to freeze hiring of immigration enforcement officials in return for providing Trump more than $1 billion in funding on his border wall.

Democrats and Republicans are likely to agree on about $1.6 billion in border funding that would help finance some fencing and security and avoid directly funding the large concrete wall that Trump wants, according to a Democratic aide.

Republicans are seeking to fix an error in the new tax law that lowers tax bills for farmers that sell grain to cooperatives at the expense of other companies. Though Senate Democrats and some Senate Republicans are willing to rewrite the provision in exchange for a boost in Low-Income Housing Tax Credits in the spending bill, Ryan has resisted, according to people in both parties. Ryan allies say that just because he rejected an offer from Schumer to fix

the so-called “grain glitch,” it doesn't mean the issue is dead altogether.

Congressional Democrats also pushed provisions to protect special counsel Robert Mueller but have been rebuffed by GOP leaders. An attempt to shore up Obamacare's insurance markets is also stalled in a battle over abortion.

Lawmakers believe neither of those provisions will be in the omnibus.

A Tuesday morning school shooting in Maryland, however, may have thrown another wild card into the mix: GOP leaders are pressing to include popular legislation that would improve the National Instant Criminal Background Check System for firearms purchases.

“We remain hopeful that Fix NICS is in the omni," Short said of the proposal to improve the FBI’s background check system.

But Democrats want a broader gun debate and note that the provision is a modest way to simply

bolster existing gun laws. Meanwhile, conservatives believe it would make it more difficult for some veterans to buy a gun, which could keep that provision out as well.

"There are still some key questions. There's a NICS question, there's an Internet sales tax question, there's [an Obamacare] question. There's a Gateway project financing question," said Rep. Jim Jordan (R-Ohio), a conservative leader. "It looks like a lot of those things aren't gonna be in it, which is a good step, but it still spends way too much money."

The Wall Street Journal

https://www.wsj.com/articles/trump-to-ramp-up-trade-restraints-on-china-1521593091

Trump to Ramp Up Trade Restraints on China

By: Bob Davis, 3/20/18

The White House is preparing to crack down on what it says are improper Chinese trade practices by making it significantly more difficult for Chinese firms to acquire advanced U.S. technology or invest in American companies, individuals involved in the planning said.

The administration plans to release on Thursday a package of proposed punitive measures aimed at China that include tariffs on imports worth at least $30 billion.

But the tariffs won't be imposed immediately. Rather, U.S. industry will be given an opportunity to comment on which products should be subject to the duties. As part of the package, the White House will announce possible investment restrictions by Chinese firms in the U.S. and will direct the Treasury Department to outline rules governing investment from China.

Final details of the plan, including the amount of imports to be hit by tariffs, remain in flux, those involved with the discussions said. While the rough amount and rationale for the tariffs are expected to be disclosed on Thursday, the final decisions will come once U.S. industry has had its say, they said.

A White House spokeswoman declined to comment.

The effort stems from a monthslong investigation by the administration into Chinese intellectual property practices that found the damage to U.S. companies from forced technology transfer is $30 billion annually.

The administration has warned Beijing that it risked tariffs if it didn't significantly liberalize its market and eliminate practices that disadvantage foreign firms.

While the administration's plans to put tariffs on China have received most of the attention, it is considering other significant penalties, especially those aimed at state-owned Chinese firms. It plans to argue that Chinese state-owned firms buy U.S. technology not for commercial purposes, but to apply for military use and otherwise gain an edge in the race for global technological dominance.

The administration believes that Beijing, in requiring U.S. companies to form joint ventures to do business in China, then pressures them to transfer important technology to their Chinese partners. The U.S. also contends Beijing improperly subsidizes Chinese companies looking to overtake U.S. rivals in such advanced technologies as semiconductors, artificial intelligence and robotics.

Chinese officials have said that they are improving their protection of intellectual property and liberalizing their economy. They also complain that the U.S. hasn't given them a specific list of demands that they need to meet to head off tariffs.

The country's responses to challenges from President Donald Trump loomed large as China's leaders closed out an annual political gathering on Tuesday.

Premier Li Keqiang, the titular No. 2 leader, struck a conciliatory tone on trade with the U.S. At

a news briefing in Beijing's Great Hall of the People, Mr. Li said "there are no winners" in a trade war between the world's two largest economies, and appealed for calm.

People involved in the planning say the Trump administration is looking at making reciprocity the core of U.S. investment relations with China, meaning that the U.S. would impose restrictions on Chinese investment similar to those that U.S. firms face in China. That could mean that the U.S. would insist that Chinese firms form joint ventures before doing business in the U.S., unless China dropped those restrictions.

The U.S. has already made it more difficult for Chinese companies to invest in the U.S. by blocking Chinese bids to purchase U.S. semiconductor firms. That is done by an interagency review of foreign acquisitions by the Committee on Foreign Investment in the U.S. Congress is looking to broaden CFIUS reviews of acquisitions so they include joint ventures too.

The expansion would include reviews of technology transfers to foreigners and could apply to joint ventures both outside and within the U.S. But CFIUS looks solely at national security concerns. The administration wants to address economic harm as well, according to these people.

Any imposition of tariffs, without going first to the World Trade Organization, is sure to prompt a chorus of criticism not just from Beijing but from U.S. industry, which has opposed tariffs as counterproductive. The WTO adjudicates trade cases and has the power to authorize tariffs in cases where a losing party doesn't change its practices. The administration is also considering bringing a case against Chinese trade practices that are covered by the WTO.

Oregon Sen. Ron Wyden, the senior Democrat on the Senate Finance Committee, said he opposes the broad imposition of tariffs. "American producers who haven't gotten a fair shake in the past aren't going to get that back by just have tariffs slapped on imports indiscriminately," he said.

Tariffs are bound to cause China to retaliate, said Clement Leung, Hong Kong's representative in the U.S. Chinese officials "cannot show any weakness" at a time when the country's leader, Xi Jinping, has just been confirmed for his second term, Mr. Leung said. Hong Kong, a trading

center that operates somewhat independently from the rest of China, would be hurt by limits on trade.

Whatever the political blowback, Harvard law professor Mark Wu, a trade expert, says that the White House has authority to impose tariffs under section 301 of the Trade Act of 1974.

"In situations where the U.S. Trade Representative deems unfair trade practices to fall outside the scope of a WTO-covered agreement, then the statute permits the executive branch to take action directly without first seeking recourse through WTO dispute settlement" procedures, he said.

Frustration with Chinese trade practices has been building among both the governments and private sectors of the U.S., Japan and Europe. One reason the U.S. is considering a separate WTO case is to try to recruit allies to pressure China. But any move to impose tariffs could allow Beijing to portray itself as a victim. Coalition-building has become more complicated in the wake of a separate U.S. action to levy tariffs on steel and aluminum imports from allied nations.

For instance, finance ministers and central bankers from the Group of 20 countries, meeting in Buenos Aires on Tuesday, failed to reach any new agreement on shared principles when it comes to trade policies, as the split between the U.S. and other major economies deepened over the U.S.'s tariff policies.

The administration is considering recommendations from two other reports that would impose draconian investment restrictions on China. The U.S.-China Economic and Security Review Commission, a Congressional panel that takes a hard line on China, last year urged the administration to prohibit "the acquisition of U.S. assets by Chinese state-owned or state-controlled entities, including sovereign wealth funds."

A report for the Pentagon by its Defense Innovation Unit Experimental, which examines technology issues, has recommended that the Pentagon pursue a policy of "deterring Chinese technology transfer" by broadening CFIUS's mandate and strengthening export controls on technology to China.

China Investment Corp, Chinese sovereign-wealth fund which could get hit by sanctions, is putting together a fund targeting as much as $5 billion with Goldman Sachs Group Inc., aimed at investing in U.S. manufacturing and other sectors. CIC hopes the fund would pass muster with U.S. regulators, say those people familiar with the plans.

It is unclear how far the administration will go in pursuing these ideas. Blocking the acquisition of all purchases by Chinese state firms, for instance, would mean that Chinese state-owned airlines couldn't buy Boeing jets. Toughening export controls on, say, semiconductor production machinery could cede the market to Japanese vendors.

The administration's actions on China come on the heels of plans to levy tariffs on steel and aluminum imports. Japan, Korea and the European Union are scrambling to get exemptions from those levies, which are set to go into effect on Friday.

TRUMP TWEETS

Donald J. Trump @realDonaldTrump · 21h

Our Nation was founded by farmers. Our independence was won by farmers. And our continent was tamed by farmers. Our farmers always lead the way -- we are PROUD of them, and we are DELIVERING for them! #NationalAgricultureDay

28K 28K 115K

Donald J. Trump @realDonaldTrump · 2h

AUSTIN BOMBING SUSPECT IS DEAD. Great job by law enforcement and all concerned!

6.0K 11K 44K

Donald J. Trump @realDonaldTrump · 2h

Department of Justice should have urged the Supreme Court to at least hear the Drivers License case on illegal immigrants in Arizona. I agree with @LouDobbs. Should have sought review.

3.6K 4.5K 18K

Donald J. Trump @realDonaldTrump · 2h

...there was no probable cause for believing that there was any crime, collusion or otherwise, or obstruction of justice!" So stated by Harvard Law Professor Alan Dershowitz.

9.2K 5.4K 21K

Donald J. Trump @realDonaldTrump · 1h

"Special Council is told to find crimes, whether a crime exists or not. I was opposed to the selection of Mueller to be Special Council. I am still opposed to it. I think President Trump was right when he said there never should have been a Special Council appointed because.....

11K 4.2K 17K

EPA Morning News Highlights 03.21.18

Tulsa World: EPA Administrator Scott Pruitt says lack of clean up of Tar Creek Superfund site is 'unacceptable'
Administrator Scott Pruitt of the U.S. Environmental Protection Agency said his new push on the nation's Superfund program finally can provide clarity and accountability to the Tar Creek area, for decades one of the oldest, largest and most complex toxic sites in the nation. "It is really unacceptable," Pruitt said as he recalled the history of the Tar Creek area in far northeastern Oklahoma, whose Superfund legacy dates back to 1983, as well as the amount of money and time deployed there. "You don't list a site in the mid-1980s and you don't take the kind of steps we have taken historically and still have issues today in 2018."The area in Ottawa County is contaminated by lead and other heavy metals from long-closed mining operations and is undermined with caverns that are prone to cave-ins. The Picher and Cardin communities were bought out by a federal program and are now ghost towns, but the mine wastes remain.

Hot Air: EPA Ends The Use Of "Secret Science" In Crafting Regulations
Just in case liberals didn't already have enough reasons to pin EPA Administrator Scott Pruitt's picture to their dart boards, he's just rolled out another policy change which will force the "party of science" to rely on actual science when pushing for regulatory changes. Promising to eliminate "secret science" in EPA deliberations, Pruitt is ordering all scientific studies used when considering new regulations to include publicly available data and methodologies. This was announced in an exclusive interview with The Daily Caller News Foundation.

Detroit News: EPA chief wants to eradicate lead from drinking water
The head of the Environmental Protection Agency says eradicating lead from drinking water is one of his top priorities three years after the Flint water crisis, and he's worried Americans aren't "sufficiently aware" of the threat. "I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," EPA Administrator Scott Pruitt told reporters this week at the agency's headquarters. "It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this." Pruitt is concerned that parents and citizens don't understand the threat of lead in drinking water or toys, and "we're looking at ways we can contribute to that dialogue," he said, according to an audio recording provided by the New York Post.

New York Post: EPA head calls for 'coordinated' response to NYC lead crisis
EPA Administrator Scott Pruitt called for a "coordinated" response between New York State and City officials to address the ongoing lead crisis. Asked whether federal intervention is needed to protect New York children and tenants from lead poisoning, the Environmental Protection Agency chief urged action on all fronts. "I think a local, state and federal response that is very coordinated and collaborative is terribly important," Pruitt said in an interview. "We each play a role. I'd love to see steps taken at the local level to invest." Gov. Cuomo already announced an emergency declaration for New York Housing Authority buildings and pledged an additional $250 million for upgrades. But heated public squabbles over resources and responsibility with rival Mayor de Blasio have complicated progress.

The Philadelphia Inquirer: Philly has a smog problem. Will Scott Pruitt's EPA say so?
Whether Philadelphia is violating the federal Clean Air Act remains in bureaucratic limbo. Despite deadlines, the EPA has refused to say whether Philadelphia and some other cities, including Pittsburgh, have met a 2015 benchmark of 70 parts per billion or less of ground-level ozone in the ambient atmosphere. Being out of compliance, or in "nonattainment," has a real-world impact on the state, city, businesses and industry, and even motorists through increased regulation and funding. The EPA was supposed to state whether Philadelphia was in compliance by last Oct. 1. Last week, a federal court ruled that the EPA, under its administrator, Scott Pruitt, broke the law by missing the deadline, and gave the EPA until April. On Monday, Pruitt's office said it would meet the deadline.

National Morning News Highlights 03.21.18

Politico: Congress struggles to clinch spending deal
Congressional leaders are racing to finalize a spending bill by the end of Tuesday but find themselves still at odds over a

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host of controversial issues — delaying plans to unveil the proposal and raising the prospect of weekend votes to avoid a shutdown. Democrats, Republicans and the White House battled late into the night Monday and into Tuesday afternoon over whether to include provisions on President Donald Trump's border wall, a massive New York infrastructure project and the special counsel's Russia investigation, according to lawmakers and aides in both parties. There were still a number of unresolved issues as of Tuesday evening, and multiple sources were pessimistic that negotiators would reach a deal in time to release the bill before Wednesday.

Wall Street Journal: Trump to Ramp Up Trade Restraints on China
The White House is preparing to crack down on what it says are improper Chinese trade practices by making it significantly more difficult for Chinese firms to acquire advanced U.S. technology or invest in American companies, individuals involved in the planning said. The administration plans to release on Thursday a package of proposed punitive measures aimed at China that include tariffs on imports worth at least $30 billion. But the tariffs won't be imposed immediately. Rather, U.S. industry will be given an opportunity to comment on which products should be subject to the duties. As part of the package, the White House will announce possible investment restrictions by Chinese firms in the U.S. and will direct the Treasury Department to outline rules governing investment from China.

TRUMP TWEETS

Tulsa World

http://www.tulsaworld.com/homepagelatest/epa-administrator-scott-pruitt-says-lack-of-clean-up-of/article_4a3e4982-569e-5023-8141-392ebe629a65.html

EPA Administrator Scott Pruitt says lack of clean up of Tar Creek Superfund site is 'unacceptable'
By: Jim Myers, 3/21/18

Administrator Scott Pruitt of the U.S. Environmental Protection Agency said his new push on the nation's Superfund program finally can provide clarity and accountability to the Tar Creek area, for decades one of the oldest, largest and most complex toxic sites in the nation.

"It is really unacceptable," Pruitt said as he recalled the history of the Tar Creek area in far northeastern Oklahoma, whose Superfund legacy dates back to 1983, as well as the amount of money and time deployed there.

"You don't list a site in the mid-1980s and you don't take the kind of steps we have taken historically and still have issues today in 2018."

The area in Ottawa County is contaminated by lead and other heavy metals from long-closed mining operations and is undermined with caverns that are prone to cave-ins. The Picher and Cardin communities were bought out by a federal program and are now ghost towns, but the mine wastes remain.

Pruitt blamed inconsistency, even within the EPA's 10 regions, as well as a lack of attention and focus, for slowing remediation outcomes.

"It is one of the things that seemed to be languishing as we arrived," Pruitt said, making it clear that the lack of urgency was something he found "palpable" at Superfund sites across the country.

"When it takes you 27, 28 years to make a decision — make a decision, not clean it up, not remediate, but make a decision on how you are going to remediate — that is unacceptable."

His comments came during one of several reporter roundtables he has been holding at the EPA's headquarters to mark his first year as administrator, during which he also became a leading voice in the Trump administration's major push on regulation reform.

Those efforts have prompted applause from his supporters and alarm from his critics.

Recently Pruitt is rarely out of the headlines, with stories ranging from travel expenses to speculation over whether his political future might include bids for a U.S. Senate seat or even the White House.

When given the chance to comment on yet another story this week about his political options, he took a pass.

Pruitt also declined to comment when asked about a recent decision by an Oklahoma judge to allow a lawsuit filed by Campaign for Accountability to continue. The lawsuit seeks to force the release of a 2014 audit of the Lead-Impacted Communities Relocation Trust, which was created in an effort to help move residents out of communities affected by the Tar Creek contamination.

"That is during my time as attorney general," he said. "I think it is better that I just keep it focused on the EPA matters."

Pruitt, who was Oklahoma's attorney general before being tapped by President Donald Trump to lead the EPA, had declined to file charges based on the audit by state Auditor Gary Jones and also had taken steps to bar its release to the public.

According to reporting by The Oklahoman, legal action in the case continues and eventually could include an appeal to the Oklahoma Supreme Court.

Pruitt's emphasis on Tar Creek and the other Superfund sites across the country grew out of a task force he created in 2017, just months after being sworn in as administrator.

Members of the Superfund Task Force came back with a list of specific recommendations under major goals ranging from expediting cleanup and remediation to promoting redevelopment and community revitalization.

As part of that process, Tar Creek landed on a list Pruitt says he will use to keep the emphasis on the program.

Hot Air

https://hotair.com/archives/2018/03/20/epa-ends-use-secret-science-crafting-regulations/

EPA Ends The Use Of "Secret Science" In Crafting Regulations

By: Jazz Shaw 3/20/18

Just in case liberals didn't already have enough reasons to pin EPA Administrator Scott Pruitt's picture to their dart boards, he's just rolled out another policy change which will force the "party of science" to rely on actual science when pushing for regulatory changes. Promising to eliminate "secret science" in EPA deliberations, Pruitt is ordering all scientific studies used when considering new regulations to include publicly available data and methodologies. This was announced in an exclusive interview with The Daily Caller News Foundation.

> "We need to make sure their data and methodology are published as part of the record," Pruitt said in an exclusive interview with The Daily Caller News Foundation. "Otherwise, it's not transparent. It's not objectively measured, and that's important."
>
> Pruitt will reverse long-standing EPA policy allowing regulators to rely on non-public scientific data in crafting rules. Such studies have been used to justify tens of billions of dollars worth of regulations.
>
> EPA regulators would only be allowed to consider scientific studies that make their data available for public scrutiny under Pruitt's new policy. Also, EPA-funded studies would need to make all their data public.

> "When we do contract that science out, sometimes the findings are published; we make that part of our rule-making processes, but then we don't publish the methodology and data that went into those findings because the third party who did the study won't give it to us," Pruitt added.

In other words, science is not being excluded from any EPA studies. The agency is simply ensuring that groups conducting studies publish the data used to reach the conclusions they forward to the EPA so it can be examined and potentially challenged if it's found to be faulty. Surely nobody who's really interested in following the science could object to that, right?

Wrong. Democrats were immediately arguing against such a move, saying that forcing research organizations to publish their figures "would reveal confidential patient data." That's a rather odd argument in a couple of different ways. First of all, there's a lot of data collected for various studies used by the EPA which have nothing to do with medical records. Examples include all of the groundwater studies done when the Obama administration was considering banning fracking.

But even in cases where medical information is required, the groups conducting the study were able to obtain the patient data. As Steve Milloy, the publisher of JunkScience.com was quoted as saying, California regularly makes such data available under the name, 'Public Use Death Files.' Other medical information can be compiled and have the patients' names and other identifying personal information scrubbed. This is already done on a regular basis.

In fact, barring some subject which might compromise national security – such as the handling of tactical weapons materials – it's difficult to imagine many true, scientific studies which couldn't publish their underlying data, making it available for peer review. So if you're still opposed to federal agencies wanting to see such data, the next logical question to ask is precisely what it is that you're hiding.

The Detroit News

https://www.detroitnews.com/story/news/politics/2018/03/20/epa-pruitt-lead-water-flint/33125283/

EPA chief wants to eradicate lead from drinking water

By: Melissa Nann Burke, 3/20/18

The head of the Environmental Protection Agency says eradicating lead from drinking water is one of his top priorities three years after the Flint water crisis, and he's worried Americans aren't "sufficiently aware" of the threat.

"I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," EPA Administrator Scott Pruitt told reporters this week at the agency's headquarters.

"It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this."

Pruitt is concerned that parents and citizens don't understand the threat of lead in drinking water or toys, and "we're looking at ways we can contribute to that dialogue," he said, according to an audio recording provided by the New York Post.

"I do think that what happened in Flint is something that could happen elsewhere. We just simply need to take steps to do all that we can to address it prospectively and proactively," Pruitt said.

Pruitt said President Donald Trump's $1.5 trillion plan to bolster the nation's infrastructure over the next decade would include investments in aging water infrastructure.

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Pruitt didn't describe a plan for replacing the thousands of lead service lines throughout the country – a cost estimated around $40 billion to $45 billion – but stressed the need for state and local governments to invest in such upgrades, perhaps with federal grant aid.

Pruitt added he would "love" to see local governments investing more in water infrastructure.

"These water treatment facilities – they have authority to bond out, to raise fees, to invest in corrosion control, the replacement of service lines and the rest," Pruitt said. "And some of them just aren't doing it."

Gov. Rick Snyder has proposed having water customers across Michigan pay a $5 annual fee to help upgrade aging infrastructure and replace lead pipes in their local communities, but the plan hasn't gained steam in the Republican-controlled Legislature.

U.S. Rep. Dan Kildee, D-Flint Township, said what Pruitt has described isn't really a plan.

"When it comes to Mr. Pruitt, nice words don't replace pipes. It takes money. What they have proposed is really nothing when it comes to infrastructure," Kildee said of the Trump administration.

Kildee said what would help is Pruitt putting his support behind Kildee's legislation that would reduce the acceptable amount of lead in drinking water to 5 parts per billion. The current federal action limit is 15 parts per billion.

"Force federal and state governments to stare this in the face by adopting a level that is science-based that says there is no acceptable level of lead," he said.

EPA has spent a decade trying to update the rule.

Snyder called the rule "dumb and dangerous" after the Flint disaster. The state has proposed draft rules to drop the acceptable amount of lead in drinking water to 10 parts per billion by 2024.

The New York Post

https://nypost.com/2018/03/21/epa-head-calls-for-coordinated-response-to-nyc-lead-crisis/

EPA head calls for 'coordinated' response to NYC lead crisis

By: Marisa Schultz, 3/21/18

EPA Administrator Scott Pruitt called for a "coordinated" response between New York State and City officials to address the ongoing lead crisis.

Asked whether federal intervention is needed to protect New York children and tenants from lead poisoning, the Environmental Protection Agency chief urged action on all fronts.

"I think a local, state and federal response that is very coordinated and collaborative is terribly important," Pruitt said in an interview. "We each play a role. I'd love to see steps taken at the local level to invest."

Gov. Cuomo already announced an emergency declaration for New York Housing Authority buildings and pledged an additional $250 million for upgrades. But heated public squabbles over resources and responsibility with rival Mayor de Blasio have complicated progress.

Pruitt declined to weigh in on the Cuomo/de Blasio feud but encouraged broad infrastructure investment from all levels to prevent children from getting sick.

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"I think the governor's call for that is important and it's something we think is important as well and we need to contribute to it along with the states, local cities and towns," Pruitt said.

While the problems in NYCHA are centered on lead paint, Pruitt has primarily tackled the issue of eliminating lead poisoning from water. He raised concerns over high lead levels found at certain New York City school water fountains.

"I do think that what happened in Flint is something that could happen elsewhere," Pruitt said. "We just simply need to take steps to do all that we can to address it prospectively and proactively."

Pruitt estimated it would take $40 billion – $45 billion to replace lead service lines nationwide and suggested President Trump's $1.5 trillion infrastructure plan can assist states and cities with the costs.

"I really believe that we ought to set a goal as a country that, over the next 10 years, that we ought to work with respect to investments in our infrastructure to eradicate lead in our drinking water," Pruitt said.

He added: "It can be achieved. Some of the mental-acuity levels of our children are being impacted adversely as a result of this."

The Philadelphia Inquirer

http://www.philly.com/philly/health/pruitt-epa-smog-philadelphia-ozone-20180320.html

Philly has a smog problem. Will Scott Pruitt's EPA say so?

By: Frank Kummer, 3/20/18

Mollie Michel of South Philadelphia keeps her children inside some days because of air pollution, so she's particularly irked by a long delay by the U.S. Environmental Protection Agency to say officially whether Philadelphia has a smog problem. That designation could mean more regulation to help clean up the dirty air, she said.

"You have a city with a childhood asthma rate twice as high as the national average," Michel said to bolster her argument. A member of Moms Clean Air Force, she gathered Tuesday with a few dozen other activists and local officials at City Hall to mark the first day of spring by protesting Trump administration policies.

Whether Philadelphia is violating the federal Clean Air Act remains in bureaucratic limbo. Despite deadlines, the EPA has refused to say whether Philadelphia and some other cities, including Pittsburgh, have met a 2015 benchmark of 70 parts per billion or less of ground-level ozone in the ambient atmosphere. Being out of compliance, or in "nonattainment," has a real-world impact on the state, city, businesses and industry, and even motorists through increased regulation and funding.

The EPA was supposed to state whether Philadelphia was in compliance by last Oct. 1. Last week, a federal court ruled that the EPA, under its administrator, Scott Pruitt, broke the law by missing the deadline, and gave the EPA until April.

On Monday, Pruitt's office said it would meet the deadline.

Pruitt said during a meeting with reporters at EPA headquarters in Washington that the scope of monitoring required to answer the smog question had caused the delay.

"The agency has been running behind for a number of years," said Pruitt, who took office a year ago.

Pruitt, who said he didn't have data specific to Philadelphia in front of him, also took issue with how the monitoring program has been carried out in the past, saving money by "modeling" — using data from one area and applying it to another.

"Real data is terribly important," Pruitt said. "When we go forward, we need to focus more on monitoring as opposed to modeling … You shouldn't get data from one monitor and extrapolate it over a whole area because you're not dealing with real data at that point."

He said his office is "exploring ways" to pay for monitoring.

If Philadelphia is declared to have a smog problem, the Pennsylvania Department of Environmental Protection would be responsible for crafting a plan to reduce ground-level ozone. Ozone is formed when volatile organic compounds and nitrogen oxides — created by burning fossil fuels, and power plants and other industries — combine in sunlight. Long, hot, humid days act as smog factories, so smog is expected to increase as the climate warms up.

James Garrow, a spokesman for the city's Department of Public Health, said, "Philadelphia is indeed out of compliance" as of March 1. He said the trend for ground-level ozone has been going down for years and Philadelphia expects to meet requirements within a few years.

At the protest, Flora Cardoni, an organizer with PennEnvironment, joined Democratic State Reps. James R. Roebuck Jr. and Brian K. Sims, as well as members of Deep Green Philly and the Clean Air Council, in speaking out. Cardoni said it's already been too long a wait for action.

"Philadelphians want to walk along the Schuylkill, play in Fairmount Park, and wander the historic city without worrying about choking on smog and soot," she said.

Politico

https://www.politico.com/story/2018/03/20/omnibus-vote-house-thursday-473010?lo=ap_e1

Congress struggles to clinch spending deal

By: Burgess Everett, Rachel Bade, Sarah Ferris and Heather Caygle, 3/20/18

Congressional leaders are racing to finalize a spending bill by the end of Tuesday but find themselves still at odds over a host of controversial issues — delaying plans to unveil the proposal and raising the prospect of weekend votes to avoid a shutdown.

Democrats, Republicans and the White House battled late into the night Monday and into Tuesday afternoon over whether to include provisions on President Donald Trump's border wall, a massive New York infrastructure project and the special counsel's Russia investigation, according to lawmakers and aides in both parties.

There were still a number of unresolved issues as of Tuesday evening, and multiple sources were pessimistic that negotiators would reach a deal in time to release the bill before Wednesday.

Asked how confident he was that the Senate would avoid weekend work, Sen. John Thune (R-S.D.) replied: "I'm not real confident at this point."

Dragging the talks into Wednesday would increase the chance that lawmakers pass a short-term spending bill to prevent a temporary shutdown when funding lapses Friday evening.

Several issues remain open after administration officials participated in a lengthy meeting Tuesday afternoon with top leadership and appropriations staffers that did little to break the logjam.

"Everything that remains is going to be pulling teeth to resolve," said a senior congressional aide with knowledge of the meeting, which included representatives from the White House and the Office of Management and Budget.

The New York-area Gateway project is a primary issue for the White House, according to the aide, but several other provisions are also still up in the air.

Trump is likely to support the bill if the Gateway project is excluded, the military receives a major budget boost and there is a significant infusion of border security funding, White House legislative affairs director Marc Short said at the Capitol Tuesday.

House Speaker Paul Ryan (R-Wis.) told his conference that he is planning to pass the massive, $1.3 trillion omnibus on Thursday, according to House Republicans.

"I'm hoping today," Ryan told reporters when asked Tuesday morning when leaders would wrap up negotiations. He said lawmakers were not yet considering a short-term funding patch to buy more negotiating time. "There are some unresolved issues. We're working through them as we speak."

Senate Majority Leader Mitch McConnell (R-Ky.) said he would keep the Senate in until the bill is passed.

"We anticipate the House filing later today, which will give the Senate plenty of time to take a look at it and see what's in it," McConnell said on Tuesday afternoon.

Still, on the House's current schedule, the Senate would have just a day to pass the bill before government funding runs out on Friday evening — allowing for any one senator to shut the government down briefly. Sen. Rand Paul (R-Ky.) caused such a shutdown last month in protest over a budget deal.

Paul would not rule out doing everything he can to stop the spending bill if he views it as poorly as he did a budget bill in February.

"I will oppose the bill. I have to make a decision about whether or I will accept a time agreement," Paul told reporters on Tuesday.

Senate leaders are already entertaining a short-term spending bill in preparation for any antics by Paul.

"We're going to be here into the weekend, perhaps. But I think there could be some measures taken to keep the lights on. But we'll get it done," said Senate Majority Whip John Cornyn (R-Texas). "Anything can happen around here."

Congressional leaders had hoped to file the bill, which would fund the government through the end of September, on Monday night with a House vote on Wednesday. But Congress is bogged down over policy provisions that various congressional factions are trying to attach to the must-pass bill. Many lawmakers view the legislation as their last chance to get their priorities signed into law before the midterm elections.

"Negotiations continue between the four leaders. A few sticking points remain, but we are very close," said Senate Minority Leader Chuck Schumer (D-N.Y.). "I think it will be a fair compromise."

Lawmakers and aides estimated there were as many as 20 provisions still being debated. One of the most controversial is $900 million in funding for the Gateway tunnel project in New York, a key priority of Schumer and New York-area Republicans and Democrats.

Gateway supporters are trying to include language that would allow the project to apply for competitive grant money and prevent the Trump administration from squashing the project. Trump has told Republicans he will veto a bill that funds the project specifically. Schumer and GOP leaders were still battling over the provision as of Tuesday afternoon, and the New Yorker said the tunnel is of national significance despite Trump's complaints.

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The White House remains unmoved, however.

“The secretary of transportation has explained if you put that much money in one project it’s going to crimp projects across the country she needs to fund. It‘s also a project that a majority of House Republicans… voted against," Short said. “The president has made his wishes well known so I think we’re going to be fine."

Another sticking point: immigration. Talks to protect young immigrants facing deportation fell apart over the weekend, but congressional Democrats spent Monday and Tuesday pushing to freeze hiring of immigration enforcement officials in return for providing Trump more than $1 billion in funding on his border wall.

Democrats and Republicans are likely to agree on about $1.6 billion in border funding that would help finance some fencing and security and avoid directly funding the large concrete wall that Trump wants, according to a Democratic aide.

Republicans are seeking to fix an error in the new tax law that lowers tax bills for farmers that sell grain to cooperatives at the expense of other companies. Though Senate Democrats and some Senate Republicans are willing to rewrite the provision in exchange for a boost in Low-Income Housing Tax Credits in the spending bill, Ryan has resisted, according to people in both parties. Ryan allies say that just because he rejected an offer from Schumer to fix the so-called “grain glitch,” it doesn't mean the issue is dead altogether.

Congressional Democrats also pushed provisions to protect special counsel Robert Mueller but have been rebuffed by GOP leaders. An attempt to shore up Obamacare's insurance markets is also stalled in a battle over abortion.

Lawmakers believe neither of those provisions will be in the omnibus.

A Tuesday morning school shooting in Maryland, however, may have thrown another wild card into the mix: GOP leaders are pressing to include popular legislation that would improve the National Instant Criminal Background Check System for firearms purchases.

“We remain hopeful that Fix NICS is in the omni," Short said of the proposal to improve the FBI’s background check system.

But Democrats want a broader gun debate and note that the provision is a modest way to simply bolster existing gun laws. Meanwhile, conservatives believe it would make it more difficult for some veterans to buy a gun, which could keep that provision out as well.

"There are still some key questions. There's a NICS question, there's an Internet sales tax question, there‘s [an Obamacare] question. There's a Gateway project financing question," said Rep. Jim Jordan (R-Ohio), a conservative leader. "It looks like a lot of those things aren't gonna be in it, which is a good step, but it still spends way too much money."

The Wall Street Journal

https://www.wsj.com/articles/trump-to-ramp-up-trade-restraints-on-china-1521593091

Trump to Ramp Up Trade Restraints on China

By: Bob Davis, 3/20/18

The White House is preparing to crack down on what it says are improper Chinese trade practices by making it significantly more difficult for Chinese firms to acquire advanced U.S. technology or invest in American companies, individuals involved in the planning said.

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The administration plans to release on Thursday a package of proposed punitive measures aimed at China that include tariffs on imports worth at least $30 billion.

But the tariffs won't be imposed immediately. Rather, U.S. industry will be given an opportunity to comment on which products should be subject to the duties. As part of the package, the White House will announce possible investment restrictions by Chinese firms in the U.S. and will direct the Treasury Department to outline rules governing investment from China.

Final details of the plan, including the amount of imports to be hit by tariffs, remain in flux, those involved with the discussions said. While the rough amount and rationale for the tariffs are expected to be disclosed on Thursday, the final decisions will come once U.S. industry has had its say, they said.

A White House spokeswoman declined to comment.

The effort stems from a monthslong investigation by the administration into Chinese intellectual property practices that found the damage to U.S. companies from forced technology transfer is $30 billion annually.

The administration has warned Beijing that it risked tariffs if it didn't significantly liberalize its market and eliminate practices that disadvantage foreign firms.

While the administration's plans to put tariffs on China have received most of the attention, it is considering other significant penalties, especially those aimed at state-owned Chinese firms. It plans to argue that Chinese state-owned firms buy U.S. technology not for commercial purposes, but to apply for military use and otherwise gain an edge in the race for global technological dominance.

The administration believes that Beijing, in requiring U.S. companies to form joint ventures to do business in China, then pressures them to transfer important technology to their Chinese partners. The U.S. also contends Beijing improperly subsidizes Chinese companies looking to overtake U.S. rivals in such advanced technologies as semiconductors, artificial intelligence and robotics.

Chinese officials have said that they are improving their protection of intellectual property and liberalizing their economy. They also complain that the U.S. hasn't given them a specific list of demands that they need to meet to head off tariffs.

The country's responses to challenges from President Donald Trump loomed large as China's leaders closed out an annual political gathering on Tuesday.

Premier Li Keqiang, the titular No. 2 leader, struck a conciliatory tone on trade with the U.S. At a news briefing in Beijing's Great Hall of the People, Mr. Li said "there are no winners" in a trade war between the world's two largest economies, and appealed for calm.

People involved in the planning say the Trump administration is looking at making reciprocity the core of U.S. investment relations with China, meaning that the U.S. would impose restrictions on Chinese investment similar to those that U.S. firms face in China. That could mean that the U.S. would insist that Chinese firms form joint ventures before doing business in the U.S., unless China dropped those restrictions.

The U.S. has already made it more difficult for Chinese companies to invest in the U.S. by blocking Chinese bids to purchase U.S. semiconductor firms. That is done by an interagency review of foreign acquisitions by the Committee on Foreign Investment in the U.S. Congress is looking to broaden CFIUS reviews of acquisitions so they include joint ventures too.

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The expansion would include reviews of technology transfers to foreigners and could apply to joint ventures both outside and within the U.S. But CFIUS looks solely at national security concerns. The administration wants to address economic harm as well, according to these people.

Any imposition of tariffs, without going first to the World Trade Organization, is sure to prompt a chorus of criticism not just from Beijing but from U.S. industry, which has opposed tariffs as counterproductive. The WTO adjudicates trade cases and has the power to authorize tariffs in cases where a losing party doesn't change its practices. The administration is also considering bringing a case against Chinese trade practices that are covered by the WTO.

Oregon Sen. Ron Wyden, the senior Democrat on the Senate Finance Committee, said he opposes the broad imposition of tariffs. "American producers who haven't gotten a fair shake in the past aren't going to get that back by just have tariffs slapped on imports indiscriminately," he said.

Tariffs are bound to cause China to retaliate, said Clement Leung, Hong Kong's representative in the U.S. Chinese officials "cannot show any weakness" at a time when the country's leader, Xi Jinping, has just been confirmed for his second term, Mr. Leung said. Hong Kong, a trading center that operates somewhat independently from the rest of China, would be hurt by limits on trade.

Whatever the political blowback, Harvard law professor Mark Wu, a trade expert, says that the White House has authority to impose tariffs under section 301 of the Trade Act of 1974.

"In situations where the U.S. Trade Representative deems unfair trade practices to fall outside the scope of a WTO-covered agreement, then the statute permits the executive branch to take action directly without first seeking recourse through WTO dispute settlement" procedures, he said.

Frustration with Chinese trade practices has been building among both the governments and private sectors of the U.S., Japan and Europe. One reason the U.S. is considering a separate WTO case is to try to recruit allies to pressure China. But any move to impose tariffs could allow Beijing to portray itself as a victim. Coalition-building has become more complicated in the wake of a separate U.S. action to levy tariffs on steel and aluminum imports from allied nations.

For instance, finance ministers and central bankers from the Group of 20 countries, meeting in Buenos Aires on Tuesday, failed to reach any new agreement on shared principles when it comes to trade policies, as the split between the U.S. and other major economies deepened over the U.S.'s tariff policies.

The administration is considering recommendations from two other reports that would impose draconian investment restrictions on China. The U.S.-China Economic and Security Review Commission, a Congressional panel that takes a hard line on China, last year urged the administration to prohibit "the acquisition of U.S. assets by Chinese state-owned or state-controlled entities, including sovereign wealth funds."

A report for the Pentagon by its Defense Innovation Unit Experimental, which examines technology issues, has recommended that the Pentagon pursue a policy of "deterring Chinese technology transfer" by broadening CFIUS's mandate and strengthening export controls on technology to China.

China Investment Corp¸ Chinese sovereign-wealth fund which could get hit by sanctions, is putting together a fund targeting as much as $5 billion with Goldman Sachs Group Inc., aimed at investing in U.S. manufacturing and other sectors. CIC hopes the fund would pass muster with U.S. regulators, say those people familiar with the plans.

It is unclear how far the administration will go in pursuing these ideas. Blocking the acquisition of all purchases by Chinese state firms, for instance, would mean that Chinese state-owned airlines couldn't buy Boeing jets. Toughening

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export controls on, say, semiconductor production machinery could cede the market to Japanese vendors.

The administration's actions on China come on the heels of plans to levy tariffs on steel and aluminum imports. Japan, Korea and the European Union are scrambling to get exemptions from those levies, which are set to go into effect on Friday.

TRUMP TWEETS

Donald J. Trump @realDonaldTrump · 21h

Our Nation was founded by farmers. Our independence was won by farmers. And our continent was tamed by farmers. Our farmers always lead the way -- we are PROUD of them, and we are DELIVERING for them! #NationalAgricultureDay

28K 28K 115K

Donald J. Trump @realDonaldTrump · 2h

AUSTIN BOMBING SUSPECT IS DEAD. Great job by law enforcement and all concerned!

6.0K 11K 44K

Donald J. Trump @realDonaldTrump · 2h

Department of Justice should have urged the Supreme Court to at least hear the Drivers License case on illegal immigrants in Arizona. I agree with @LouDobbs. Should have sought review.

3.6K 4.5K 18K

Donald J. Trump @realDonaldTrump · 2h

...there was no probable cause for believing that there was any crime, collusion or otherwise, or obstruction of justice!" So stated by Harvard Law Professor Alan Dershowitz.

9.2K 5.4K 21K

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Donald J. Trump @realDonaldTrump · 1h

"Special Council is told to find crimes, whether a crime exists or not. I was opposed to the selection of Mueller to be Special Council. I am still opposed to it. I think President Trump was right when he said there never should have been a Special Council appointed because.....

11K 4.2K 17K

To: Bennett, Tate[Bennett.Tate@epa.gov]
From: POLITICO Pro Energy
Sent: Wed 5/30/2018 9:43:12 AM
Subject: Morning Energy, presented by America's Pledge: Battle in the Bakken state? — Groups sue over EPA waiver exemptions — Deja vu on formaldehyde

By Kelsey Tamborrino | 05/30/2018 05:41 AM EDT

With help from Annie Snider and Ben Lefebvre

BATTLE IN THE BAKKEN STATE? As the election year kicks into high gear, President Donald Trump's friendly relationship with Democratic Sen. Heidi Heitkamp is worrying some within the Republican party, POLITICO's Alex Isenstadt and Burgess Everett report. Republicans have grown increasingly frustrated with Trump's ongoing flirtation with the freshman senator from the No. 2 oil-producing state, especially at a time when many in the GOP fear that the president's unpredictable style will undercut their midterm plans. Heitkamp, who is seeking reelection in a state where Trump won nearly two-thirds of the vote, has a friendly relationship with the president, even after Trump aggressively recruited Rep. Kevin Cramer — who advised his campaign on energy issues — to give up his House seat and enter that race, leaving some of Cramer's closest allies feeling snubbed.

In an interview, Cramer said there would soon be "clarity" on who Trump supports in the race. But the congressman declined to predict whether the president would go after Heitkamp aggressively, as Trump has done with other Democratic incumbents. Cramer seemed aware of the warmth between the president and the senator, Alex and Burgess report. Trump has asked Cramer if he likes Heitkamp, and when the congressman responds yes, the president seems to be "relieved," Cramer said. "Politically, North Dakota's a pretty nice state. So I don't know that turning it on her is necessarily politically helpful to me," Cramer said. "They may just be concerned that she's a woman and maybe that has an impact. I just don't know."

For her part, Heitkamp said she's proud of her ability to work with the president. "I have a friendly relationship, I have a very important working relationship," she said in an interview, "not just with him but other members of the administration." Read the story here.

WELCOME TO WEDNESDAY! I'm your host Kelsey Tamborrino, and Peter Robertson of the Pebble Partnership was the first to correctly identify California and Ohio as the two states that don't have an avenue named after them in D.C. Instead, there's a California Street and Ohio Drive. For today: Which president was the first to see a major league baseball game in his hometown, and which town was it? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

Register for the Pro Summit: Join Pro subscribers, expert reporters and key decision-makers from the executive branch, federal agencies and Congress for a full day of incisive policy conversations on July 17. Learn more.

GROUPS SUE ON WAIVER EXEMPTIONS: Ethanol and farm groups say they've filed a

lawsuit against EPA over some of the waivers granted to small refineries allowing them to shed their Renewable Fuel Standard requirements on blending biofuels, Pro's Eric Wolff reports. The Renewable Fuels Association, National Corn Growers Association, American Coalition for Ethanol and National Farmers Union are challenging the waivers granted to CVR Refining's Wynnewood, Okla., refinery and the HollyFrontier refineries at Cheyenne, Wyo. and Woods Cross, Utah. Those refineries have collectively saved $170 million in compliance costs, the coalition said.

Those waivers, which ethanol backers say violate the volume mandates under the RFS, are also the subject of some horse-trading in the discussions between EPA Administrator Scott Pruitt and USDA Secretary Sonny Perdue. The two are trying to put the final touches on a compromise deal over EPA's rules for biofuels. Read more.

CHEVRON SHAREHOLDERS VOTE: Shareholders at Chevron's annual meeting today will vote on a pair of climate change-related provisions. First up is a proposal that the oil giant report to investors how it will change its business model to account for any decreased demand for oil and gas resulting from greater development of renewable energy sources. Another proposal is that Chevron start providing reports on steps it is taking to minimize methane emissions from its fracking operations. Chevron's board of directors have advised against both proposals, saying the company is already making sufficient efforts on both matters.

Exxon, which also holds its annual meeting today, is getting a break this year from the sort of environmental proposals its shareholders considered in 2017.

** **A message from America's Pledge:** America's Pledge is flipping the script on climate action. One year after the federal government announced it would pull out of the Paris Agreement, 2,700+ U.S. cities, states, and businesses are saying, "We Are Still In." See how far we've come: https://politi.co/2koAHZb **

DEJA VU? Already under fire for their handling of a controversial assessment of nonstick chemicals in drinking water, a newly uncovered EPA email suggests that public relations strategy was also front-of-mind for EPA staffers as the agency contemplated reevaluating the risks of formaldehyde. Reuters reported last week that EPA delayed release of a new assessment of the chemical that is expected to for the first time link formaldehyde with leukemia after meeting with the American Chemistry Council in January.

"They reiterated the concern you have raised about information leaking before it's been vetted and asked that the Agency have appropriate communication materials ready to use if needed," Jennifer Orme-Zavaleta, who heads EPA's Office of Research and Development, wrote in a Jan. 24 email to EPA chief of staff Ryan Jackson and Richard Yamada, deputy assistant administrator for research and development. The email was released to the Union of Concerned Scientists under the Freedom of Information Act.

Yogin Kothari, a lobbyist of UCS, said the email "sounds eerily similar" to concerns that EPA and White House officials expressed about a HHS assessment of the chemicals PFOA and PFOS. "It's not surprising that the ACC is attempting to wield its influence over EPA when its former

staff are basically running the place," Kothari said by email.

WE'RE CLOSED: The Environmental Council of the States' upcoming fall meeting will close to the public certain sessions attended by EPA officials, according to the group's draft agenda for the August meeting. The draft shows ECOS will hold closed sessions on several issues, including a state-EPA roundtable on "cooperative federalism" and joint PFAS activities. (h/t E&E News' Sean Reilly)

NAFTA TALKS STILL STALLED: Recent NAFTA talks between the U.S., Mexico and Canada have not resulted in progress on the thorniest issues because the U.S. remains unwilling to offer important concessions, two sources close to the talks told Pro's Sabrina Rodriguez. Negotiators from the Office of the U.S. Trade Representative continue to demand that "they want everything, and there's no possible way they'll get everything they want," one of the sources said. "Conversations have stalled entirely." Read more.

WE'LL ALWAYS HAVE PARIS: This week marks the one-year anniversary of Trump's decision to pull the U.S. out of the Paris climate agreement. The United States still technically remains in the 2015 pact for the next two-and-a-half years, but the action to implement it is playing out in the rest of the world. To mark the occasion, the World Resources Institute will host a discussion today on whether other nations have moved on since Trump's decision to exit the agreement. Among those participating is Todd Stern, the former State Department special envoy for climate change who helped seal the deal. In the lead-up to the event, WRI's Eliza Northrop laid out the seven signs of progress since Trump's announcement here, including a timeline of events over the last year. If you go: The discussion kicks off at 2:30 p.m at 10 G Street NW. Watch the livestream here.

— **And the National League of Cities**, as well as mayors from across the country, will release today their latest "State of the Cities" report that will look into the trend of cities taking on clean energy goals, despite the federal government.

OFFSHORE DRILLER FINED $4M: Oil and gas company Energy Resource Technology was fined $4 million Tuesday by the U.S. Attorney's Office for the Eastern District of Louisiana for fabricating data about the readiness of a key piece equipment used to prevent oil spills, Interior said. The fine comes as a result of an investigation by Interior's Office of Inspector General that found that ERT management directed an employee on its rig in the Gulf of Mexico to create a fake blowout preventer pressure test chart to conceal a failed test result, Pro's Ben Lefebvre reports. Read more.

EPA, KILDEE SPAR OVER SUMMIT: EPA defended its move to only allow federal agency and state representatives on the second day of last week's summit on toxic chemicals in drinking water, dismissing Democratic Rep. Dan Kildee's complaint that members of his staff had been barred from attending as a mischaracterization. EPA Associate Administrator Troy Lyons wrote in a letter Tuesday to Kildee and obtained by POLITICO that the agency worked with Kildee's office ahead of time to allow a staffer to attend the first day of the summit.

"I trust you understand our disappointment when we discovered that no one from your office

attended the summit on May 22, particularly in light of the subsequent events on May 23," Lyons wrote. In a statement, Mitchell Rivard, Kildee's chief of staff, said that "it is hard to mischaracterize the EPA's actions — it had been widely reported that the EPA blocked both journalists and a congressional office from the taxpayer-funded PFAS summit." Read the letter here.

MAIL CALL! 45Q AND YOU: Rep. Cramer shared a letter Tuesday from the Treasury Department in response to his request for direction on the expanded 45Q tax credit for capturing and storing carbon dioxide. In the letter, Assistant Secretary for Legislative Affairs Drew Maloney said Treasury is developing published guidance to provide clarity to taxpayers for the purpose of using the credit.

— **A coalition of 12 state and city attorneys general** and attorneys sent a letter to National Academy of Sciences President Marcia McNutt saying EPA's so-called secret science proposal to ban the use of studies that don't publicly disclose all data is "too vague and rushed to allow for meaningful public review." And they pressed for the group to weigh in, saying "the National Academy's input on this extremely consequential proposal." Read it here.

API WRITES TO TRUMP ON SECTION 232: The American Petroleum Institute sent a letter to Trump last week requesting that the list of countries currently exempt from Section 232 tariffs on steel and aluminum be expanded "without imposing alternative measures such as quotas," and that the president remove any associated import quotas that have already been imposed. In his letter, API President and CEO Jack Gerard writes that additional import restrictions "will have a negative effect on our industry just as we have achieved the highest level of domestic hydrocarbon (oil and natural gas and natural gas liquids, or NGLs) production since 1949," according to EIA.

TRUDEAU COMMENTS ON PIPELINE: Canadian Prime Minister Justin Trudeau defended the Canadian government's plan to buy and complete the expansion of Kinder Morgan's Trans Mountain pipeline. "The project became too risky for a commercial entity to go forward with it; that's what Kinder Morgan told us," Trudeau said during a Bloomberg Businessweek event. "We are going to ensure that it gets built so that we can get our resources to new markets." More here.

WHITE HOUSE TALKS PUERTO RICO: Aboard an Air Force One flight, press secretary Sarah Huckabee Sanders was asked whether the president — despite his previous comments — now thinks Puerto Rico constitutes a "real catastrophe" following the release of a Harvard University study that found at least 4,645 people died from the September 2017 storm rather than the 64 deaths federal authorities counted. The White House continues to be supportive of the governor of Puerto Rico, Sanders said according to pool reports, and of "transparency and accountability." The people of Puerto Rico "deserve nothing less than that, and were going to continue to be focused on helping in every way we can," she said. "FEMA has already done the largest response ever in history to any natural disaster. They're in Puerto Rico, and we're going to continue to give as much assistance as possible."

RBS COMMITS TO NEW ENERGY FINANCING: Ahead of its shareholder meeting today, the Royal Bank of Scotland announced Tuesday new energy financing policies to support a

transition to low carbon. The bank said it would no longer provide "project-specific finance" to new coal-fired power plants, thermal coal mines or oil sands projects, among other projects. Additionally, RBS said it is tightening restrictions on general lending to mining and power companies generating more than 40 percent of their revenues from thermal coal and of electricity from coal, respectively. In response, Rainforest Action Network Executive Director Lindsey Allen said the announcement "comes as a result of groups like us pressuring banks to defund fossil fuels and deforestation," but said the "policy is only half a step forward because it leaves loopholes in place."

REPORT: COOK TAPPED FOR SUPERFUND JOB: EPA has named Steven Cook — a former senior counsel at chemical giant LyondellBasell — to the agency's Superfund Task Force in the position left vacant by Albert "Kell" Kelly, Bloomberg BNA reported. Cook has been serving as deputy assistant administrator for the agency's land and waste office, prior to his move to the Superfund spot.

ZINKE DEFENDS 'KONICHIWA' GREETING: In a wide-ranging radio interview with Breitbart Radio, Interior Secretary Ryan Zinke defended his use of the greeting "konichiwa" in response to a question from Rep. Colleen Hanabusa on preserving internment sites during a March Natural Resources hearing. "I grew up in a little logging, timber town, railroad town in Montana and a lot of my family lived through the years of the internment camps. I've long since had friends that were Japanese families that went through that," Zinke said, calling it an "appropriate salute." Listen to the full interview here.

AD WARS: Club for Growth Action said Tuesday that it would spend $250,000 on new ads attacking Russ Fagg, a former judge and Republican candidate for Senate in Montana. Campaign Pro's James Arkin reports the new ad campaign attacks Fagg over his record during his two decades as a district judge, including the time he called a judge who "undercut" Trump's rollback of environmental rules a "thoughtful moderate." Watch the TV ad here.

MOVER, SHAKER: Stuart Siffring joined the Western Energy Alliance as a regulatory analyst, the trade group announced Tuesday. Siffring previously worked as a permit engineer at EPA and the Colorado Department of Public Health and Environment.

QUICK HITS

— EPA used disavowed research to justify putting dirtier trucks on the road, Los Angeles Times.

— Antarctica has enormous mountain ranges and valleys deep beneath its ice, The Washington Post.

— Former Perry adviser is FirstEnergy's secret weapon in U.S. bailout, Bloomberg.

— McConnell's plan for a packed summer Senate agenda, CQ Roll Call.

— Lowe's drops paint strippers blamed in dozens of deaths, The New York Times.

— No offsets, no problem as Army Corps OKs wetland projects, E&E News.

HAPPENING TODAY

9:30 a.m. — The Woodrow Wilson Center's Environmental Change and Security Program discussion on "Sustainable Water, Resilient Communities: The Challenge of Erratic Water," 1300 Pennsylvania Ave NW

1:00 p.m. — The National Academy of Sciences' Government-University-Industry Research Roundtable webinar on "Connecting Research to Policy: The Broadband Research Initiative at Pew Charitable Trusts."

1:00 p.m. — The Center for Climate, Health, and the Global Environment at the Harvard T.H. Chan School of Public Health launches new center, Boston.

2:00 p.m. — The Woodrow Wilson Center discussion on "Where Does the Transatlantic Relationship Go from Here," 1300 Pennsylvania Avenue NW

2:30 p.m. — The World Resources Institute forum on "One Year Later: Has the World Moved On Since President Trump's Announcement on the Paris Agreement?" 10 G Street NE

4:00 p.m. — Atlantic Council's Cyber Statecraft Initiative and Global Energy Center discussion on "Supply Chain Vulnerabilities in the Software Era," 1030 15th Street Northwest

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Stories from POLITICO Pro

The one Democrat Trump can't help but like Back

By Alex Isenstadt and Burgess Everett | 05/30/2018 05:08 AM EDT

When a small group of alarmed White House aides caught wind that Sen. Heidi Heitkamp — one of the most endangered Democrats up for reelection in 2018 — would be attending President Donald Trump's bill signing last week, they raced to stop it.

Word eventually reached Senate Majority Leader Mitch McConnell, who has made unseating

Heitkamp a top priority. He opted not to intervene, and the invitation stood: As the president signed a banking deregulation bill into law before a national audience, Heitkamp was right next to him, the only Democrat in the room.

As the election year kicks into high gear, Republicans have grown increasingly frustrated with Trump's ongoing flirtation with the freshman senator. At a time when many in the GOP fear that the president's unpredictable style will undercut their best-laid midterm plans, the relationship has given Heitkamp — who is seeking reelection in a state where Trump won nearly two-thirds of the vote — fodder to portray herself as a presidential ally.

Her office keeps a running list of the dozen-plus meetings Heitkamp has had with Trump and his top advisers since the 2016 election. And the senator is fond of noting that she forged close ties with Trump's former top economist, Gary Cohn. The president met with Heitkamp in Trump Tower after the 2016 election to discuss a possible Cabinet position, asked her to join him on Air Force One, and invited her onstage to join him and her Republican opponent, Rep. Kevin Cramer, during an appearance in North Dakota.

"Everyone is saying, 'What's she doing up here?'" the president said at the September event to sell his tax reform plan, which Heitkamp eventually opposed. "But I'll tell you what. Good woman, and I think we'll have your support, I hope we'll have your support. And thank you very much, senator, thank you for coming up."

After last week's bill signing, Heitkamp's allies raced to capitalize. The North Dakota Democratic Party sent out a tweet with an image of Cramer looking on uncomfortably as the president stood next to Heitkamp.

"At a bill signing today, @HeidiHeitkamp got a shout out and all @kevincramer got was a photo op next to a chair," the state party boasted.

"We will see footage of this on every platform," said Doug Heye, a former top Republican National Committee official. "It's a huge gift for her campaign."

Trump aggressively recruited Cramer to give up his House seat to take on Heitkamp, and his actions since have left some of Cramer's closest allies feeling snubbed. They note that while Trump has savaged Democratic incumbents Joe Donnelly of Indiana and Jon Tester of Montana and visited a growing list of states to pump up Republican Senate hopefuls — most recently Tennessee, where he appeared Tuesday on behalf of Rep. Marsha Blackburn — he has yet to make a campaign appearance with Cramer. Nor has the attack dog-in-chief attacked Heitkamp.

After Cramer learned last year that Heitkamp would be accompanying the president on Air Force One to North Dakota, he complained bitterly to the White House, according to two people with direct knowledge of the discussions. Heitkamp, Cramer predicted at the time, would try to use it to her political advantage. (A Cramer adviser, Pat Finken, denied that the congressman had complained about the senator riding on Air Force One.)

The administration has taken steps to assure Cramer that he has the president's full support. The

congressman has been regularly in touch with White House political director Bill Stepien, and the two met earlier this month. Trump has agreed to hold a rally for Cramer later this year.

In an interview, Cramer shrugged off Heitkamp's attendance at the bill signing and said there would soon be "clarity" on who Trump supports in the race.

Yet the congressman declined to predict whether the president would go after Heitkamp aggressively, as Trump has done with other Democratic incumbents. Cramer seemed aware of the warmth between the president and the senator. Trump has asked Cramer whether he likes Heitkamp, and when the congressman responds yes, the president seems to be "relieved," Cramer said.

"Politically, North Dakota's a pretty nice state. So I don't know that turning it on her is necessarily politically helpful to me," Cramer said. "They may just be concerned that she's a woman and maybe that has an impact. I just don't know."

Heitkamp said she's proud of her ability to work with the president.

"I have a friendly relationship. I have a very important working relationship," she said in an interview, "not just with him but other members of the administration."

Trump's reluctance to go after Heitkamp stems in part from the simple fact that he needs her vote. With Republicans clinging to a narrow Senate majority, the White House has pushed for her support on several contentious votes, including the recent confirmations of CIA Director Gina Haspel and Secretary of State Mike Pompeo. She also backed Trump's nominations of Supreme Court Justice Neil Gorsuch and Environmental Protection Agency Administrator Scott Pruitt.

Last week's signing ceremony was organized by White House Office of Legislative Affairs Director Marc Short. He said he extended an invitation to Heitkamp because she played a central role in passing the banking deregulation law.

"She was an original cosponsor of the bill," Short said. "But she's also someone who opposed tax relief, who opposed repeal of Obamacare, and someone who will always support Chuck Schumer. So you can be sure the president will be actively campaigning in North Dakota this cycle."

Cramer's February entry into the race followed an intense pursuit from Trump and top White House officials. After Cramer initially said in January that he wouldn't run for Senate, he received overtures from Trump, White House counselor Kellyanne Conway, and energy executive and Trump donor Harold Hamm within a three-day period. Trump also met with Cramer's wife, Kris.

Cramer said Trump told him at the time that he'll "be out there campaigning more than you are." Trump's entreaties, Republicans contend, helped to push Cramer into the contest. Cramer won his statewide, at-large House seat in 2012, the same year Heitkamp entered the Senate.

"The president leaned on him very hard. The president wanted the best candidate, and everyone in the state thought Kevin was the best candidate to beat Heidi," said Gary Emineth, a former North Dakota GOP chairman who is close with the congressman. "You know how the president is. He just doesn't quit."

Heitkamp predicted that Trump would attack her eventually. While she has maintained a positive working relationship with the president, she said it pales in comparison to Cramer's staunch loyalty.

"I don't think anyone can match his Trump credentials," Heitkamp said. "He is somebody who will always do what the president asks him to do, regardless of whether it's good for North Dakota."

As of late, the senator has been airing commercials that highlight her balancing act. "When I agree with the president I vote with him — and that's over half my votes," she says in a spot that began airing this month. "And if his policies hurt North Dakota, he knows I'll speak up."

Cramer accused Heitkamp of acting like a "Republican wannabe" with her occasional support for key Trump nominees.

"Her trying to cozy up to Donald Trump has resulted in good votes," Cramer said. "But every time she tries to become more like me, it's more flattering to me than it is to her."

Democrats, however, couldn't be happier to portray Cramer as a jilted lover.

Last week, the North Dakota Democratic Party released a video featuring a montage of clips of the president praising Heitkamp and shaking her hand as Cramer looks on — set to the sad sounds of R.E.M.'s "Everybody Hurts."

To view online click here.

Back

Ethanol, farm groups sue EPA over exemptions Back

By Eric Wolff | 05/29/2018 07:13 PM EDT

A coalition of ethanol and farmers groups said they filed a lawsuit in federal court today against EPA seeking to overturn some of the waivers the agency has granted to small refineries allowing them to shed their Renewable Fuel Standard requirements on blending biofuels.

The Renewable Fuels Association, National Corn Growers Association, American Coalition for Ethanol and National Farmers Union are challenging the waivers granted to CVR Refining's Wynnewood, Okla., refinery and the HollyFrontier refineries at Cheyenne, Wyo. and Woods

Cross, Utah. Those refineries have collectively saved $170 million in compliance costs, the coalition said.

The groups, along with their allies in Congress, have criticized EPA's frequent use of the waivers, which they say undermines the RFS mandates on the amount of biofuel that must be sold into the U.S. fuel market.

"EPA is trying to undermine the RFS program under the cover of night," RFA CEO Bob Dinneen said in a statement. "And there's a reason it has been done in secret — it's because EPA is acting in contravention of the statute and its own regulations, methodically destroying the demand for renewable fuels."

The Advanced Biofuels Association challenged the waivers May 1.

WHAT'S NEXT: The complaint will be heard in the U.S. Court of Appeals for the 10th Circuit.

To view online click here.

Back

Exxon shareholders win vote to build Paris climate pact into plans Back

By Ben Lefebvre | 05/31/2017 02:37 PM EDT

The Trump administration may be preparing to withdraw the U.S. from the Paris climate change accords, but shareholders at Exxon Mobil and at least one other U.S. oil company are demanding the companies incorporate the international deal in their business models.

Nearly two-thirds of Exxon's shareholders backed a proposal on Wednesday calling for the company to assess how climate change and global efforts to limit temperature increases will affect its business. The vote is non-binding, but the results show that the once-fringe idea of linking climate change to big oil's operations has gained momentum.

The vote at the Exxon annual shareholder meeting in Dallas came after investors in its smaller rival Occidental Petroleum earlier this month cast more than two-thirds of their votes for a measure calling for the company to assess how its business would be affected by the Paris climate change accord's target of holding global warming to 2-degrees. Company credit rating agency Moody's said last year it would start to use the Paris pledge to assess financial risk for corporations.

"Shareholders have spoken clearly on climate," said Danielle Fugere, president and chief counsel for As You Sow, a group that helps shareholders introduce environmental proposals. "If there's less demand for oil and the world is awash in oil, there's going to be more competition among these companies. Shareholders are trying to figure out who is the best bet."

Not all of these climate-related investor proposals succeeded, however. Chevron shareholders Wednesday morning rejected a motion that the company issue a report on how limiting global temperature increase to 2 degrees Celsius (3.6 degrees Fahrenheit) would affect its business. Only 27 percent of voting shareholders approved the proposal, down from more than 40 percent who voted for a similar proposal last year.

Exxon, Chevron and other energy companies facing such proposals argue that they are already taking the Paris agreement seriously and incorporating it into their business plans. Exxon in particular pointed out that it was developing technology that would capture the carbon emitted at natural gas power plans and then either store it or use it to produce more electricity.

"We believe the goal of carbon policy is to reduce emissions at the lowest cost to society," Exxon Chief Executive Darren Woods said at the shareholder meeting. "These goals led us to support the Paris Agreement." Woods sent President Donald Trump a letter earlier this month urging the U.S. to stay in the Paris deal.

For Exxon, the votes also illustrate how entangled the company has become in New York state climate change politics. The climate change proposal shareholders approved was partly sponsored by the New York State Common Retirement Fund, which is run by the State's comptroller. Meanwhile, the company is embroiled in a lawsuit with the New York and Massachusetts attorneys general over whether it withheld its own research on climate change from shareholders.

"The burden is now on Exxon Mobil to respond swiftly and demonstrate that it takes shareholder concerns about climate risk seriously," New York State Comptroller Thomas P. DiNapoli said in a prepared statement after the vote.

To view online click here.

Back

NAFTA talks stall amid apparent refusal of U.S. to make concessions Back

By Sabrina Rodriguez | 05/29/2018 07:41 PM EDT

Recent high-level NAFTA talks between the U.S., Mexico and Canada have not resulted in progress on the thorniest issues because the U.S. remains unwilling to offer important concessions, two sources close to the talks said on Tuesday.

Negotiators from the Office of the U.S. Trade Representative continue to demand that "they want everything, and there's no possible way they'll get everything they want," one of the sources told POLITICO. "Conversations have stalled entirely."

As the U.S. and Canada resumed talks in Washington on Tuesday, the sources confirmed that Mexican Trade Undersecretary Juan Carlos Baker met with officials from USTR last week to

present a counterproposal that would see Mexico make concessions on wages in the automotive sector in return for U.S. concessions on other flashpoint issues.

Under the offer, Mexico reportedly would accept language on automotive rules of origin that would require that 20 percent of cars produced within North America be made by workers earning at least $16 an hour.

In exchange, Mexico reportedly asked that the U.S. back off some of its thorniest proposals, like placing limits on government procurement as well as a so-called sunset clause, which would allow for the deal to be terminated if all three countries don't agree to renew it after five years. News of the counterproposal was first reported by Bloomberg.

Mexico's counterproposal was not well received by USTR, the sources said.

"USTR did not take a close look at their proposal before rejecting it," one of the sources said. "As soon as it included [the U.S.] giving in on something, it was a 'no' from USTR."

That leaves it up to U.S. Trade Representative Robert Lighthizer to decide if the U.S. will offer any concessions to Mexico and Canada, the sources added.

USTR did not immediately respond to a request for comment on Tuesday evening.

The latest deadlock comes as Mexico and Canada face a looming deadline in their effort to secure a permanent exemption from the U.S. steel and aluminum tariffs. Mexico and Canada were temporarily exempted from the duties, but to win a permanent reprieve each country must reach a separate agreement to satisfy U.S. national security concerns by June 1.

Mexican President Enrique Peña Nieto and Canadian Prime Minister Justin Trudeau have both emphasized in recent days that they will not be pressured into accepting a NAFTA deal that is bad for their respective countries.

"No NAFTA is better than a bad deal, and we've made that very clear to [President Donald Trump]," Trudeau said Tuesday in an interview with Bloomberg. "We are not going to move ahead just for the sake of moving ahead."

Trudeau discussed the NAFTA talks during a call with Vice President Mike Pence on Tuesday, the White House said in a readout that provided no details of the conversation.

Negotiators have made some gains, despite the continued difficulties over the hot-button topics. Canadian Foreign Minister Chrystia Freeland, Canada's top NAFTA official, said she had a "very substantive" conversation with her U.S. counterpart in Washington on Tuesday.

The NAFTA nations' top trade officials have been in consistent contact over the phone since they last met in Washington two weeks ago.

Lighthizer had acknowledged at that point that the three countries still faced "gaping

differences" on a number of issues, such as market access for agricultural products and automotive rules of origin. "The NAFTA countries are nowhere near close to a deal," Lighthizer said then.

Talks have continued to move forward on the NAFTA modernization chapters, like e-commerce, "but as long as USTR keeps the thorny issues on the table, there won't be movement," one of the sources said.

Negotiators have so far closed nine chapters and six sectoral annexes, Mexico's chief negotiator, Kenneth Smith Ramos, said last week. Those chapters include: telecommunications, small- and medium-sized enterprises, competition, and technical barriers to trade.

To view online click here.

Back

Gulf of Mexico rig operator fined $4M after Interior Department investigation Back

By Ben Lefebvre | 05/29/2018 04:36 PM EDT

The U.S. Attorney's Office for the Eastern District of Louisiana fined offshore oil and gas company Energy Resource Technology $4 million for fabricating data about readiness of a key piece equipment used to prevent oil spills, the Interior Department said today.

The fine was a result of an investigation by Interior's Office of Inspector General that found that ERT management directed an employee on its rig in the Gulf of Mexico to create a fake blowout preventer pressure test chart to conceal a failed test result. The failure by a blowout preventer was one of the main causes of Deepwater Horizon rig accident that killed 11 people in 2010.

An ERT supervisor on the same rig had employees perform welding near an active well in violation of Interior safety regulations.

Interior had fined ERT $4 million in 2012 for earlier violations on its rigs, and an accident killed a contract worker on an ERT rig in February.

ERT is a subsidiary of Houston-based Talos Energy.

WHAT'S NEXT: In addition to the fine, ERT was sentenced to 36 months' probation and ordered to pay $200,000 in restitution.

To view online click here.

Back

Study: 4,645 people died after Hurricane Maria, far more than official estimate Back

By Mel Leonor | 05/29/2018 11:40 AM EDT

At least 4,645 people died amid the devastation wrought by Hurricane Maria in Puerto Rico — more than 70 times the official government death toll of 64, according to a new study from Harvard University.

Locals, journalists and public health experts have for months questioned the government estimate of deaths from the storm, which caused more than $90 billion in damage.

President Donald Trump, however, said in October that Puerto Rico officials should be "very proud" of the low death toll.

The study, published Tuesday in the New England Journal of Medicine, is based on household surveys of more than 3,000 homes in the territory, where researchers found a boom in the mortality rate between late September and late December 2017.

The authors of the study, which was largely funded by the Harvard T.H. Chan School of Public Health, described the official death count as a "substantial underestimate" and called it evidence of the "inattention of the U.S. government to the frail infrastructure of Puerto Rico."

"The timely estimation of the death toll after a natural disaster is critical to defining the scale and severity of the crisis and to targeting interventions for recovery," they wrote.

Researchers found that "interruption of medical care was the primary cause" of the high mortality rate that came after the storm made landfall.

With the 2018 hurricane season in swing, the authors also urged chronically ill patients, communities and health care providers to develop contingency plans for future disasters.

Carlos R. Mercader, executive director of the Puerto Rico Federal Affairs Administration, said in a statement that officials would analyze the report, adding, "We have always expected the number to be higher than what was previously reported."

He said the Puerto Rico government has commissioned a report from George Washington University, which he said would be released "soon."

Trump said in October that the storm had been less devastating than Hurricane Katrina in 2005, but the new study indicates that may not be true. Hurricane Katrina resulted in the deaths of 1,833 people, according to FEMA.

"Every death is a horror," Trump said at the time, "but if you look at a real catastrophe like Katrina and you look at the tremendous — hundreds and hundreds of people that died — and you look at what happened here with, really, a storm that was just totally overpowering ... no one has ever seen anything like this."

Rep. Nydia Velázquez (D-N.Y.) said after the report was released Tuesday that the apparent undercounting of deaths "concealed" the impact of Hurricane Maria on the territory.

"By obscuring this, many were left to believe the Trump Administration's mythology that Puerto Rico was not hit hard by Maria," Velázquez said in a statement. "We must get to the bottom of this discrepancy."

The White House did not respond to a request for comment.

Last year, Velázquez and Rep. Bennie Thompson (D-Miss.) asked a government watchdog to investigate how Puerto Rican officials "originally arrived at such a low number."

To view online click here.

Back

New Club for Growth ads attack Fagg in Montana Back

By James Arkin | 05/29/2018 03:48 PM EDT

Club for Growth Action, the super PAC arm of the Club for Growth, announced today that it would spend $250,000 on new ads attacking Russ Fagg, a former judge and Republican candidate for Senate in Montana.

The Club is backing state auditor Matt Rosendale in the race in the race to face Democratic Sen. Jon Tester, and its PACs have spent more than $1 million on ads backing Rosendale and attacking Fagg, one of his top challengers in the June 5 primary.

The new ad campaign attacks Fagg over his record during his two decades as a district judge. The TV ad makes three claims against Fagg: that he defended another judge who suggested a rape victim was to blame for her own attack; that he called a judge who "undercut" President Donald Trump's rollback of environmental rules a "thoughtful moderate"; and that he "praised a liberal federal judge who ruled against speeding up deportations."

"Russ Fagg's values are not Montana values," the narrator says.

The radio version of the ad features a woman and a man having a conversation about Fagg's record and pointing listeners to a website, factsformontana.com, funded by Club for Growth Action.

You can watch the TV ad here and listen to the radio ad here.

To view online click here.

Back

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From: Morning Energy
Sent: Fri 4/6/2018 2:16:15 PM
Subject: POLITICO's Morning Energy: Pruitt watch: What comes next? — IG requests abound — GAO tells Congress to ban coal self-bonding

By Kelsey Tamborrino | 04/06/2018 10:00 AM EDT

With help from Alex Guillén and Daniel Lippman

WHAT COMES NEXT? EPA Administrator Scott Pruitt fared seemingly well Thursday, at least comparatively - appearing in no contentious interviews and receiving a fuller backing from the president. Of course, that could all change today. White House officials, conscious of how quickly Trump's mind can change about defending top advisers, have avoided publicly making any definitive statements about how long Pruitt will remain in his job, POLITICO's Eliana Johnson and Andrew Restuccia report.

RENT'S DUE: Eliana and Andrew also report the administrator was sometimes slow to pay the rent on his $50-per-night lease in Capitol Hill, according to two people with knowledge of the situation. Pruitt's lobbyist-turned-landlord had to pester him for payment, although it appears he eventually paid his back rent. More here.

STRONG FEELINGS: President Donald Trump praised Pruitt multiple times throughout Thursday, although he acknowledged that he would "have to look at" all of the reports on the EPA administrator. "He's been very courageous. It hasn't been easy, but I think he's done a fantastic job," Trump said of Pruitt. The president was returning from an event in West Virginia, where "they love Scott Pruitt," he said.

Meanwhile, Pruitt kept a low profile Thursday: The EPA chief headed to Kentucky, where he addressed members of the Association of Air Pollution Control Agencies on the agency's National Ambient Air Quality Standards attainment goal and the Trump administration's efforts to speed up the environmental permitting process. "EPA is making tremendous progress working with states and our co-regulators to improve air quality and provide regulatory certainty for local communities," Pruitt said in a statement released after the event.

And he may stay out of sight today too: Plans for a public event with Pruitt at the White House to announce changes to the air quality standards program today have apparently been shelved, but Trump still intends to sign an executive order on the subject, The Washington Post reports. Pruitt had said earlier this week that an announcement on the new policy was in the works, but EPA did not respond to ME's questions Thursday night.

DRIP, DRIP, DRIP: More Pruitt stories emerged Thursday, culminating in an explosive report from The New York Times that detailed how at least five EPA officials were reassigned or demoted, or requested new jobs, after raising concerns about Pruitt's spending habits and ability to manage. Pruitt at one point requested the use of emergency sirens to get him and his security detail through D.C. traffic, including at least one trip to French restaurant Le Diplomate, according to the Times. Read the full report here.

Other Thursday headlines include:

- **Pruitt endorsed raises for two of his aides,** The Washington Post reports, though he left it to others to actually carry out the pay increases. Two EPA officials and one from the White House told the Post that Pruitt told subordinates to give the raises to senior counsel Sarah Greenwalt and Millan Hupp, his director of scheduling and advance, both of whom had worked for him in Oklahoma.

- **Even with the continued spray of scandals,** CNN reported Trump floated replacing Attorney General Jeff Sessions with Pruitt as recently as this week. "He was 100 percent still trying to protect Pruitt because Pruitt is his fill-in for Sessions," one source familiar with Trump's thinking told CNN.

- **The Department of Consumer and Regulatory Affairs** issued a citation to the owner of Pruitt's condo, due to lack of proper licensing to rent the unit. A NBC 4 Washington reporter tweeted the fine could hit $2,034.

THE $16,000 SEAT: That's about how much it cost for Pruitt to fly to Morocco last year, according to a new letter from the top Democrat on the House Oversight Committee, citing documents the panel received from EPA. Rep. Elijah Cummings said the documents showed "that Mr. Pruitt's seat cost $16,164," but were insufficient to determine the full costs for Pruitt and his aides on that and other trips. He asked Oversight Chairman Trey Gowdy to issue a subpoena for more. Read that letter here.

WHERE THE GOP STANDS: Republicans aren't going to give up a fight for Pruitt's permanence any time soon. A leadership aide tells POLITICO's Burgess Everett that the Senate won't be able to confirm a conservative EPA administrator if Pruitt is canned. That may contribute to the choir of GOP voices who are still standing firmly in the embattled EPA administrator's corner. Conservatives like Sens. Rand Paul and Ted Cruz vocalized their support on Twitter Thursday. "He's been an effective member of the President's team," Sen. Jim Inhofe said in a statement.

Still, a third Republican joined in calling on Pruitt to resign Thursday. "I fundamentally disagree with how Pruitt has handled the EPA," Rep. Elise Stefanik said at a town hall meeting.

HART WEIGHS IN: Energy lobbyist Steven Hart, whose wife Vicki co-owned the condo rented to Pruitt, expressed regret in a statement released to POLITICO. Hart said he was taking the matter "very seriously" and apologized to his wife, "whose fantastic career is being maligned unnecessarily." Hart also reiterated that the condo was not owned by his firm Williams & Jensen, its partners or any other employees of the firm. "[A]ny suggestion that Administrator Pruitt's short-term rental of one of its bedrooms in 2017 resulted in undue influence for the firm or its clients with business before the EPA is simply false," Hart said. "I am confident in these facts, and certain that all fair and impartial assessments of the matter will conclude accordingly."

WE MADE IT TO FRIDAY! I'm your host Kelsey Tamborrino. The Natural Resources

Defense Council's Ed Chen was first to guess the first president to receive a Ph.D. was Woodrow Wilson, who got a one in political science from Johns Hopkins University. Another presidential question for today: Which president started his career as a male model, landing a spot on the cover of Cosmopolitan? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

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IG REQUESTS ABOUND: Democratic Sens. Tom Carper and Sheldon Whitehouse asked EPA's inspector general to expand an existing investigation into Pruitt's alleged use of a special hiring authority to give raises to two aides, Pro's Alex Guillén reports. Alex also confirmed earlier Wednesday that the IG is reviewing requests to investigate Pruitt's $50-a-night lease agreement - the first step before determining whether to launch a formal probe. Opposition research group American Bridge 21st Century added itself to the list Thursday, sending a letter to the IG requesting an investigation into Pruitt's rental.

- **Another new letter to the IG emerged Thursday** from Carper, who raised questions last week - before Pruitt's scandal saga hit fever-pitch - about Samantha Dravis' prior work experience. Specifically, Carper wrote he had been informed that Dravis "did not attend work or preform her duties for much if not all of the months of November 2017 - January 2018." Read it here.

AD-ING IT UP: American Bridge is also launching new digital ads focused on Pruitt's "corrupt spending." The ads will run on Twitter and will target those tweeting about Pruitt, directing them to their petition page.

202 AND YOU: The president promised a crowd in West Virginia Thursday he'd review the use of emergency authority to prop up coal and nuclear power plants, a provision referred to as Section 202c of the Federal Power Act. "We'll be looking at that 202. You know what a 202 is? We'll be looking at that," Trump said. "We're trying. Nine of your people just came up to me outside, 'Could you talk about 202?' We'll be looking at that as soon as we get back." The use of the provision has resurfaced after Ohio-based FirstEnergy Solutions submitted an unusual request to the Energy Department just before it filed for bankruptcy protection, asking that department to use its authority to provide four-year contracts to many coal and nuclear power plants in the PJM Interconnection. Read more here from Pro's Eric Wolff.

WIND POWERS ZINKE REMARKS: Interior Secretary Ryan Zinke will speak at noon today about U.S. offshore wind initiatives at the International Offshore Wind Partnering Forum in Princeton, N.J. Bureau of Ocean Energy Management's program manager of offshore renewable energy, James Bennett will speak at the forum earlier in the day about the agency's thoughts on offshore wind in the Atlantic. "We want the federal

government to be our partners, and we are ready to work with Secretary Zinke, who recognizes offshore wind has become more valuable in terms of both environmental and economic benefits," said Liz Burdock, executive director of the Business Network for Offshore Wind, earlier this week.

GAO TELLS CONGRESS TO BAN COAL SELF-BONDING: Congress should pass a law barring coal companies from using "self-bonding" to ensure they will clean up old mine sites, according to a new report from the Government Accountability Office. Most coal-related financial assurances are done through surety bonds secured from other companies or by putting up collateral. But 12 percent of assurances in 2017, representing $1.2 billion, were done via self-bonding, in which a coal company essentially promises it has the money to cover clean-up costs, according to GAO's report.

Recent high-profile coal bankruptcies "have highlighted risks" that the Interior Department and the states face to be left holding the bag if coal companies go under without remediating their mines, GAO concluded. It's "a risk that may be greater today than when self-bonding was first authorized under" the Surface Mining Control and Reclamation Act of 1977, the agency added. Hardrock miners, the agency noted, were barred from self-bonding back in 2001.

MAIL CALL! Senate Energy and Natural Resources ranking member Maria Cantwell sent a letter Thursday to Zinke requesting he withdraw his park fee increase proposal. "I am unable to see how doubling or tripling a park entrance fee is anything other than an effort to exclude many Americans from enjoying their national parks," Cantwell wrote. The Associated Press reported earlier this week that the department was walking back the proposal after public outcry. Read Cantwell's letter here.

COME FOR THE CHERRY BLOSSOMS, STAY FOR THE OIL INFRASTRUCTURE? A 10-foot oil derrick and construction crew will be strategically placed on the National Mall today, to draw attention to potential drilling on public lands. The display comes via The Wilderness Society's "Too Wild to Drill" campaign. **If you go:** The display will be up on the Mall between 14th and 15th Streets from 10 a.m. to 4 p.m.

CfA SUES FOR TAR CREEK DOCS: The Campaign for Accountability filed a lawsuit against EPA on Thursday to force the agency to comply to a Freedom of Information Act request about a northeastern Oklahoma Superfund site. The lawsuit requests documents between officials at EPA and news organizations, including POLITICO, regarding the Tar Creek Superfund cleanup site. The site was the subject of a recent feature in POLITICO Magazine. Read the suit here.

- **The Renewable Fuels Association submitted FOIA requests** to EPA and DOE regarding waivers issued for small refineries from complying with the Renewable Fuel Standard. Read it here.

QUICK HITS

- U.S. companies on edge over tariff threat to supply chains, Financial Times.

- Quietly, Trump officials and California seek a deal on car emissions, The New York Times.

- Conservative allies rally in bid to save embattled EPA head, Bloomberg.

- Documents show Shell grappled with climate change years ago, E&E News.

- How Lisa Murkowski mastered Trump's Washington, The New York Times Magazine.

- This Texas school that inspired "Friday Night Lights" is overcrowded amid oil boom, The Texas Tribune.

THAT'S ALL FOR ME!

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https://www.politico.com/newsletters/morning-energy/2018/04/06/pruitt-watch-what-comes-next-160332

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From: Abboud, Michael
Sent: Tue 2/13/2018 3:02:30 PM
Subject: EPA News Highlights 2.13.18
EPA News Highlights 2.13.18.docx

EPA News Highlights 2.13.18

The Washington Examiner: EPA Reaches $10 Million Settlement With Shell

Energy giant Shell agreed to install $10 million in emissions control equipment at a Louisiana chemical plant as part of a settlement Monday with the Environmental Protection Agency and Justice Department. EPA Administrator Scott Pruitt said the agreement demonstrates the agency's "dedication" to working with the states to pursue violations of federal clean air laws and bring violating companies into compliance. “This settlement will improve air quality for citizens of Louisiana by reducing emissions of harmful air pollution,” Pruitt said. The EPA, Justice Department and the Louisiana Department of Environmental Quality announced the settlement with Shell Chemical for emissions violations stemming from the company's chemical plant in Norco, La. The settlement will result in the elimination of more than 150 tons of excess emissions of harmful air pollutants. It resolves charges that Shell violated the Clean Air Act and state law by not properly operating flaring units to burn off excess gases. The settlement, in addition to making the $10 million in improvements, also fined the company civil penalties totaling $350,000, including $87,500 to state regulators.

E&E News: Trump Wants To End EPA Dredge And Fill Permitting, Vetoes

The Trump administration wants to eliminate U.S. EPA authority over dredging and filling the nation's wetlands and waterways. The proposal — which would require congressional approval — was included in the Trump administration's infrastructure plan released today. The plan would give the Army Corps of Engineers complete authority over the Clean Water Act Section 404 program, taking EPA out of the process. The administration also wants to eliminate EPA's 404(c) veto power over permits it disagrees with. The proposal would mean the Army Corps would be solely responsible for reviewing project proposals and permitting them.

Milwaukee Journal Sentinel: No. 2 Wisconsin DNR official joins Cathy Stepp at regional office of the EPA in Chicago

A second top state official at the Wisconsin Department of Natural Resources is moving to the U.S. Environmental Protection Agency's regional office in Chicago — an agency that oversees federal regulatory issues in the Midwest, including Wisconsin. Kurt Thiede, deputy secretary of the DNR, is joining the EPA as chief of staff for Cathy Stepp, the recently appointed regional administrator of the environmental enforcement agency. Thiede was appointed deputy DNR secretary in March 2015 by Republican Gov. Scott Walker and has worked at the state agency since 1999 in a variety of positions. He told fellow employees in a memo Monday that one of his goals had been to change the perception that the DNR was a regulatory agency to be feared. The move of Stepp and now Thiede to the EPA comes at a time when Foxconn Technology Group has started to submit environmental permit applications to the DNR for a massive industrial complex in Racine County.

Oklahoma Energy Today: EPA Disagrees With Auditor Jones Over Tar Creek Trust

Oklahoma State Auditor and Inspector Gary Jones apparently has a different opinion about the way contracts were handled by the Trust created to handle the relocation of homes and businesses at the Tar Creek Superfund site. He thinks there might have been criminal wrongdoing. But the Tulsa World reported over the weekend that a federal investigator concluded otherwise. The paper said a 2013 report by the Environmental Protection Agency's Office of Inspector General claimed there were no irregularities or violations of law concerning the handling of the bids and contracts at Tar Creek in northeast Oklahoma. The paper quoted the investigator from the report. "Extensive record reviews and interviews were conducted and did not disclose evidence to support the allegations," Special Agent Susan Chandler wrote in the OIG report. The OIG report was initially obtained by a member of the Lead-Impacted Communities Relocation Assistance Trust in 2014.

Bloomberg BNA: Water Infrastructure Among Few EPA Winners In Trump Budget Plan

Water infrastructure funding would be essentially shielded from the deep cuts the Trump administration is seeking in Environmental Protection Agency funding in fiscal 2019, even as the president seeks to eliminate or greatly reduce regional water quality programs. The president's budget request released Feb. 12 would provide $6.15 billion to the EPA for the fiscal year that begins Oct. 1, a reduction of about 25 percent from the fiscal 2017 enacted levels. A proposed cut that deep is expected to encounter resistance from Senate Democrats and even some Republicans. At the same time, the proposed budget would maintain funding levels for EPA-funded water infrastructure projects. Overall, the EPA's two largest water funds, which provide money to states for infrastructure loans, would receive almost $2.3 billion in fiscal 2019.

National News Highlights 2.13.18

The Wall Street Journal: Shale Output Hasn't Grown This Fast Since Oil Was At $100

U.S. shale companies are churning out crude oil at a record pace that could overwhelm global demand and reverse the oil market's fragile recovery, a top energy-market observer said Tuesday. U.S. shale production is growing faster in 2018 than it did even during the boom years of $100 a barrel oil prices from 2011 to 2014, said the International Energy Agency in its closely watched monthly report. The difference this time: Oil prices are about 40% lower. The situation is "reminiscent of the first wave of U.S. shale growth," when a flood of American oil built up a global glut that sent prices crashing over four years ago, said the Paris-based IEA, which advises governments and corporations on energy trends. Oil prices fell after the report's release in Europe before recovering somewhat. Brent, the international benchmark was down 0.06% at $62.55 while U.S. prices were down 0.27% at $59.13.

Bloomberg: Americans Expect Biggest Pay Jump In Years

Americans are more optimistic about wage growth than they have been in years. U.S. consumers anticipate earnings will rise 2.73 percent in the coming year, the most since data collection began in 2013, according to the results of a New York Fed survey released Monday and conducted last month. January was only the third month in the survey's 56-month history in which expected wage growth topped expected consumer price inflation, which fell slightly, to 2.71 percent.

The Wall Street Journal: Trump's Big Public Works Dig

The real earth-moving parts of Mr. Trump's plan are the regulatory reforms, some of which will need to be fleshed out. The President wants to establish "one agency, one decision" for environmental reviews that would avoid regulatory hop-scotch. Good idea. Mr. Trump also suggests reducing environmental reviews to two years that can now drag out for a decade. Even many Democrats would like to expedite their favorite projects that have been grounded due to the discovery of a tiger salamander or other endangered species. Another idea with merit is delegating environmental review and permitting decisions to states. California has been assigned these responsibilities under agreements with the Federal Highway Administration, as have Texas, Florida and Ohio. According to Gov. Brown, California has reduced the approval process from the "notice of intent to final environmental impact statement" on highway projects on average by 10 years. Tucked into the plan is modest flexibility on Buy America requirements and Davis-Bacon, which requires contractors on federal projects to pay workers prevailing wages set by unions. These raise construction costs. While this flexibility is commendable, Mr. Trump's plan will also require tens of thousands of more workers. The Associated General

Contractors of America reported last month that 78% of contractors had a hard time hiring. Apprenticeships can make up some of the shortage, but the government will need to increase H-2B visas to avoid delays or exorbitant project costs. Democrats are ripping the President's plan, and no doubt many think they can get more money if they win control of Congress in November. But they shouldn't be so sure. President Trump deserves credit for opening a debate in Congress about why merely spending more on public works won't help the public.

TRUMP TWEETS

The Washington Examiner

http://www.washingtonexaminer.com/epa-reaches-10-million-settlement-with-shell/article/2648888

EPA Reaches $10 Million Settlement With Shell

By John Siciliano, 2/12/18

Energy giant Shell agreed to install $10 million in emissions control equipment at a Louisiana chemical plant as part of a settlement Monday with the Environmental Protection Agency and Justice Department.

EPA Administrator Scott Pruitt said the agreement demonstrates the agency's "dedication" to working with the states to pursue violations of federal clean air laws and bring violating companies into compliance.

"This settlement will improve air quality for citizens of Louisiana by reducing emissions of harmful air pollution," Pruitt said.

The EPA, Justice Department and the Louisiana Department of Environmental Quality announced the settlement with Shell Chemical for emissions violations stemming from the company's chemical plant in Norco, La.

The settlement will result in the elimination of more than 150 tons of excess emissions of harmful air pollutants. It resolves charges that Shell violated the Clean Air Act and state law by not properly operating flaring units to burn off excess gases.

The settlement, in addition to making the $10 million in improvements, also fined the company civil penalties totaling $350,000, including $87,500 to state regulators.

“This agreement is the latest in EPA’s and the Justice Department’s continuing efforts to work with our state partners to protect the American public from harmful air pollution,” said Jeffrey Wood, the Justice Department’s acting assistant attorney general for environment and natural resources.

E&E News

https://www.eenews.net/eenewspm/2018/02/12/stories/1060073641

Trump Wants To End EPA Dredge And Fill Permitting, Vetoes

By Ariel Wittenberg, 2/12/18

The Trump administration wants to eliminate U.S. EPA authority over dredging and filling the nation's wetlands and waterways.

The proposal — which would require congressional approval — was included in the Trump administration's infrastructure plan released today.

The plan would give the Army Corps of Engineers complete authority over the Clean Water Act Section 404 program, taking EPA out of the process.

The administration also wants to eliminate EPA's 404(c) veto power over permits it disagrees with.

The proposal would mean the Army Corps would be solely responsible for reviewing project proposals and permitting them.

While EPA and the Army Corps would continue working on current efforts to rewrite regulations defining which wetlands and small waterways are subject to the Clean Water Act, the administration apparently wants EPA's authority to end there.

Not only would the Army Corps be the only agency to issue jurisdictional determinations about whether specific projects need permits for dredging and filling, the administration also wants to "eliminate duplicative oversight" by removing EPA's veto authority over Army Corps 404 permits.

"The threat of the veto creates significant uncertainty and delays permit decisions," the proposal says. "Removing EPA's authority to veto a 404 permit would make the permitting process more efficient and predictable."

That could have major ramifications for projects nationwide, especially the Pebble mine project in southwestern Alaska.

Last month, U.S. EPA Administrator Scott Pruitt unexpectedly withdrew his attempt to quash proposed pre-emptive restrictions on the controversial mine project (Greenwire, Jan. 30).

Today's proposal would render that meaningless by eliminating 404(c) altogether, leaving Pebble's critics with only EPA's science showing "significant and irreversible harm."

EPA and Army Corps' joint administration of dredging and filling permits dates back to the Clean Water Act's 1972 passage. A deal between the House and Senate during CWA negotiations maintained the Army Corps' traditional authority over dredging and filling as EPA became responsible for water pollution from those projects (Greenwire, June 29, 2017).

The agencies agreed in 1979 that while the Army Corps would be the primary permit administrator, EPA would have the final say. In 1992, the agencies signed another agreement that they would jointly participate in a dual review.

The administration's proposal follows requests from energy companies this fall that EPA be eliminated from 404 permitting.

"Unfortunately, the extreme difference in opinions and backgrounds between the agencies has created a significant disruption in their coordination and program administration," coal company Murray Energy Corp. wrote to the Army Corps in October. "Each agency is struggling to manage the program as they see fit creating an uncertainty and unclear path of progression for the applicants."

The comments were in response to the Army Corps' requests for comments on 30 regulations that "might be appropriate for repeal, replacement or modification" (Greenwire, Oct. 20, 2017).

The Waters Advocacy Coalition, which comprises more than 60 industry groups, also asked the Army Corps to withdraw from both the 1979 and 1992 agreements.

The 1979 agreement, the coalition wrote, "allows EPA to delay and/or second-guess the Corps expertise."

That position is also supported by several construction and farming groups.

"Recognizing the Corps' authority over its own 404 program would promote consistency and certainty, as permit holders could rely on a jurisdictional determination or 404 permit issued by the Corps without having to wonder if EPA will insert itself into the decision making process and undermine the Corps' positions," the National Association of Home Builders wrote.

Milwaukee Journal Sentinel

https://www.jsonline.com/story/news/politics/2018/02/12/no-2-wisconsin-dnr-official-joins-cathy-stepp-regional-office-epa-chicago/330657002/

No. 2 Wisconsin DNR official joins Cathy Stepp at regional office of the EPA in Chicago

By Lee Bergquist, 2/12/18

A second top state official at the Wisconsin Department of Natural Resources is moving to the U.S. Environmental Protection Agency's regional office in Chicago — an agency that oversees federal regulatory issues in the Midwest, including Wisconsin.

Kurt Thiede, deputy secretary of the DNR, is joining the EPA as chief of staff for Cathy Stepp, the recently appointed regional administrator of the environmental enforcement agency.

Thiede was appointed deputy DNR secretary in March 2015 by Republican Gov. Scott Walker and has worked at the state agency since 1999 in a variety of positions. He told fellow employees in a memo Monday that one of his goals had been to change the perception that the DNR was a regulatory agency to be feared.

The move of Stepp and now Thiede to the EPA comes at a time when Foxconn Technology Group has started to submit environmental permit applications to the DNR for a massive industrial complex in Racine County.

The Foxconn project is likely to require some federal environmental reviews or oversight.

Foxconn is planning to construct a $10 billion flat-screen plant in Mount Pleasant. The Taiwan company has already won exemptions from some state environmental rules as part of a state financial incentive package.

The EPA said earlier this month that Stepp has stepped aside from involvement in two ongoing regulatory cases in Wisconsin because of previous ties when she was at the DNR.

Those two cases involve pollution problems at barrel refurbishing plants in St. Francis, Milwaukee and Oak Creek and a longstanding EPA review of the DNR's water regulation program.

Asked if Stepp would recuse herself in other cases, an EPA spokeswoman told the Milwaukee Journal Sentinel on Feb. 6 that Stepp is "consulting with EPA ethics officials to determine which, if any, additional matters she should recuse herself from." The spokeswoman said Monday she had no additional details.

As for Thiede, the spokeswoman said, "Mr. Thiede will consult with EPA ethics officials to determine which matters he should recuse himself from."

Under the Walker administration, Thiede has played an influential role as an experienced agency insider in a department whose top managers mostly came from the outside.

In a memo to DNR employees on Monday, Thiede said:

"When I started to take on leadership roles at the agency I wanted to make sure we began to change the narrative that the DNR was something to be feared, avoided, or maligned.

"I wanted the agency to be viewed as a partner, a resource, and I feel like we have made great strides in this area. I understand that by the nature of our work we can't make everyone happy all the time, but we can change perceptions and make sure that any experience with the agency is professional, respectful and enlightening."

Stepp, a Republican and former builder and state senator from Racine County, oversaw all

environmental regulations in Wisconsin as secretary from 2011 until August.

She left the DNR in August for a post in the Trump administration in the Kansas City office of the EPA. On Dec. 19, she was appointed to head up the Midwest regional office in Chicago.

The regional office oversees Wisconsin, Indiana, Illinois, Michigan, Minnesota and Ohio.

In Madison, DNR Secretary Dan Meyer said Ed Eberle, the assistant deputy secretary, will become the No. 2 official in the agency.

In another move, Pat Stevens, administrator of the environmental management division of the DNR, will become assistant deputy secretary.

Oklahoma Energy Today

http://www.okenergytoday.com/2018/02/epa-disagrees-with-auditor-jones-over-tar-creek-trust/

EPA Disagrees With Auditor Jones Over Tar Creek Trust

By Jerry Bohnen, 2/12/18

Oklahoma State Auditor and Inspector Gary Jones apparently has a different opinion about the way contracts were handled by the Trust created to handle the relocation of homes and businesses at the Tar Creek Superfund site.

He thinks there might have been criminal wrongdoing. But the Tulsa World reported over the weekend that a federal investigator concluded otherwise. The paper said a 2013 report by the Environmental Protection Agency's Office of Inspector General claimed there were no irregularities or violations of law concerning the handling of the bids and contracts at Tar Creek in northeast Oklahoma.

The paper quoted the investigator from the report.

"Extensive record reviews and interviews were conducted and did not disclose evidence to support the allegations," Special Agent Susan Chandler wrote in the OIG report.

The OIG report was initially obtained by a member of the Lead-Impacted Communities Relocation Assistance Trust in 2014.

The investigation and conclusions drawn by the State Auditor were submitted to then-Attorney General Scott Pruitt who chose not to release the report. Current Attorney General Mike Hunter agreed also not to release it.

Jones still contends his report should be released to the public.

"If the attorney general thinks the auditor and inspector's office did shoddy work, I'd think he'd want the public to see it," Jones told the paper last week.

The OIG report lists 15 allegations against LICRAT and project engineer Jack Dalrymple. The World reported they deal with claims that Dalrymple and perhaps trust members conspired to rig the bidding process on a $3 million contract to remove and dispose of abandoned buildings and otherwise rehabilitate the Tar Creek site.

Dalrymple told the newspaper he thinks the Auditor and Inspector's report should be made public and he's not afraid of its release, adding, "I can tell you every single person on that trust was honest and true."

Bloomberg BNA

https://www.bna.com/water-infrastructure-among-n57982088642/

Water Infrastructure Among Few EPA Winners In Trump Budget Plan

By Dean Scott, 2/12/18

Water infrastructure funding would be essentially shielded from the deep cuts the Trump administration is seeking in Environmental Protection Agency funding in fiscal 2019, even as the president seeks to eliminate or greatly reduce regional water quality programs.

The president's budget request released Feb. 12 would provide $6.15 billion to the EPA for the fiscal year that begins Oct. 1, a reduction of about 25 percent from the fiscal 2017 enacted levels. A proposed cut that deep is expected to encounter resistance from Senate Democrats and even some Republicans.

At the same time, the proposed budget would maintain funding levels for EPA-funded water infrastructure projects. Overall, the EPA's two largest water funds, which provide money to states for infrastructure loans, would receive almost $2.3 billion in fiscal 2019.

This $2.3 billion allocation is separate from the $20 billion proposed to go to EPA in the president's infrastructure proposal, which was also released Feb. 12. The $20 billion in the infrastructure plan would be used as matching funds meant to spur states, cities, and private companies to move forward on projects.

Before Congress last week reached a two-year budget deal, which Trump signed Feb. 9, the administration planned to cut more than $380 million from the infrastructure fund that goes toward wastewater projects. That would have been a more than 27 percent reduction from fiscal 2017, the last year for which detailed full-year budget figures exist.

The administration instead kept funding for the wastewater program and for the EPA's drinking water infrastructure program after the budget deal was reached.

Great Lakes, Chesapeake Cleanups Cut

But funding for most regional water quality programs, in which the EPA supports cooperative efforts by states, would take a big hit under the Trump administration's fiscal 2019 request. It is seeking to eliminate EPA support for all such regional programs, with the exception of the Chesapeake Bay and the Great Lakes. Those two programs would be cut to 90 percent below the fiscal 2017 enacted levels.

The Chesapeake Bay regional cleanup effort would receive $7.3 million in fiscal 2019, down from the fiscal 2017 level of $73 million level, and the Great Lakes regional effort would receive $30 million, down from $300 million in fiscal 2017. The Trump administration proposed to eliminate those programs as well in its 2018 budget request, but Congress kept the funding.

Sen. Debbie Stabenow (D-Mich.) vowed to fight to restore that funding for the Great Lakes Restoration Initiative.

"This is outrageous," Stabenow said in a Feb. 12 statement. "People across Michigan spoke out and took action last year to stop these cuts and I know they'll do so again."

State water pollution programs also would get less funding under the Trump administration's budget plan. The White House is proposing $153 million for those EPA-funded programs, 33 percent below the enacted fiscal 2017 levels.

State Grant Cuts Sought

Trump also took aim once again at funding for state grants to reduce nonpoint source pollution, which comes from diffuse sources such as land runoff. His EPA budget proposal would eliminate funding for them in fiscal 2019.

The agency "will continue to coordinate with the United States Department of Agriculture to target funding where appropriate to address nonpoint sources," the administration said in its EPA budget request.

The White House also is proposing to eliminate funding for beach protection, contending that local governments have acquired expertise and procedures to carry out this program without federal funding and technical assistance.

Whether the EPA will actually see an overall cut in those programs or its overall fiscal 2019 budget will depend in part on how Congress allocates increased spending it approved as part of a two-year budget deal that boosted both domestic and defense spending. The White House included an addendum in its budget plan released Feb. 12 to reflect that infusion of funds.

The EPA addendum would provide a boost of $724 million to the EPA, which is included in the $6.15 billion the White House requested in total. The White House proposed to use the additional funding for Superfund sites and EPA-funded state and tribal grants for drinking water and wastewater infrastructure projects.

Fees Boost Chemical Program

The EPA's chemicals program would see an increase in funding under the budget request, thanks to expected fees from the chemical industry.

The EPA requested $58.6 million for the chemicals program, which would represent an 8.8 percent cut from fiscal 2017 enacted levels. However, the EPA anticipates it would more than make up that difference through fees from chemical manufacturers, importers, and processors.

Updates to the nation's chemicals law authorized those fees to help defray agency costs. The EPA recently proposed a fee rule that presumes the agency would collect about $20 million annually.

The Wall Street Journal

https://www.wsj.com/articles/u-s-crude-output-expected-to-outpace-demand-iea-says-1518512404

Shale Output Hasn't Grown This Fast Since Oil Was At $100

By Christopher Alessi, 2/13/18

LONDON—U.S. shale companies are churning out crude oil at a record pace that could overwhelm global demand and reverse the oil market's fragile recovery, a top energy-market observer said Tuesday.

U.S. shale production is growing faster in 2018 than it did even during the boom years of $100 a barrel oil prices from 2011 to 2014, said the International Energy Agency in its closely watched monthly report. The difference this time: Oil prices are about 40% lower.

The situation is "reminiscent of the first wave of U.S. shale growth," when a flood of American oil built up a global glut that sent prices crashing over four years ago, said the Paris-based IEA, which advises governments and corporations on energy trends.

Oil prices fell after the report's release in Europe before recovering somewhat. Brent, the international benchmark was down 0.06% at $62.55 while U.S. prices were down 0.27% at $59.13.

Shale producers "cut costs dramatically" during the nearly three-year-long oil industry downturn, the IEA said. They then took advantage of the Organization of the Petroleum Exporting Countries cartel's decision to cut its own output, which helped prices rise from the low $40s to over $70 a barrel as recently as late last month.

"All the indicators that suggest continued fast growth in the U.S. are in perfect alignment," the IEA said.

The result has been a series of milestones for U.S. oil production, which surpassed 10 million barrels a day for the first time since 1970 and is now higher than Saudi Arabian output. The IEA said the U.S. could catch up with Russia this year, the world's biggest producer at 11 million barrels a day.

Led by U.S. shale companies, crude output from non-OPEC nations is expected to outpace the growth in oil demand in 2018, the IEA said. That is an important data point for oil traders who have been watching to see if shale production could catch up to robust demand that has been fueled by a strong global economy.

"U.S. shale is growing as sharply as it was in 2013-2014," said Bjarne Schieldrop, chief commodities analyst at SEB Markets. But the situation is different now because of the OPEC-led agreement to curb production, Mr. Schieldrop added.

OPEC and 10 other countries including Russia—whose combined output accounts for over 55% of global supply—have been steadfast in their resolve to cut output. These countries have cut far more than the 1.8 million barrels a day they promised, according to the IEA.

The shale-oil growth will apply downward pressure on prices in the coming weeks. But as long as OPEC sticks to the deal, there won't be a dramatic correction like there was in 2014, when prices fell from $114 a barrel to less than $70, Mr. Schieldrop said. Demand for OPEC oil "is not going to decline this year," he said.

Until two weeks ago, oil prices had risen almost nonstop for over six months.

The optimistic sentiment was driven not only by OPEC but also by strong economic news, geopolitical flare-ups in Iraq, Saudi Arabia and Iran, and supply outages in Venezuela and the U.K. Oil storage levels—a gauge of a still-existing oversupply—have come down.

The IEA said commercial oil inventories in the Organization for Economic Cooperation and Development—a group of industrialized, oil-consuming nations, including the U.S.—fell by 55.6 million barrels in December, in the largest drop since 2011.

"The huge drop in inventories is a bullish signal," said Giovanni Staunovo, commodities analyst

at UBS Wealth Management.

But inventory levels in the U.S. have begun to rise again, after months of falling, as U.S. output rises.

U.S. crude output in January climbed by 1.3 million barrels a day compared with a year earlier, according to the IEA. Shale output accounted for much of those gains and is forecast to grow 1.25 million barrels a day on its own in 2018—its fastest rate ever, the IEA said.

The numbers represent a turnaround for a U.S. shale industry that was once dismissed as too high-cost to survive when oil prices fell from their peak several years ago.

Bloomberg

https://www.bloomberg.com/news/articles/2018-02-12/americans-expect-biggest-pay-jump-in-years

Americans Expect Biggest Pay Jump In Years

By Matthew Boesler, 2/12/18

Americans are more optimistic about wage growth than they have been in years. U.S. consumers anticipate earnings will rise 2.73 percent in the coming year, the most since data collection began in 2013, according to the results of a New York Fed survey released Monday and conducted last month. January was only the third month in the survey's 56-month history in which expected wage growth topped expected consumer price inflation, which fell slightly, to 2.71 percent.

The Wall Street Journal

https://www.wsj.com/articles/trumps-big-public-works-dig-1518481073

Trump's Big Public Works Dig

By The Wall Street Journal Editorial Board, 2/12/18

The White House on Monday unveiled its plan to raise $1.5 trillion in capital for public works. This will cause sticker shock among Republicans, but the President's innovative regulatory reforms deserve debate and may even garner some Democratic support.

President Trump is proposing to spend $200 billion in federal funds to leverage $1.3 trillion in state, local and private investment in public works. This bid is probably dead on arrival since Republicans have little appetite for more spending after blowing the budget sequestration caps last week.

Many bridges and airports need a face-lift, though claims of crumbling roads are overwrought and often politically motivated. One problem is that public works like other discretionary programs are being squeezed by entitlements, which constitute nearly two-thirds of federal spending. But even while politicians in Washington gripe that we—always the royal "we"—don't spend enough on public works, they consistently prioritize other discretionary programs.

Consider: Of the $787 billion stimulus in 2009, only about $60 billion financed public works. Most was spent on safety-net programs and other progressive causes. More Hurricane Sandy recovery money went to "community development" than repairing train tunnels.

Many projects that do receive federal funding aren't national priorities, such as California's bullet train. That's because the government typically awards "competitive" grants to politically favored projects rather than those that would produce the biggest economic benefits. The Obama Administration rigged cost-benefit analysis to reward projects that would promote public housing and reduce carbon emissions.

Mr. Trump's plan includes $100 billion in "incentives" to spur state and private investment; $50 billion for rural projects; $30 billion in revolving federal credit and capital funds; and $20 billion for "bold and innovative projects" that may not attract private investment "because of the project's unique characteristics." By any other name, this is a national infrastructure bank synonymous with cronyism.

State and local governments have shown they're willing to finance worthwhile projects. According to the Pew Charitable Trusts, more than half of states have raised gas taxes over the past five years to pay for public works. Many innovative projects have no trouble attracting private investment. Consider the Cadiz pipeline, which aims to move 16.3 billion gallons of groundwater each year from the Mojave Desert to Southern California. Or the new desalination plant in Carlsbad, Calif.

Mr. Trump and Congress should instead focus new federal funding on national or regional priorities such as improving port security and repairing the Hudson River train tunnels, which would benefit most of the Northeast. Congress could also shift from categorical and competitive grants to block grants that give governors flexibility. This would also make state and local politicians more accountable for their spending. Let California Gov. Jerry Brown choose between spending billions more on his bullet train in the Central Valley or improving commuter rail in the Bay Area.

The real earth-moving parts of Mr. Trump's plan are the regulatory reforms, some of which will need to be fleshed out. The President wants to establish "one agency, one decision" for environmental reviews that would avoid regulatory hop-scotch. Good idea. Mr. Trump also suggests reducing environmental reviews to two years that can now drag out for a decade. Even many Democrats would like to expedite their favorite projects that have been grounded due to the discovery of a tiger salamander or other endangered species.

Another idea with merit is delegating environmental review and permitting decisions to states. California has been assigned these responsibilities under agreements with the Federal Highway Administration, as have Texas, Florida and Ohio. According to Gov. Brown, California has reduced the approval process from the "notice of intent to final environmental impact statement" on highway projects on average by 10 years.

Tucked into the plan is modest flexibility on Buy America requirements and Davis-Bacon, which requires contractors on federal projects to pay workers prevailing wages set by unions. These raise construction costs. While this flexibility is commendable, Mr. Trump's plan will also require tens of thousands of more workers. The Associated General Contractors of America reported last month that 78% of contractors had a hard time hiring. Apprenticeships can make up some of the shortage, but the government will need to increase H-2B visas to avoid delays or exorbitant project costs.

Democrats are ripping the President's plan, and no doubt many think they can get more money if they win control of Congress in November. But they shouldn't be so sure. President Trump deserves credit for opening a debate in Congress about why merely spending more on public works won't help the public.

TRUMP TWEETS

Donald J. Trump @realDonaldTrump · 3h

Negotiations on DACA have begun. Republicans want to make a deal and Democrats say they want to make a deal. Wouldn't it be great if we could finally, after so many years, solve the DACA puzzle. This will be our last chance, there will never be another opportunity! March 5th.

7.7K 7.5K 32K

Donald J. Trump @realDonaldTrump · 3h

Our infrastructure plan has been put forward and has received great reviews by everyone except, of course, the Democrats. After many years we have taken care of our Military, now we have to fix our roads, bridges, tunnels, airports and more. Bipartisan, make deal Dems?

7.3K 8.6K 37K

Donald J. Trump @realDonaldTrump · 17h

The journey to #MAGA began @CPAC 2011 and the opportunity to reconnect with friends and supporters is something I look forward to every year. See you at #CPAC2018!

9.6K 11K 52K

EPA News Highlights 2.13.18

The Washington Examiner: EPA Reaches $10 Million Settlement With Shell

Energy giant Shell agreed to install $10 million in emissions control equipment at a Louisiana chemical plant as part of a settlement Monday with the Environmental Protection Agency and Justice Department. EPA Administrator Scott Pruitt said the agreement demonstrates the agency's "dedication" to working with the states to pursue violations of federal clean air laws and bring violating companies into compliance. "This settlement will improve air quality for citizens of Louisiana by reducing emissions of harmful air pollution," Pruitt said. The EPA, Justice Department and the Louisiana Department of Environmental Quality announced the settlement with Shell Chemical for emissions violations stemming from the company's chemical plant in Norco, La. The settlement will result in the elimination of more than 150 tons of excess emissions of harmful air pollutants. It resolves charges that Shell violated the Clean Air Act and state law by not properly operating flaring units to burn off excess gases. The settlement, in addition to making the $10 million in improvements, also fined the company civil penalties totaling $350,000, including $87,500 to state regulators.

E&E News: Trump Wants To End EPA Dredge And Fill Permitting, Vetoes

The Trump administration wants to eliminate U.S. EPA authority over dredging and filling the nation's wetlands and waterways. The proposal — which would require congressional approval — was included in the Trump administration's infrastructure plan released today. The plan would give the Army Corps of Engineers complete authority over the Clean Water Act Section 404 program, taking EPA out of the process. The administration also wants to eliminate EPA's 404(c) veto power over permits it disagrees with. The proposal would mean the Army Corps would be solely responsible for reviewing project proposals and permitting them.

Milwaukee Journal Sentinel: No. 2 Wisconsin DNR official joins Cathy Stepp at regional office of the EPA in Chicago

A second top state official at the Wisconsin Department of Natural Resources is moving to the U.S. Environmental Protection Agency's regional office in Chicago — an agency that oversees federal regulatory issues in the Midwest, including Wisconsin. Kurt Thiede, deputy secretary of the DNR, is joining the EPA as chief of staff for Cathy Stepp, the recently appointed regional administrator of the environmental enforcement agency. Thiede was appointed deputy DNR secretary in March 2015 by Republican Gov. Scott Walker and has worked at the state agency since 1999 in a variety of positions. He told fellow employees in a memo Monday that one of his goals had been to change the perception that the DNR was a regulatory agency to be feared. The move of Stepp and now Thiede to the EPA comes at a time when Foxconn Technology Group has started to submit environmental permit applications to the DNR for a massive industrial complex in Racine County.

Oklahoma Energy Today: EPA Disagrees With Auditor Jones Over Tar Creek Trust

Oklahoma State Auditor and Inspector Gary Jones apparently has a different opinion about the way contracts were handled by the Trust created to handle the relocation of homes and businesses at the Tar Creek Superfund site. He thinks there might have been criminal wrongdoing. But the Tulsa World reported over the weekend that a federal investigator concluded otherwise. The paper said a 2013 report by the Environmental Protection Agency's Office of Inspector General claimed there were no irregularities or violations of law concerning the handling of the bids and contracts at Tar Creek in northeast Oklahoma. The paper quoted the investigator from the report. "Extensive record reviews and interviews were conducted and did not disclose evidence to support the allegations," Special Agent Susan Chandler wrote in the OIG report. The OIG report was initially obtained by a member of the Lead-Impacted Communities Relocation Assistance Trust in 2014.

Bloomberg BNA: Water Infrastructure Among Few EPA Winners In Trump Budget Plan

Water infrastructure funding would be essentially shielded from the deep cuts the Trump administration is seeking in Environmental Protection Agency funding in fiscal 2019, even as the president seeks to eliminate or greatly reduce regional water quality programs. The president's budget request released Feb. 12 would provide $6.15 billion to the EPA

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for the fiscal year that begins Oct. 1, a reduction of about 25 percent from the fiscal 2017 enacted levels. A proposed cut that deep is expected to encounter resistance from Senate Democrats and even some Republicans. At the same time, the proposed budget would maintain funding levels for EPA-funded water infrastructure projects. Overall, the EPA's two largest water funds, which provide money to states for infrastructure loans, would receive almost $2.3 billion in fiscal 2019.

National News Highlights 2.13.18

The Wall Street Journal: Shale Output Hasn't Grown This Fast Since Oil Was At $100
U.S. shale companies are churning out crude oil at a record pace that could overwhelm global demand and reverse the oil market's fragile recovery, a top energy-market observer said Tuesday. U.S. shale production is growing faster in 2018 than it did even during the boom years of $100 a barrel oil prices from 2011 to 2014, said the International Energy Agency in its closely watched monthly report. The difference this time: Oil prices are about 40% lower. The situation is "reminiscent of the first wave of U.S. shale growth," when a flood of American oil built up a global glut that sent prices crashing over four years ago, said the Paris-based IEA, which advises governments and corporations on energy trends. Oil prices fell after the report's release in Europe before recovering somewhat. Brent, the international benchmark was down 0.06% at $62.55 while U.S. prices were down 0.27% at $59.13.

Bloomberg: Americans Expect Biggest Pay Jump In Years
Americans are more optimistic about wage growth than they have been in years. U.S. consumers anticipate earnings will rise 2.73 percent in the coming year, the most since data collection began in 2013, according to the results of a New York Fed survey released Monday and conducted last month. January was only the third month in the survey's 56-month history in which expected wage growth topped expected consumer price inflation, which fell slightly, to 2.71 percent.

The Wall Street Journal: Trump's Big Public Works Dig
The real earth-moving parts of Mr. Trump's plan are the regulatory reforms, some of which will need to be fleshed out. The President wants to establish "one agency, one decision" for environmental reviews that would avoid regulatory hop-scotch. Good idea. Mr. Trump also suggests reducing environmental reviews to two years that can now drag out for a decade. Even many Democrats would like to expedite their favorite projects that have been grounded due to the discovery of a tiger salamander or other endangered species. Another idea with merit is delegating environmental review and permitting decisions to states. California has been assigned these responsibilities under agreements with the Federal Highway Administration, as have Texas, Florida and Ohio. According to Gov. Brown, California has reduced the approval process from the "notice of intent to final environmental impact statement" on highway projects on average by 10 years. Tucked into the plan is modest flexibility on Buy America requirements and Davis-Bacon, which requires contractors on federal projects to pay workers prevailing wages set by unions. These raise construction costs. While this flexibility is commendable, Mr. Trump's plan will also require tens of thousands of more workers. The Associated General Contractors of America reported last month that 78% of contractors had a hard time hiring. Apprenticeships can make up some of the shortage, but the government will need to increase H-2B visas to avoid delays or exorbitant project costs. Democrats are ripping the President's plan, and no doubt many think they can get more money if they win control of Congress in November. But they shouldn't be so sure. President Trump deserves credit for opening a debate in Congress about why merely spending more on public works won't help the public.

TRUMP TWEETS

The Washington Examiner

http://www.washingtonexaminer.com/epa-reaches-10-million-settlement-with-shell/article/2648888
EPA Reaches $10 Million Settlement With Shell
By John Siciliano, 2/12/18

Energy giant Shell agreed to install $10 million in emissions control equipment at a Louisiana chemical plant as part of a

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settlement Monday with the Environmental Protection Agency and Justice Department.

EPA Administrator Scott Pruitt said the agreement demonstrates the agency's "dedication" to working with the states to pursue violations of federal clean air laws and bring violating companies into compliance.

“This settlement will improve air quality for citizens of Louisiana by reducing emissions of harmful air pollution,” Pruitt said.

The EPA, Justice Department and the Louisiana Department of Environmental Quality announced the settlement with Shell Chemical for emissions violations stemming from the company's chemical plant in Norco, La.

The settlement will result in the elimination of more than 150 tons of excess emissions of harmful air pollutants. It resolves charges that Shell violated the Clean Air Act and state law by not properly operating flaring units to burn off excess gases.

The settlement, in addition to making the $10 million in improvements, also fined the company civil penalties totaling $350,000, including $87,500 to state regulators.

“This agreement is the latest in EPA’s and the Justice Department’s continuing efforts to work with our state partners to protect the American public from harmful air pollution,” said Jeffrey Wood, the Justice Department’s acting assistant attorney general for environment and natural resources.

E&E News

https://www.eenews.net/eenewspm/2018/02/12/stories/1060073641

Trump Wants To End EPA Dredge□And□Fill Permitting, Vetoes

By Ariel Wittenberg, 2/12/18

The Trump administration wants to eliminate U.S. EPA authority over dredging and filling the nation's wetlands and waterways.

The proposal — which would require congressional approval — was included in the Trump administration's infrastructure plan released today.

The plan would give the Army Corps of Engineers complete authority over the Clean Water Act Section 404 program, taking EPA out of the process.

The administration also wants to eliminate EPA's 404(c) veto power over permits it disagrees with.

The proposal would mean the Army Corps would be solely responsible for reviewing project proposals and permitting them.

While EPA and the Army Corps would continue working on current efforts to rewrite regulations defining which wetlands and small waterways are subject to the Clean Water Act, the administration apparently wants EPA's authority to end there.

Not only would the Army Corps be the only agency to issue jurisdictional determinations about whether specific projects need permits for dredging and filling, the administration also wants to "eliminate duplicative oversight" by removing

EPA's veto authority over Army Corps 404 permits.

"The threat of the veto creates significant uncertainty and delays permit decisions," the proposal says. "Removing EPA's authority to veto a 404 permit would make the permitting process more efficient and predictable."

That could have major ramifications for projects nationwide, especially the Pebble mine project in southwestern Alaska.

Last month, U.S. EPA Administrator Scott Pruitt unexpectedly withdrew his attempt to quash proposed pre-emptive restrictions on the controversial mine project (Greenwire, Jan. 30).

Today's proposal would render that meaningless by eliminating 404(c) altogether, leaving Pebble's critics with only EPA's science showing "significant and irreversible harm."

EPA and Army Corps' joint administration of dredging and filling permits dates back to the Clean Water Act's 1972 passage. A deal between the House and Senate during CWA negotiations maintained the Army Corps' traditional authority over dredging and filling as EPA became responsible for water pollution from those projects (Greenwire, June 29, 2017).

The agencies agreed in 1979 that while the Army Corps would be the primary permit administrator, EPA would have the final say. In 1992, the agencies signed another agreement that they would jointly participate in a dual review.

The administration's proposal follows requests from energy companies this fall that EPA be eliminated from 404 permitting.

"Unfortunately, the extreme difference in opinions and backgrounds between the agencies has created a significant disruption in their coordination and program administration," coal company Murray Energy Corp. wrote to the Army Corps in October. "Each agency is struggling to manage the program as they see fit creating an uncertainty and unclear path of progression for the applicants."

The comments were in response to the Army Corps' requests for comments on 30 regulations that "might be appropriate for repeal, replacement or modification" (Greenwire, Oct. 20, 2017).

The Waters Advocacy Coalition, which comprises more than 60 industry groups, also asked the Army Corps to withdraw from both the 1979 and 1992 agreements.

The 1979 agreement, the coalition wrote, "allows EPA to delay and/or second-guess the Corps expertise."

That position is also supported by several construction and farming groups.

"Recognizing the Corps' authority over its own 404 program would promote consistency and certainty, as permit holders could rely on a jurisdictional determination or 404 permit issued by the Corps without having to wonder if EPA will insert itself into the decision making process and undermine the Corps' positions," the National Association of Home Builders wrote.

Milwaukee Journal Sentinel

https://www.jsonline.com/story/news/politics/2018/02/12/no-2-wisconsin-dnr-official-joins-cathy-stepp-regional-office-epa-chicago/330657002/

No. 2 Wisconsin DNR official joins Cathy Stepp at regional office of the EPA in Chicago

By Lee Bergquist, 2/12/18

A second top state official at the Wisconsin Department of Natural Resources is moving to the U.S. Environmental

Protection Agency's regional office in Chicago — an agency that oversees federal regulatory issues in the Midwest, including Wisconsin.

Kurt Thiede, deputy secretary of the DNR, is joining the EPA as chief of staff for Cathy Stepp, the recently appointed regional administrator of the environmental enforcement agency.

Thiede was appointed deputy DNR secretary in March 2015 by Republican Gov. Scott Walker and has worked at the state agency since 1999 in a variety of positions. He told fellow employees in a memo Monday that one of his goals had been to change the perception that the DNR was a regulatory agency to be feared.

The move of Stepp and now Thiede to the EPA comes at a time when Foxconn Technology Group has started to submit environmental permit applications to the DNR for a massive industrial complex in Racine County.

The Foxconn project is likely to require some federal environmental reviews or oversight.

Foxconn is planning to construct a $10 billion flat-screen plant in Mount Pleasant. The Taiwan company has already won exemptions from some state environmental rules as part of a state financial incentive package.

The EPA said earlier this month that Stepp has stepped aside from involvement in two ongoing regulatory cases in Wisconsin because of previous ties when she was at the DNR.

Those two cases involve pollution problems at barrel refurbishing plants in St. Francis, Milwaukee and Oak Creek and a longstanding EPA review of the DNR's water regulation program.

Asked if Stepp would recuse herself in other cases, an EPA spokeswoman told the Milwaukee Journal Sentinel on Feb. 6 that Stepp is "consulting with EPA ethics officials to determine which, if any, additional matters she should recuse herself from." The spokeswoman said Monday she had no additional details.

As for Thiede, the spokeswoman said, "Mr. Thiede will consult with EPA ethics officials to determine which matters he should recuse himself from."

Under the Walker administration, Thiede has played an influential role as an experienced agency insider in a department whose top managers mostly came from the outside.

In a memo to DNR employees on Monday, Thiede said:

"When I started to take on leadership roles at the agency I wanted to make sure we began to change the narrative that the DNR was something to be feared, avoided, or maligned.

"I wanted the agency to be viewed as a partner, a resource, and I feel like we have made great strides in this area. I understand that by the nature of our work we can't make everyone happy all the time, but we can change perceptions and make sure that any experience with the agency is professional, respectful and enlightening."

Stepp, a Republican and former builder and state senator from Racine County, oversaw all environmental regulations in Wisconsin as secretary from 2011 until August.

She left the DNR in August for a post in the Trump administration in the Kansas City office of the EPA. On Dec. 19, she was appointed to head up the Midwest regional office in Chicago.

The regional office oversees Wisconsin, Indiana, Illinois, Michigan, Minnesota and Ohio.

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In Madison, DNR Secretary Dan Meyer said Ed Eberle, the assistant deputy secretary, will become the No. 2 official in the agency.

In another move, Pat Stevens, administrator of the environmental management division of the DNR, will become assistant deputy secretary.

Oklahoma Energy Today

http://www.okenergytoday.com/2018/02/epa-disagrees-with-auditor-jones-over-tar-creek-trust/

EPA Disagrees With Auditor Jones Over Tar Creek Trust

By Jerry Bohnen, 2/12/18

Oklahoma State Auditor and Inspector Gary Jones apparently has a different opinion about the way contracts were handled by the Trust created to handle the relocation of homes and businesses at the Tar Creek Superfund site.

He thinks there might have been criminal wrongdoing. But the Tulsa World reported over the weekend that a federal investigator concluded otherwise. The paper said a 2013 report by the Environmental Protection Agency's Office of Inspector General claimed there were no irregularities or violations of law concerning the handling of the bids and contracts at Tar Creek in northeast Oklahoma.

The paper quoted the investigator from the report.

"Extensive record reviews and interviews were conducted and did not disclose evidence to support the allegations," Special Agent Susan Chandler wrote in the OIG report.

The OIG report was initially obtained by a member of the Lead-Impacted Communities Relocation Assistance Trust in 2014.

The investigation and conclusions drawn by the State Auditor were submitted to then-Attorney General Scott Pruitt who chose not to release the report. Current Attorney General Mike Hunter agreed also not to release it.

Jones still contends his report should be released to the public.

"If the attorney general thinks the auditor and inspector's office did shoddy work, I'd think he'd want the public to see it," Jones told the paper last week.

The OIG report lists 15 allegations against LICRAT and project engineer Jack Dalrymple. The World reported they deal with claims that Dalrymple and perhaps trust members conspired to rig the bidding process on a $3 million contract to remove and dispose of abandoned buildings and otherwise rehabilitate the Tar Creek site.

Dalrymple told the newspaper he thinks the Auditor and Inspector's report should be made public and he's not afraid of its release, adding, "I can tell you every single person on that trust was honest and true."

Bloomberg BNA

https://www.bna.com/water-infrastructure-among-n57982088642/

Water Infrastructure Among Few EPA Winners In Trump Budget Plan

By Dean Scott, 2/12/18

Water infrastructure funding would be essentially shielded from the deep cuts the Trump administration is seeking in Environmental Protection Agency funding in fiscal 2019, even as the president seeks to eliminate or greatly reduce regional water quality programs.

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The president's budget request released Feb. 12 would provide $6.15 billion to the EPA for the fiscal year that begins Oct. 1, a reduction of about 25 percent from the fiscal 2017 enacted levels. A proposed cut that deep is expected to encounter resistance from Senate Democrats and even some Republicans.

At the same time, the proposed budget would maintain funding levels for EPA-funded water infrastructure projects. Overall, the EPA's two largest water funds, which provide money to states for infrastructure loans, would receive almost $2.3 billion in fiscal 2019.

This $2.3 billion allocation is separate from the $20 billion proposed to go to EPA in the president's infrastructure proposal, which was also released Feb. 12. The $20 billion in the infrastructure plan would be used as matching funds meant to spur states, cities, and private companies to move forward on projects.

Before Congress last week reached a two-year budget deal, which Trump signed Feb. 9, the administration planned to cut more than $380 million from the infrastructure fund that goes toward wastewater projects. That would have been a more than 27 percent reduction from fiscal 2017, the last year for which detailed full-year budget figures exist.

The administration instead kept funding for the wastewater program and for the EPA's drinking water infrastructure program after the budget deal was reached.

Great Lakes, Chesapeake Cleanups Cut

But funding for most regional water quality programs, in which the EPA supports cooperative efforts by states, would take a big hit under the Trump administration's fiscal 2019 request. It is seeking to eliminate EPA support for all such regional programs, with the exception of the Chesapeake Bay and the Great Lakes. Those two programs would be cut to 90 percent below the fiscal 2017 enacted levels.

The Chesapeake Bay regional cleanup effort would receive $7.3 million in fiscal 2019, down from the fiscal 2017 level of $73 million level, and the Great Lakes regional effort would receive $30 million, down from $300 million in fiscal 2017. The Trump administration proposed to eliminate those programs as well in its 2018 budget request, but Congress kept the funding.

Sen. Debbie Stabenow (D-Mich.) vowed to fight to restore that funding for the Great Lakes Restoration Initiative.

"This is outrageous," Stabenow said in a Feb. 12 statement. "People across Michigan spoke out and took action last year to stop these cuts and I know they'll do so again."

State water pollution programs also would get less funding under the Trump administration's budget plan. The White House is proposing $153 million for those EPA-funded programs, 33 percent below the enacted fiscal 2017 levels.

State Grant Cuts Sought

Trump also took aim once again at funding for state grants to reduce nonpoint source pollution, which comes from diffuse sources such as land runoff. His EPA budget proposal would eliminate funding for them in fiscal 2019.

The agency "will continue to coordinate with the United States Department of Agriculture to target funding where appropriate to address nonpoint sources," the administration said in its EPA budget request.

The White House also is proposing to eliminate funding for beach protection, contending that local governments have acquired expertise and procedures to carry out this program without federal funding and technical assistance.

Whether the EPA will actually see an overall cut in those programs or its overall fiscal 2019 budget will depend in part on how Congress allocates increased spending it approved as part of a two-year budget deal that boosted both domestic and defense spending. The White House included an addendum in its budget plan released Feb. 12 to reflect that

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infusion of funds.

The EPA addendum would provide a boost of $724 million to the EPA, which is included in the $6.15 billion the White House requested in total. The White House proposed to use the additional funding for Superfund sites and EPA-funded state and tribal grants for drinking water and wastewater infrastructure projects.

Fees Boost Chemical Program
The EPA's chemicals program would see an increase in funding under the budget request, thanks to expected fees from the chemical industry.

The EPA requested $58.6 million for the chemicals program, which would represent an 8.8 percent cut from fiscal 2017 enacted levels. However, the EPA anticipates it would more than make up that difference through fees from chemical manufacturers, importers, and processors.

Updates to the nation's chemicals law authorized those fees to help defray agency costs. The EPA recently proposed a fee rule that presumes the agency would collect about $20 million annually.

The Wall Street Journal

https://www.wsj.com/articles/u-s-crude-output-expected-to-outpace-demand-iea-says-1518512404

Shale Output Hasn't Grown This Fast Since Oil Was At $100
By Christopher Alessi, 2/13/18

LONDON—U.S. shale companies are churning out crude oil at a record pace that could overwhelm global demand and reverse the oil market's fragile recovery, a top energy-market observer said Tuesday.

U.S. shale production is growing faster in 2018 than it did even during the boom years of $100 a barrel oil prices from 2011 to 2014, said the International Energy Agency in its closely watched monthly report. The difference this time: Oil prices are about 40% lower.

The situation is "reminiscent of the first wave of U.S. shale growth," when a flood of American oil built up a global glut that sent prices crashing over four years ago, said the Paris-based IEA, which advises governments and corporations on energy trends.

Oil prices fell after the report's release in Europe before recovering somewhat. Brent, the international benchmark was down 0.06% at $62.55 while U.S. prices were down 0.27% at $59.13.

Shale producers "cut costs dramatically" during the nearly three-year-long oil industry downturn, the IEA said. They then took advantage of the Organization of the Petroleum Exporting Countries cartel's decision to cut its own output, which helped prices rise from the low $40s to over $70 a barrel as recently as late last month.

"All the indicators that suggest continued fast growth in the U.S. are in perfect alignment," the IEA said.

The result has been a series of milestones for U.S. oil production, which surpassed 10 million barrels a day for the first time since 1970 and is now higher than Saudi Arabian output. The IEA said the U.S. could catch up with Russia this year, the world's biggest producer at 11 million barrels a day.

Led by U.S. shale companies, crude output from non-OPEC nations is expected to outpace the growth in oil demand in 2018, the IEA said. That is an important data point for oil traders who have been watching to see if shale production could catch up to robust demand that has been fueled by a strong global economy.

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"U.S. shale is growing as sharply as it was in 2013-2014," said Bjarne Schieldrop, chief commodities analyst at SEB Markets. But the situation is different now because of the OPEC-led agreement to curb production, Mr. Schieldrop added.

OPEC and 10 other countries including Russia—whose combined output accounts for over 55% of global supply—have been steadfast in their resolve to cut output. These countries have cut far more than the 1.8 million barrels a day they promised, according to the IEA.

The shale-oil growth will apply downward pressure on prices in the coming weeks. But as long as OPEC sticks to the deal, there won't be a dramatic correction like there was in 2014, when prices fell from $114 a barrel to less than $70, Mr. Schieldrop said. Demand for OPEC oil "is not going to decline this year," he said.

Until two weeks ago, oil prices had risen almost nonstop for over six months.

The optimistic sentiment was driven not only by OPEC but also by strong economic news, geopolitical flare-ups in Iraq, Saudi Arabia and Iran, and supply outages in Venezuela and the U.K. Oil storage levels—a gauge of a still-existing oversupply—have come down.

The IEA said commercial oil inventories in the Organization for Economic Cooperation and Development—a group of industrialized, oil-consuming nations, including the U.S.—fell by 55.6 million barrels in December, in the largest drop since 2011.

"The huge drop in inventories is a bullish signal," said Giovanni Staunovo, commodities analyst at UBS Wealth Management.

But inventory levels in the U.S. have begun to rise again, after months of falling, as U.S. output rises.

U.S. crude output in January climbed by 1.3 million barrels a day compared with a year earlier, according to the IEA. Shale output accounted for much of those gains and is forecast to grow 1.25 million barrels a day on its own in 2018—its fastest rate ever, the IEA said.

The numbers represent a turnaround for a U.S. shale industry that was once dismissed as too high-cost to survive when oil prices fell from their peak several years ago.

Bloomberg

https://www.bloomberg.com/news/articles/2018-02-12/americans-expect-biggest-pay-jump-in-years

Americans Expect Biggest Pay Jump In Years

By Matthew Boesler, 2/12/18

Americans are more optimistic about wage growth than they have been in years. U.S. consumers anticipate earnings will rise 2.73 percent in the coming year, the most since data collection began in 2013, according to the results of a New York Fed survey released Monday and conducted last month. January was only the third month in the survey's 56-month history in which expected wage growth topped expected consumer price inflation, which fell slightly, to 2.71 percent.

The Wall Street Journal

https://www.wsj.com/articles/trumps-big-public-works-dig-1518481073

Trump's Big Public Works Dig

By The Wall Street Journal Editorial Board, 2/12/18

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The White House on Monday unveiled its plan to raise $1.5 trillion in capital for public works. This will cause sticker shock among Republicans, but the President's innovative regulatory reforms deserve debate and may even garner some Democratic support.

President Trump is proposing to spend $200 billion in federal funds to leverage $1.3 trillion in state, local and private investment in public works. This bid is probably dead on arrival since Republicans have little appetite for more spending after blowing the budget sequestration caps last week.

Many bridges and airports need a face-lift, though claims of crumbling roads are overwrought and often politically motivated. One problem is that public works like other discretionary programs are being squeezed by entitlements, which constitute nearly two-thirds of federal spending. But even while politicians in Washington gripe that we—always the royal "we"—don't spend enough on public works, they consistently prioritize other discretionary programs.

Consider: Of the $787 billion stimulus in 2009, only about $60 billion financed public works. Most was spent on safety-net programs and other progressive causes. More Hurricane Sandy recovery money went to "community development" than repairing train tunnels.

Many projects that do receive federal funding aren't national priorities, such as California's bullet train. That's because the government typically awards "competitive" grants to politically favored projects rather than those that would produce the biggest economic benefits. The Obama Administration rigged cost-benefit analysis to reward projects that would promote public housing and reduce carbon emissions.

Mr. Trump's plan includes $100 billion in "incentives" to spur state and private investment; $50 billion for rural projects; $30 billion in revolving federal credit and capital funds; and $20 billion for "bold and innovative projects" that may not attract private investment "because of the project's unique characteristics." By any other name, this is a national infrastructure bank synonymous with cronyism.

State and local governments have shown they're willing to finance worthwhile projects. According to the Pew Charitable Trusts, more than half of states have raised gas taxes over the past five years to pay for public works. Many innovative projects have no trouble attracting private investment. Consider the Cadiz pipeline, which aims to move 16.3 billion gallons of groundwater each year from the Mojave Desert to Southern California. Or the new desalination plant in Carlsbad, Calif.

Mr. Trump and Congress should instead focus new federal funding on national or regional priorities such as improving port security and repairing the Hudson River train tunnels, which would benefit most of the Northeast. Congress could also shift from categorical and competitive grants to block grants that give governors flexibility. This would also make state and local politicians more accountable for their spending. Let California Gov. Jerry Brown choose between spending billions more on his bullet train in the Central Valley or improving commuter rail in the Bay Area.

The real earth-moving parts of Mr. Trump's plan are the regulatory reforms, some of which will need to be fleshed out. The President wants to establish "one agency, one decision" for environmental reviews that would avoid regulatory hop-scotch. Good idea. Mr. Trump also suggests reducing environmental reviews to two years that can now drag out for a decade. Even many Democrats would like to expedite their favorite projects that have been grounded due to the discovery of a tiger salamander or other endangered species.

Another idea with merit is delegating environmental review and permitting decisions to states. California has been assigned these responsibilities under agreements with the Federal Highway Administration, as have Texas, Florida and Ohio. According to Gov. Brown, California has reduced the approval process from the "notice of intent to final environmental impact statement" on highway projects on average by 10 years.

Tucked into the plan is modest flexibility on Buy America requirements and Davis-Bacon, which requires contractors on

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federal projects to pay workers prevailing wages set by unions. These raise construction costs. While this flexibility is commendable, Mr. Trump's plan will also require tens of thousands of more workers. The Associated General Contractors of America reported last month that 78% of contractors had a hard time hiring. Apprenticeships can make up some of the shortage, but the government will need to increase H-2B visas to avoid delays or exorbitant project costs.

Democrats are ripping the President's plan, and no doubt many think they can get more money if they win control of Congress in November. But they shouldn't be so sure. President Trump deserves credit for opening a debate in Congress about why merely spending more on public works won't help the public.

TRUMP TWEETS

Donald J. Trump @realDonaldTrump · 3h

Negotiations on DACA have begun. Republicans want to make a deal and Democrats say they want to make a deal. Wouldn't it be great if we could finally, after so many years, solve the DACA puzzle. This will be our last chance, there will never be another opportunity! March 5th.

7.7K 7.5K 32K

Donald J. Trump @realDonaldTrump · 3h

Our infrastructure plan has been put forward and has received great reviews by everyone except, of course, the Democrats. After many years we have taken care of our Military, now we have to fix our roads, bridges, tunnels, airports and more. Bipartisan, make deal Dems?

7.3K 8.6K 37K

Donald J. Trump @realDonaldTrump · 17h

The journey to #MAGA began @CPAC 2011 and the opportunity to reconnect with friends and supporters is something I look forward to every year. See you at #CPAC2018!

9.6K 11K 52K

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To: Hewitt, James[hewitt.james@epa.gov]; Beach, Christopher[beach.christopher@epa.gov]; Beck, Nancy[Beck.Nancy@epa.gov]; Bennett, Tate[Bennett.Tate@epa.gov]; Block, Molly[block.molly@epa.gov]; Bodine, Susan[bodine.susan@epa.gov]; Bowman, Liz[Bowman.Liz@epa.gov]; Ferguson, Lincoln[ferguson.lincoln@epa.gov]; Ford, Hayley[ford.hayley@epa.gov]; Frye, Tony (Robert)[frye.robert@epa.gov]; Gordon, Stephen[gordon.stephen@epa.gov]; Grantham, Nancy[Grantham.Nancy@epa.gov]; Gunasekara, Mandy[Gunasekara.Mandy@epa.gov]; Hanson, Paige (Catherine)[hanson.catherine@epa.gov]; Jackson, Ryan[jackson.ryan@epa.gov]; Kelly, Albert[kelly.albert@epa.gov]; Konkus, John[konkus.john@epa.gov]; Leopold, Matt[Leopold.Matt@epa.gov]; Letendre, Daisy[letendre.daisy@epa.gov]; Lyons, Troy[lyons.troy@epa.gov]; McMurray, Forrest[mcmurray.forrest@epa.gov]; Palich, Christian[palich.christian@epa.gov]; Ringel, Aaron[ringel.aaron@epa.gov]; Rodrick, Christian[rodrick.christian@epa.gov]; Ross, David P[ross.davidp@epa.gov]; Shimmin, Kaitlyn[shimmin.kaitlyn@epa.gov]; Wehrum, Bill[Wehrum.Bill@epa.gov]; Wilcox, Jahan[wilcox.jahan@epa.gov]; Abboud, Michael[abboud.michael@epa.gov]; Daniell, Kelsi[daniell.kelsi@epa.gov]; Cory, Preston (Katherine)[Cory.Preston@epa.gov]
From: Daniell, Kelsi
Sent: Fri 4/20/2018 1:55:21 PM
Subject: EPA Morning News Highlights 04.20.18
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EPA Morning News Highlights 04.20.18

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BNA: Indian to Get EPA Money for Lead Cleanup, Water Upgrades.

The EPA is giving the Hoosier State a loan of nearly half a billion dollars to upgrade its water systems, with plans to spend additional money to clean up a lead-contaminated site in the northwestern part of the state. EPA Administrator Scott Pruitt on April 19 visited Whiting, Ind., home of a former Federated Metals plant that is now a Superfund site. Pruitt said his agency would spend $1.7 million to address lead contamination at the former copper, lead, and zinc smelter.

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Brietbart: Exclusive—Talgo: EPA Administrator Scott Pruitt Should Be Applauded, Not Attacked

Environmental Protection Agency (EPA) Administrator Scott Pruitt has unquestionably been the most effective official in President Donald Trump's administration. He has laid waste to Barack Obama's radical environmental legacy, which is why Democrats, the mainstream media, academia, environmentalists, and left-wing advocacy groups are in full-panic mode. Out of desperation, these zealots (aided by the media) are resorting to unwarranted character assaults to challenge Pruitt's integrity and diminish his authority.

Gulf Live: EPA Administrator Signs $107.6 Million Memorandum to Clean Mississippi Phosphates Site

The Environmental Protection Agency administrator Scott Pruitt signed an Action Memorandum for $107.6 million on Wednesday, accelerating the cleanup of the former Mississippi Phosphates Corporation (MPC) Site in Pascagoula. In January, Pruitt and his team added MPC to its Superfund Priorities List after the agency announced in August 2017 their intentions to recommend the site for the list because of the environmental hazard it posed to marine and human life in the City of Pascagoula. The Action Memorandum signed Wednesday selects a $71.6 million cleanup that will take place from 2018 through 2020, plus $36 million for ongoing wastewater treatment during the three-year cleanup period.

Daily Caller: Associated Press Publishes Misleading Headline on Scott Pruitt's Travel Arrangements

The Environmental Protection Agency is pushing back against The Associated Press' reporting on Administrator Scott Pruitt's private travel. The AP released a report on Wednesday titled: "EPA chief sat in coach when not flying on taxpayer's dime." The headline — and the opening lede — suggested that the leader of the EPA makes more economical decisions when taking personal flights, as opposed to his travel when conducting official business. Pruitt has received criticism for flying first class on the taxpayers' dime, an arrangement he says is made for security reasons. The AP story centered on how Pruitt flew coach on Southwest Airlines when he made personal trips to Oklahoma in August and September.

Tulsa World: Scott Pruitt Showed Penchant for Travel, Drivers Even Before Being Named EPA Head

Scott Pruitt's penchant for travel and concerns about security were notable even before he became head of the Environmental Protection Agency, according to newly obtained records that show that as Oklahoma's attorney general he frequently traveled out-of-state for appearances before conservative groups and used an office investigator as a driver. As Oklahoma's top prosecutor from 2011 to 2016, Pruitt was raising his profile nationally as a conservative in favor of rolling back regulation and federal authority.

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National Morning News Highlights 04.20.18

Associated Press: In Comey Memos, Trump Fixates on 'Hookers,' Frets Over Flynn

The 15 pages of documents contain new details about a series of interactions with Trump that Comey found so unnerving that he chose to document them in writing. Those seven encounters

in the weeks and months before Comey's May 2017 firing include a Trump Tower discussion about allegations involving Trump and prostitutes in Moscow; a White House dinner at which Comey says Trump asked him for his loyalty; and a private Oval Office discussion where the ex-FBI head says the president asked him to end an investigation into Michael Flynn, the former White House national security adviser.

The Washington Post: Trump Hires Giuliana, Two Other Attorneys Amid Mounting Legal Turmoil Over Russia

Former New York mayor Rudolph W. Giuliani and two other former federal prosecutors joined President Trump's legal team Thursday following weeks of turbulence and struggles to find attorneys who would agree to represent the president in the ongoing federal probe into Russian election interference. The reshuffling comes at a particularly tense juncture for Trump, who aides said is increasingly frustrated by special counsel Robert S. Mueller III's investigation and with the senior officials at the Justice Department.

TRUMP TWEETS

BNA

https://www.bna.com/indiana-epa-money-n57982091298/

Indiana to Get EPA Money for Lead Cleanup, Water Upgrades

By: David Schultz, 4/19/18

The EPA is giving the Hoosier State a loan of nearly half a billion dollars to upgrade its water systems, with plans to spend additional money to clean up a lead-contaminated site in the northwestern part of the state.

EPA Administrator Scott Pruitt on April 19 visited Whiting, Ind., home of a former Federated Metals plant that is now a Superfund site. Pruitt said his agency would spend $1.7 million to address lead contamination at the former copper, lead, and zinc smelter.

Pruitt also highlighted a $436 million loan from the Environmental Protection Agency to Indiana through the agency's Water Infrastructure Finance and Innovation Act program, which provides low-cost financing for drinking water and wastewater infrastructure upgrades. The agency first announced last summer it had accepted Indiana's application for this loan as part of its first-ever round of financing under the program established in 2014.

The EPA said in an April 19 statement that the money would flow through to the state "once all needed processes are complete." The loan cleared a preliminary EPA environmental review earlier this year. This loan is one of 12 that the EPA granted through its first $2.3 billion round of financing through this program.

The agency's press office did not immediately respond to Bloomberg Environment's request for comment on what specific actions the EPA took on April 19 on the Indiana loan or about whether the loan has been finalized.

Pruitt Talks to Residents

The announcement came after Pruitt personally visited Whiting, which is on Lake Michigan, and spoke with people living near the contaminated Federated Minerals site.

"There was a woman who was a property owner waiting for them," Thomas Frank, an activist with the East Chicago, Ind.-based Community Strategy Group, an environmental justice advocacy coalition, told Bloomberg Environment. "Apparently her property tested high in lead and she was showing them where the tests had occurred,"

Pruitt was at the Indiana site about 10 or 15 minutes, Frank said.

Pruitt also made a stop lasting less than 20 minutes at the EPA's Region 5 headquarters in Chicago, Mike Mikulka, president of American Federation of Government Employees Local 704 union, told Bloomberg Environment.

Brietbart

http://www.breitbart.com/big-government/2018/04/19/exclusive-talgo-epa-administrator-scott-pruitt-should-be-applauded-not-attacked/

Exclusive—Talgo: EPA Administrator Scott Pruitt Should Be Applauded, Not Attacked

By: Chris Talgo, 4/19/18

Environmental Protection Agency (EPA) Administrator Scott Pruitt has unquestionably been the most effective official in President Donald Trump's administration.

He has laid waste to Barack Obama's radical environmental legacy, which is why Democrats, the mainstream media, academia, environmentalists, and left-wing advocacy groups are in full-panic mode. Out of desperation, these zealots (aided by the media) are resorting to unwarranted character assaults to challenge Pruitt's integrity and diminish his authority.

The disingenuousness of these attacks is made evident by the silence of these same groups when several Obama-era federal agencies engaged in illegal and/or unethical activities. The fact very few Americans know the name "Richard Windsor" is proof of selective outrage by "good government" groups and the media. (Windsor is the name of a fake EPA employee created by former EPA head Lisa Jackson to skirt public-records laws.)

Thankfully, Pruitt is not letting ad hominem attacks distract him from his mission of implementing a "back to basics" agenda for EPA. Unlike most of his predecessors at EPA and his opponents on the left, Pruitt believes, "We can and we will achieve clean air and clean water and we will also have strong economic growth and job creation at the same time."

To accomplish these long-overdue reforms, Pruitt has focused on and been incredibly successful at implementing a "three E's" strategy: concentrating on the environment, economy, and engagement with state and local governments.

1. **Protecting the Environment**
2.

Under Obama, the EPA became a highly politicized agency, one that had been captured by radical environmental groups. When Pruitt took office, he vowed to refocus the agency on its core mission: protecting the environment and staying out of politics.

In May 2017, Pruitt created the Super Fund Task Force "to provide recommendations for improving and expediting site cleanups and promoting redevelopment." As of this writing, EPA has already completed seven Super Fund site clean-ups.

Additionally, EPA is prioritizing drinking water problems, including the egregious lead problem that arose during the Obama era in Flint, Michigan.

2. **Sensible regulations that encourage economic growth**

Obama's two EPA administrators, Jackson and Gina McCarthy, instituted an unprecedented era of unnecessary, costly, burdensome rulemaking, undermining personal property rights and economic growth.

Fortunately, Pruitt has put an end to this. His highlights, which are many, include announcing that the United States will pull out of the Paris climate accord.

In 2016, Obama pushed the United States into the Paris climate agreement, which analysts found would reduce U.S. gross domestic product by more than $2.5 trillion and result in an average annual job loss of nearly 400,000 by 2035 compared to jobs projections without the accord.

Pruitt has been a staunch advocate of withdrawing from this fake "treaty," and his support for the idea surely contributed to Trump's decision to pull back from the Paris accords.

In October 2017, Pruitt proposed repealing Obama's Clean Power Plan, a set of regulations that economists estimated would cost U.S. taxpayers $40 billion per year and produce no effect on global carbon dioxide levels.

Also in October, Pruitt issued a directive to end EPA's "sue and settle" practices, a scheme in which radical environmental groups sue EPA to impose their agenda and EPA chooses not to fight the lawsuit in order to satisfy radical environmentalists' demands.

Putting the interests of ordinary Americans ahead of special-interest groups, Pruitt declared in October 2017 "the days of regulation through litigation are over."

In another measure designed to protect consumers, Pruitt announced in March 2018 the EPA will no longer use "secret science" in crafting regulations. Going forward, EPA rulemaking will be transparent and based on good data—not ideology.

Most recently, Pruitt suspended for review the onerous Corporate Annual Fuel Economy (CAFE) standards Obama's regime rushed through near the end of his final term. These burdensome regulations mandated unachievable fuel economy standards and would have forced carmakers to produce vehicles Americans don't want—and for an extra $3,800 per vehicle and negligible environmental benefits.

3. **Engaging with state and local partners**

For decades, EPA has usurped power from state and local governments. Pruitt is reversing this disturbing trend by instituting "cooperative federalism." Under this program, EPA will coordinate with state and local governments, rather than dictating edicts. His track record so far includes his revision of the definition and implementation of Obama's 2015 Waters of the United States rule (WOTUS), which was overly broad and abusive. WOTUS effectively granted to the federal government jurisdiction over every puddle and tiny body of water on private land.

"EPA is restoring states' important role in the regulation of water," Pruitt stated when announcing the end of the rule.

EPA is also establishing Compliance Assistance Centers to "help businesses, colleges and universities, local governments, tribes and federal facilities understand and comply with environmental requirements and save money," and it's introducing Next Generation Compliance standards to "reduce costs and saves time and resources, while improving compliance."

Under Pruitt, the EPA is no longer imposing onerous rules that stifle economic growth and bankrupt the country. Instead, Pruitt is enacting levelheaded regulations that strike a proper balance between protecting the environment and maintaining consumer freedom.

After little more than a year on the job, Pruitt has transformed EPA's culture and restored its mission. The EPA Swamp has been substantially drained, a huge setback for power-grabbing leftists. And it's primarily for that reason the left and mainstream media have succumbed to attacking Pruitt's character. Just imagine how apoplectic they will get if Pruitt is allowed to continue his record of success in the years ahead!

Gulf Live

http://blog.gulflive.com/mississippi-press-news/2018/04/epa_administrator_signs_1076_m.html

EPA Administrator Signs $107.6 Million Memorandum to Clean Mississippi Phosphates Site

By: Tyler Carter, 4/19/18

The Environmental Protection Agency administrator Scott Pruitt signed an Action Memorandum for $107.6 million on Wednesday, accelerating the cleanup of the former Mississippi Phosphates Corporation (MPC) Site in Pascagoula.

In January, Pruitt and his team added MPC to its Superfund Priorities List after the agency announced in August 2017 their intentions to recommend the site for the list because of the environmental hazard it posed to marine and human life in the City of Pascagoula.

The Action Memorandum signed Wednesday selects a $71.6 million cleanup that will take place from 2018 through 2020, plus $36 million for ongoing wastewater treatment during the three-year cleanup period.

"In just over a year, EPA has taken multiple important actions to accelerate the remediation of the Mississippi Phosphates Superfund Site," Pruitt said. "This memo reflects my commitment to addressing Superfund sites as quickly and safely as possible to ensure human health and economic activity in the surrounding areas are fully protected."

The cleanup plan identified in the Action Memorandum focuses on the closure of the East Gypsum Stack and the North Ponds at the West Gypsum Stack. The cleanup will eliminate storage of more than 500 million gallons of contaminated water on site and reduce the volume of water requiring treatment by an estimated 98 percent.

Design of the closure system is underway. EPA is evaluating the possible use of local dredge spoil to cap and close the East Gypsum Stack.

In response to comments received during the public comment period, EPA is also evaluating the use of engineered geosynthetic turf products as an alternative cap/cover system in its design.

The MPC Site is a former diammonium phosphate fertilizer plant that began operation in the 1950s. The facility ceased operations in December 2014 under Chapter 11 bankruptcy protection, leaving more than 700,000,000 gallons of acidic, nutrient-rich wastewater stored at the facility.

The wastewater--if improperly discharged--may be toxic to fish and other forms of marine life and can also cause algal blooms. Previous releases of untreated wastewater from the site (before EPA took over wastewater treatment operations) resulted in fish kills.

EPA currently oversees wastewater treatment at a rate of approximately 2-4 million gallons per day--at a cost of over $1 million per month--due to the high volume of wastewater requiring treatment. EPA has expended approximately $17 million to treat wastewater at the site.

EPA assumed control of wastewater treatment operations at the former MPC fertilizer facility once the MPC Environmental Trust, which owns the property, ran out of funds in February 2017.

"Pascagoula has lived with this catastrophic issue for years with no response," Mayor Dane Maxwell said. "Since President Trump took office and under Administrator Pruitt not only have we had a response, but it has been from the highest levels. Making Mississippi Phosphates cleanup a priority is very important for the entire Gulf Coast."

Daily Caller

http://dailycaller.com/2018/04/19/associated-press-scott-pruitt-travel/

Associated Press Publishes Misleading Headline on Scott Pruitt's Travel Arrangements

By: Jason Hopkins, 4/19/18

The Environmental Protection Agency is pushing back against The Associated Press' reporting on Administrator Scott Pruitt's private travel.

The AP released a report on Wednesday titled: "EPA chief sat in coach when not flying on taxpayer's dime." The headline — and the opening lede — suggested that the leader of the EPA makes more economical decisions when taking personal flights, as opposed to his travel when conducting official business.

Pruitt has received criticism for flying first class on the taxpayers' dime, an arrangement he says is made for security reasons. The AP story centered on how Pruitt flew coach on Southwest Airlines when he made personal trips to Oklahoma in August and September.

However, there is one major detail included about Southwest Airlines: They do not offer first-class travel. This detail was included in the body of the AP article, but the headline and angle of the report framed Pruitt as a hypocrite when it comes to personal travel.

"Despite their misleading headline, the Associated Press knowingly reported that that there are no premium-class seats on Southwest Airlines," read a Wednesday statement from the EPA. "The fact is: Administrator Pruitt consistently follows the same security measures, which is not about sitting in first class but sitting near the front of the plane. It's impossible to fly first-class on Southwest Airlines, however Administrator Pruitt always sat in the first few rows of the aircraft."

This was not the only detail the EPA took issue with. The AP claimed on Twitter that it confirmed their story with the agency.

However, EPA spokesperson Jahan Wilcox said this tweet is false and that the agency never confirmed their report. "The same security procedures are followed whether Administrator Pruitt is on official or personal travel," the official statement provided to the AP read. The statement neither confirmed nor denied the story.

Pruitt, who has racked up thousands of dollars in travel expenses since taking the helm of the EPA, has received immense criticism for taking first-class flights on taxpayer dollars. Democrats and other Pruitt opponents have used news of his expensive flights to push for his ouster. The EPA, however, maintains more expensive flights are necessary for his safety.

Pruitt has been the target of aggression and profane language at airports since leading the agency.

"He was approached in the airport numerous times, to the point of profanities being yelled at him and so forth," Henry Barnet, director of the EPA's Office of Criminal Enforcement, told Politico in a Feb. 15 report. "We felt that based on the recommendation from the team leader, the special agent in charge, that it would be better suited to have him in business or first class, away from close proximity from those individuals who were approaching him and being extremely rude,

using profanities and potential for altercations and so forth."

Tulsa World

http://www.tulsaworld.com/news/usworld/scott-pruitt-showed-penchant-for-travel-drivers-even-before-being/article_4aa07e53-b8ff-5241-a223-58d1829655d2.html

Scott Pruitt Showed Penchant for Travel, Drivers Even Before Being Names EPA Head

By: Ellen Knickmeyer and Sean Murphy, 4/20/18

Scott Pruitt's penchant for travel and concerns about security were notable even before he became head of the Environmental Protection Agency, according to newly obtained records that show that as Oklahoma's attorney general he frequently traveled out-of-state for appearances before conservative groups and used an office investigator as a driver.

As Oklahoma's top prosecutor from 2011 to 2016, Pruitt was raising his profile nationally as a conservative in favor of rolling back regulation and federal authority.

Records obtained by The Associated Press show Pruitt traveled extensively as Oklahoma's attorney general, taking 18 out-of-state trips in 2015 and 2016, for example, including 11 to Washington, D.C. Although some travel expenses were reimbursed by conservative think tanks where Pruitt spoke, records show no sign of reimbursement for several trips involving appearances before them.

Immediately after taking office as attorney general, Pruitt started using a full-time driver who chauffeured him in a large black SUV from his home in Tulsa to the office in Oklahoma City, about 90 miles away.

Pruitt's daily calendars show the driver — variously shown on the records as "driver" or "agent" — was often an office investigator, a licensed law enforcement officer who typically investigates crimes for the agency.

"It appears he created his own security detail," said Gary Jones, Oklahoma's state auditor and a fellow Republican.

As EPA administrator, Pruitt has been under intense scrutiny since it was first revealed last month that he had stayed last year in a bargain-priced Capitol Hill condo tied to a fossil-fuels lobbyist. Multiple investigations have been launched by government watchdogs and congressional committees looking into luxury travel expenses, outsized security spending and massive raises awarded to political appointees.

Lincoln Ferguson, a former spokesman for the attorney general who now serves as a senior adviser to him at the EPA, said if Pruitt's out-of-state travel was strictly for political purposes, it would have been paid for by campaign funds. But travel records show the trips were arranged through a state-contracted travel agency, and few show any reimbursement was made.

In Oklahoma, Pruitt routinely made the three-hour commute from his home in Tulsa to the state Capitol in Oklahoma City during the working day, according to the calendars.

The entry for Dec. 7, 2015, for example, shows the entry: "8:15 to 9:45, depart Tulsa for OKC" and "3:30-5, depart OKC for Tulsa."

That was despite Pruitt expanding his office's Tulsa branch during his time. The AP reported in December 2016 that the move to bigger, pricier offices in Tulsa were part of a 40 percent increase in his office's expenses as attorney general. Pruitt also added nearly 60 employees to the attorney general's office.

By contrast, Pruitt's predecessor, Democrat Drew Edmondson, who held the attorney general post for 16 years, said he typically used a four-door sedan and drove himself to events.

Ferguson, the senior adviser to Pruitt, said "there was no wasted time" on Pruitt's commutes between Tulsa and Oklahoma City.

"He was working, reviewing documents, on the phone," Ferguson said.

Overall spending on travel by Pruitt's office averaged about $270,000 a year in his last four years as Oklahoma's attorney general, up 26 percent from his predecessor's final year in office. The figures do not include a total for Pruitt's trips alone. The attorney general's office spent $201,000 on travel during his predecessor's last year in the office.

The calendars are heavily redacted and entire days are blacked out.

But the records do show Pruitt frequently traveled to Washington to speak to groups including the Federalist Society; the Club for Growth, a free-enterprise advocacy group; and an anti-abortion rally. He also made similar appearances elsewhere, such as one before the small-government FreedomWorks group in Cleveland on "Battling the Regulatory State."

"If it's not state-related, then the state should not be responsible for" the cost, said Jones, the state auditor. "You can't use any public assets for personal or political reasons."

Records show many of the trips occurred during the workweek, when Pruitt was drawing a state salary of $132,000. Oklahoma broadly bans first-class tickets for state employees. The travel records show only one first-class flight for Pruitt, with a scrawled note on it showing Pruitt's campaign paid for it.

Edmondson, who is now running for governor, said his travel expenses as attorney general typically covered national and regional conventions of attorneys general.

"I think you'll find that his out-of-state travel would far exceed any other attorney general" in Oklahoma, said former Gov. David Walters, a Democrat, who recalled Pruitt speaking before local clubs on topics such as the Obama administration, rather than crime or consumer fraud in Oklahoma.

Conservative groups hosting Pruitt appeared to reimburse most of Pruitt's flights and some other direct state travel expenses after 2015, and some beforehand.

But on one trip in January 2016, Pruitt billed taxpayers more than $1,000 for a trip to Washington in which he held separate meetings with executives of three conservative think tanks: the APP Foundation, The Federalist Society and Club for Growth. There was no record of reimbursement for that trip. Three weeks later, Pruitt spent the weekend in California for a dinner and a speech to The Federalist Society, which reimbursed the state for his travel.

Associated Press

https://apnews.com/e29d5563fc0c45caa4faa6b3749405a6/Comey-memo:-Trump-complained-about-Flynn's-'judgment-issues

In Comey memos, Trump fixates on 'hookers,' frets over Flynn

By: Mary Clare Jalonick, Eric Tucker, and Chad Day, 4/20/18

In a series of startlingly candid conversations, President Donald Trump told former FBI Director James Comey that he had serious concerns about the judgment of a top adviser, asked about the possibility of jailing journalists and described a boast from Vladimir Putin about Russian prostitutes, according to Comey's notes of the talks obtained by The Associated Press on Thursday night.

The 15 pages of documents contain new details about a series of interactions with Trump that Comey found so unnerving that he chose to document them in writing. Those seven encounters in the weeks and months before Comey's May 2017 firing include a Trump Tower discussion about allegations involving Trump and prostitutes in Moscow; a White House dinner at which Comey says Trump asked him for his loyalty; and a private Oval Office discussion where the ex-FBI head says the president asked him to end an investigation into Michael Flynn, the former White House national security adviser.

The documents had been eagerly anticipated since their existence was first revealed last year, especially since Comey's interactions with Trump are a critical part of special counsel Robert Mueller's investigation into whether the president sought to obstruct justice. Late Thursday night, Trump tweeted that the memos "show clearly that there was NO COLLUSION and NO OBSTRUCTION."

The president also accused Comey of leaking classified information. The memos obtained by the AP were unclassified, though some portions were blacked out as classified. Details from Comey's memos reported in news stories last year appear to come from the unclassified portions.

In explaining the purpose of creating the memos, which have been provided to Mueller, Comey has said he "knew there might come a day when I would need a record of what had happened" to defend not only himself but the FBI as well.

The memos cover the first three months of the Trump administration, a period of upheaval marked by staff turnover, a cascade of damaging headlines and revelations of an FBI investigation into potential ties between the Trump campaign and Russia. The documents reflect Trump's uneasiness about that investigation, though not always in ways that Comey seemed to anticipate.

In a February 2017 conversation, for instance, Trump told Comey how Putin told him, "we have some of the most beautiful hookers in the world" even as the president adamantly, and repeatedly, distanced himself from a salacious allegation concerning him and prostitutes in Moscow, according to one memo.

In another memo, Comey recounts how Trump at a private White House dinner pointed his fingers at his head and complained that Flynn, his embattled national security adviser, "has serious judgment issues." The president blamed Flynn for failing to alert him promptly to a congratulatory call from a world leader, causing a delay for Trump in returning a message to an official whose name is redacted in the documents.

"I did not comment at any point during this topic and there was no mention or acknowledgment of any FBI interest in or contact with General Flynn," Comey wrote.

By that point, the FBI had already interviewed Flynn about his contacts with the Russian ambassador, Sergey Kislyak, and the Justice Department had already warned White House officials that they were concerned Flynn was vulnerable to blackmail.

Flynn was fired Feb. 13, 2017, after White House officials said he had misled them about his Russian contacts during the transition period by saying that he had not discussed sanctions. The following day, according to a separate memo, Comey says Trump cleared the Oval Office of other officials, encouraged him to let go of the investigation into Flynn and called him a good guy. Flynn pleaded guilty to lying to the FBI and is now cooperating with Mueller's investigation.

The memos reveal that days before Flynn's firing, then-White House chief of staff Reince Priebus asked Comey if Flynn's communications were being monitored under a secret surveillance warrant.

"Do you have a FISA order on Mike Flynn?" Priebus asked Comey, according to the memos, referring to an order under the Foreign Intelligence Surveillance Act.

Comey said he "paused for a few seconds and then said that I would answer here, but that this illustrated the kind of question that had to be asked and answered through established channels."

Comey's response is redacted on the unclassified memos.

The memos also show Trump's continued distress at a dossier of allegations — compiled by an ex-British spy whose work was funded by the Democratic National Committee and the Clinton campaign — examining potential ties between him and his aides and the Kremlin. Comey writes how Trump repeatedly denied to him having been involved in an encounter with Russian prostitutes in a Moscow hotel.

"The President said 'the hookers thing' is nonsense," Comey writes, noting that Trump then

related the conversation with Putin about the “most beautiful hookers.” Comey says Trump did not say when Putin had made the comment.

The documents also include the president’s musings about pursuing leakers and imprisoning journalists. They also provide insight into Comey’s personal and professional opinions. He judges the administration’s travel ban to be legally valid, and he takes a swipe at former Attorney General Loretta Lynch, calling her predecessor, Eric Holder, “smarter and more sophisticated and smoother.”

The memos were provided to Congress earlier Thursday as House Republicans escalated criticism of the Justice Department, threatening to subpoena the documents and questioning officials.

In a letter sent to three Republican House committee chairmen Thursday evening, Assistant Attorney General Stephen Boyd wrote that the department was sending a classified version of the memos and an unclassified version. The department released Boyd’s letter publicly but did not release the memos. The chairmen issued a statement late Thursday saying the memos show that Comey clearly never felt threatened, and Trump didn’t obstruct justice.

Justice officials had allowed some lawmakers to view the memos but had never provided copies to Congress. Boyd wrote that the department had also provided the memos to several Senate committees.

Boyd wrote in the letter that the department “consulted the relevant parties” and concluded that releasing the memos would not adversely affect any ongoing investigations. Mueller is investigating potential ties between Russia and Trump’s 2016 campaign as well as possible obstruction of justice by the president.

Comey is on a publicity tour to promote his new book, “A Higher Loyalty.” He revealed last year that he had written the memos after conversations with Trump.

He said in an interview Thursday with CNN that he’s “fine” with the Justice Department turning

his memos over to Congress.

"I think what folks will see if they get to see the memos is I've been consistent since the very beginning, right after my encounters with President Trump, and I'm consistent in the book and tried to be transparent in the book as well," he said.

Washington Post

https://www.washingtonpost.com/politics/trump-hires-giuliani-two-other-attorneys-amid-mounting-legal-turmoil-over-russia/2018/04/19/8346a7ca-4418-11e8-8569-26fda6b404c7_story.html?utm_term=.995f4a24ac4a

Trump hires Giuliana, Two Other Attorneys Amid Mounting Legal Turmoil Over Russia

By: Robert Costa, Josh Dawsey and Rosalind Helderman, 4/19/18

Former New York mayor Rudolph W. Giuliani and two other former federal prosecutors joined President Trump's legal team Thursday following weeks of turbulence and struggles to find attorneys who would agree to represent the president in the ongoing federal probe into Russian election interference.

The reshuffling comes at a particularly tense juncture for Trump, who aides said is increasingly frustrated by special counsel Robert S. Mueller III's investigation and with the senior officials at the Justice Department.

The entry of Giuliani, an experienced attorney with a combative reputation, immediately raises questions about how Trump will engage with Mueller and the leadership at Justice. Some Trump advisers are concerned that the president could use his -executive authority to close or diminish the special counsel probe, which has spawned a parallel investigation in New York targeting his personal attorney.

"I'm doing it because I hope we can negotiate an end to this for the good of the country and

because I have high regard for the president and for Bob Mueller," Giuliani said in an interview Thursday.

Trump said in a statement that Giuliani "wants to get this matter quickly resolved."

In recent days, the president has been regularly venting and speculating to aides about his legal status and the expected timeline for the Russia investigation to end, according to associates briefed on the discussions.

Rudolph W. Giuliani was an ardent supporter of President Trump during the 2016 campaign, and the former New York mayor was considered for the post of attorney general. (Mike Segar/Reuters)

Trump also loudly and repeatedly complained to several advisers earlier this week that former FBI director James B. Comey, former deputy FBI director Andrew McCabe and former Democratic presidential nominee Hillary Clinton, among others, should be charged with crimes for misdeeds alleged by Republicans, the associates said.

Although White House officials said Thursday that Trump has not called Justice Department officials or taken any formal action, the persistent grousing has made some advisers anxious, according to two people close to the president. A publicity tour by Comey to promote his book critical of Trump, "A Higher Loyalty," has attracted particular attention from the president, who has disparaged Comey publicly and privately.

Trump also complained this week about Supreme Court Justice Neil M. Gorsuch, saying the judge had proved too liberal in recent cases, according to administration officials who heard about the complaints. Associates said he was incensed that Gorsuch had voted against the administration on an immigration case and said it renewed his doubts that Gorsuch would be a reliable conservative. One top Trump adviser played down the comments as unhappiness with Gorsuch's decision rather than with Gorsuch broadly.

Giuliani, 73, brings a familiarity with several of the legal fronts that Trump is navigating. He is a former associate attorney general and a former U.S. attorney for the Southern District of New York, which is the office overseeing an investigation of Trump's personal attorney, Michael

Cohen.

Trump counsel Jay Sekulow said Thursday that former federal prosecutors Jane Serene Raskin and Marty Raskin, a couple who manage a Florida-based law firm, have also agreed to join the legal team.

Giuliani is certain to come under intense scrutiny for his role. His own pre-election activities two years ago have been the subject of criticism from Democrats, especially television interviews in which he suggested he had sources providing him inside information about the FBI's investigation of Clinton's private email server when she was secretary of state.

A Justice Department Inspector General report on the department's handling of the Clinton investigations is expected to be released in coming weeks and will probably include results of leak investigations regarding the Clinton probe.

Numerous other challenges face the attorneys who will work alongside Sekulow and counsel Ty Cobb — who have functioned as Trump's legal nucleus for weeks following the resignation of John Dowd, a legal veteran and the team's former leader. Dowd stepped down in March amid clashes over strategy and whether Trump should sit for a voluntary interview with Mueller. The legal team has often been beset by infighting.

"The big question is, how's he going to play with everybody else?" said a lawyer involved with the investigation who was not authorized to speak publicly. "Will he be combative Rudy, or will he play well with Mueller's team? Will he try to walk . . . back from the brink and answer the big question, which is whether the president will sit for an interview? And will Trump listen to him?"

Giuliani declined to say whether Trump has made a final decision on whether to sit for an interview with federal investigators. Trump has been mulling it for weeks, moving away from the idea after the home, offices and hotel room of Cohen were raided this month. Trump reacted angrily, calling it "disgraceful."

“It’s too early for me to say that,” Giuliani replied, when asked whether a Trump interview is unlikely to happen.

Giuliani also declined to discuss whether Deputy Attorney General Rod J. Rosenstein, who has been under fire from conservatives and oversees the Russia probe, could be fired by the president in the coming weeks.

“I’m not involved in anything about those issues. My advice on Mueller has been this: He should be allowed to do his job. He’s entitled to do his job.”

Giuliani said he formalized his decision in recent days, including over dinner last week at Trump’s Mar-a-Lago resort in Florida. Giuliani and Trump spoke Thursday about the legal plan moving forward, along with Sekulow, whom he has known for years and called a friend. He added that he and Cobb also spoke, on Wednesday.

Giuliani — who will take a leave from his law firm, Greenberg Traurig, and is in the midst of a divorce from his third wife — said he would spend a “great deal of time” in Washington working with Trump but would continue to live in New York. He has been frequently been seen holding court at the Trump International Hotel in Washington, dining and drinking with friends and browsing for gourmet cigars.

Trump had considered Giuliani for attorney general and has said in recent weeks he needs a New York-based attorney. Many leading white-collar lawyers, such as former solicitor general Theodore Olson, have declined Trump’s entreaties, often citing conflicts or expressing unease about the high-profile case.

Trump is also known to be a difficult client who does not always listen to his attorneys’ advice, according to lawyers who know him. And Giuliani, once a top adviser, grew frustrated with his treatment during the transition and had receded from the inner circle.

As he has closely monitored cable-news programs chronicling his presidency and the Mueller probe, Trump has swatted away the notion that he cannot attract prominent attorneys. He has

also spoken about his desire for a bolstered team and wondered aloud about the damage that Cohen's legal proceedings could bring, according to the associates briefed on the discussions, who requested anonymity to talk about them.

Giuliani's arrival is part of a broader shift in Trump's inner circle toward the core allies and brusque and brutal style that defined his outsider presidential campaign and his business career. Beyond Mueller, aides said everyone and everything around Trump feels liable to become a target for his wrath as he grapples with difficult issues at home and abroad, in Syria and North Korea.

"What we've been seeing with the president is that he is picking A-level people that he knows are experienced but also know him well," said Trump ally Christopher Ruddy, the president and CEO of Newsmax Media, a conservative outlet. "One of the problems in the first year was that people didn't work out because they didn't know him and they didn't have experience for the position."

Trump Tweets

Donald J. Trump @realDonaldTrump · 2h

Looks like OPEC is at it again. With record amounts of Oil all over the place, including the fully loaded ships at sea, Oil prices are artificially Very High! No good and will not be accepted!

6.9K 9.7K 37K

Donald J. Trump @realDonaldTrump · 2h

Nancy Pelosi is going absolutely crazy about the big Tax Cuts given to the American People by the Republicans...got not one Democrat Vote! Here's a choice. They want to end them and raise your taxes substantially. Republicans are working on making them permanent and more cuts!

8.1K 11K 38K

Donald J. Trump @realDonaldTrump · 3h

So exciting! I have agreed to be the Commencement Speaker at our GREAT Naval Academy on May 25th in Annapolis, Maryland. Looking forward to being there.

7.0K 7.8K 43K

Donald J. Trump @realDonaldTrump · 3h

So General Michael Flynn's life can be totally destroyed while Shadey James Comey can Leak and Lie and make lots of money from a third rate book (that should never have been written). Is that really the way life in America is supposed to work? I don't think so!

17K 12K 43K

EPA Morning News Highlights 04.20.18

BNA: Indian to Get EPA Money for Lead Cleanup, Water Upgrades.
The EPA is giving the Hoosier State a loan of nearly half a billion dollars to upgrade its water systems, with plans to spend additional money to clean up a lead-contaminated site in the northwestern part of the state. EPA Administrator Scott Pruitt on April 19 visited Whiting, Ind., home of a former Federated Metals plant that is now a Superfund site. Pruitt said his agency would spend $1.7 million to address lead contamination at the former copper, lead, and zinc smelter.

Brietbart: Exclusive—Talgo: EPA Administrator Scott Pruitt Should Be Applauded, Not Attacked
Environmental Protection Agency (EPA) Administrator Scott Pruitt has unquestionably been the most effective official in President Donald Trump's administration. He has laid waste to Barack Obama's radical environmental legacy, which is why Democrats, the mainstream media, academia, environmentalists, and left-wing advocacy groups are in full-panic mode. Out of desperation, these zealots (aided by the media) are resorting to unwarranted character assaults to challenge Pruitt's integrity and diminish his authority.

Gulf Live: EPA Administrator Signs $107.6 Million Memorandum to Clean Mississippi Phosphates Site
The Environmental Protection Agency administrator Scott Pruitt signed an Action Memorandum for $107.6 million on Wednesday, accelerating the cleanup of the former Mississippi Phosphates Corporation (MPC) Site in Pascagoula. In January, Pruitt and his team added MPC to its Superfund Priorities List after the agency announced in August 2017 their intentions to recommend the site for the list because of the environmental hazard it posed to marine and human life in the City of Pascagoula. The Action Memorandum signed Wednesday selects a $71.6 million cleanup that will take place from 2018 through 2020, plus $36 million for ongoing wastewater treatment during the three-year cleanup period.

Daily Caller: Associated Press Publishes Misleading Headline on Scott Pruitt's Travel Arrangements
The Environmental Protection Agency is pushing back against The Associated Press' reporting on Administrator Scott Pruitt's private travel. The AP released a report on Wednesday titled: "EPA chief sat in coach when not flying on taxpayer's dime." The headline — and the opening lede — suggested that the leader of the EPA makes more economical decisions when taking personal flights, as opposed to his travel when conducting official business. Pruitt has received criticism for flying first class on the taxpayers' dime, an arrangement he says is made for security reasons. The AP story centered on how Pruitt flew coach on Southwest Airlines when he made personal trips to Oklahoma in August and September.

Tulsa World: Scott Pruitt Showed Penchant for Travel, Drivers Even Before Being Named EPA Head
Scott Pruitt's penchant for travel and concerns about security were notable even before he became head of the Environmental Protection Agency, according to newly obtained records that show that as Oklahoma's attorney general he frequently traveled out-of-state for appearances before conservative groups and used an office investigator as a driver. As Oklahoma's top prosecutor from 2011 to 2016, Pruitt was raising his profile nationally as a conservative in favor of rolling back regulation and federal authority.

National Morning News Highlights 04.20.18

Associated Press: In Comey Memos, Trump Fixates on 'Hookers,' Frets Over Flynn
The 15 pages of documents contain new details about a series of interactions with Trump that Comey found so unnerving that he chose to document them in writing. Those seven encounters in the weeks and months before Comey's May 2017 firing include a Trump Tower discussion about allegations involving Trump and prostitutes in Moscow; a White House dinner at which Comey says Trump asked him for his loyalty; and a private Oval Office discussion where the ex-FBI head says the president asked him to end an investigation into Michael Flynn, the former White House national security adviser.

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The Washington Post: Trump Hires Giuliana, Two Other Attorneys Amid Mounting Legal Turmoil Over Russia
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TRUMP TWEETS

BNA

https://www.bna.com/indiana-epa-money-n57982091298/
Indiana to Get EPA Money for Lead Cleanup, Water Upgrades
By: David Schultz, 4/19/18

The EPA is giving the Hoosier State a loan of nearly half a billion dollars to upgrade its water systems, with plans to spend additional money to clean up a lead-contaminated site in the northwestern part of the state.

EPA Administrator Scott Pruitt on April 19 visited Whiting, Ind., home of a former Federated Metals plant that is now a Superfund site. Pruitt said his agency would spend $1.7 million to address lead contamination at the former copper, lead, and zinc smelter.

Pruitt also highlighted a $436 million loan from the Environmental Protection Agency to Indiana through the agency's Water Infrastructure Finance and Innovation Act program, which provides low-cost financing for drinking water and wastewater infrastructure upgrades. The agency first announced last summer it had accepted Indiana's application for this loan as part of its first-ever round of financing under the program established in 2014.

The EPA said in an April 19 statement that the money would flow through to the state "once all needed processes are complete." The loan cleared a preliminary EPA environmental review earlier this year. This loan is one of 12 that the EPA granted through its first $2.3 billion round of financing through this program.

The agency's press office did not immediately respond to Bloomberg Environment's request for comment on what specific actions the EPA took on April 19 on the Indiana loan or about whether the loan has been finalized.
Pruitt Talks to Residents

The announcement came after Pruitt personally visited Whiting, which is on Lake Michigan, and spoke with people living near the contaminated Federated Minerals site.

"There was a woman who was a property owner waiting for them," Thomas Frank, an activist with the East Chicago, Ind.-based Community Strategy Group, an environmental justice advocacy coalition, told Bloomberg Environment. "Apparently her property tested high in lead and she was showing them where the tests had occurred,"
Pruitt was at the Indiana site about 10 or 15 minutes, Frank said.

Pruitt also made a stop lasting less than 20 minutes at the EPA's Region 5 headquarters in Chicago, Mike Mikulka, president of American Federation of Government Employees Local 704 union, told Bloomberg Environment.

Brietbart

http://www.breitbart.com/big-government/2018/04/19/exclusive-talgo-epa-administrator-scott-pruitt-should-be-applauded-not-attacked/
Exclusive—Talgo: EPA Administrator Scott Pruitt Should Be Applauded, Not Attacked
By: Chris Talgo, 4/19/18

Environmental Protection Agency (EPA) Administrator Scott Pruitt has unquestionably been the most effective official in President Donald Trump's administration.

He has laid waste to Barack Obama's radical environmental legacy, which is why Democrats, the mainstream media, academia, environmentalists, and left-wing advocacy groups are in full-panic mode. Out of desperation, these zealots (aided by the media) are resorting to unwarranted character assaults to challenge Pruitt's integrity and diminish his authority.

The disingenuousness of these attacks is made evident by the silence of these same groups when several Obama-era federal agencies engaged in illegal and/or unethical activities. The fact very few Americans know the name "Richard Windsor" is proof of selective outrage by "good government" groups and the media. (Windsor is the name of a fake EPA employee created by former EPA head Lisa Jackson to skirt public-records laws.)

Thankfully, Pruitt is not letting ad hominem attacks distract him from his mission of implementing a "back to basics" agenda for EPA. Unlike most of his predecessors at EPA and his opponents on the left, Pruitt believes, "We can and we will achieve clean air and clean water and we will also have strong economic growth and job creation at the same time." To accomplish these long-overdue reforms, Pruitt has focused on and been incredibly successful at implementing a "three E's" strategy: concentrating on the environment, economy, and engagement with state and local governments.

1. **Protecting the Environment**
2.

Under Obama, the EPA became a highly politicized agency, one that had been captured by radical environmental groups. When Pruitt took office, he vowed to refocus the agency on its core mission: protecting the environment and staying out of politics.

In May 2017, Pruitt created the Super Fund Task Force "to provide recommendations for improving and expediting site cleanups and promoting redevelopment." As of this writing, EPA has already completed seven Super Fund site clean-ups. Additionally, EPA is prioritizing drinking water problems, including the egregious lead problem that arose during the Obama era in Flint, Michigan.

2. **Sensible regulations that encourage economic growth**

Obama's two EPA administrators, Jackson and Gina McCarthy, instituted an unprecedented era of unnecessary, costly, burdensome rulemaking, undermining personal property rights and economic growth.

Fortunately, Pruitt has put an end to this. His highlights, which are many, include announcing that the United States will pull out of the Paris climate accord.

In 2016, Obama pushed the United States into the Paris climate agreement, which analysts found would reduce U.S. gross domestic product by more than $2.5 trillion and result in an average annual job loss of nearly 400,000 by 2035 compared to jobs projections without the accord.

Pruitt has been a staunch advocate of withdrawing from this fake "treaty," and his support for the idea surely contributed to Trump's decision to pull back from the Paris accords.

In October 2017, Pruitt proposed repealing Obama's Clean Power Plan, a set of regulations that economists estimated would cost U.S. taxpayers $40 billion per year and produce no effect on global carbon dioxide levels.

Also in October, Pruitt issued a directive to end EPA's "sue and settle" practices, a scheme in which radical environmental groups sue EPA to impose their agenda and EPA chooses not to fight the lawsuit in order to satisfy radical

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environmentalists' demands.

Putting the interests of ordinary Americans ahead of special-interest groups, Pruitt declared in October 2017 "the days of regulation through litigation are over."
In another measure designed to protect consumers, Pruitt announced in March 2018 the EPA will no longer use "secret science" in crafting regulations. Going forward, EPA rulemaking will be transparent and based on good data—not ideology.

Most recently, Pruitt suspended for review the onerous Corporate Annual Fuel Economy (CAFE) standards Obama's regime rushed through near the end of his final term. These burdensome regulations mandated unachievable fuel economy standards and would have forced carmakers to produce vehicles Americans don't want—and for an extra $3,800 per vehicle and negligible environmental benefits.

3. **Engaging with state and local partners**

For decades, EPA has usurped power from state and local governments. Pruitt is reversing this disturbing trend by instituting "cooperative federalism." Under this program, EPA will coordinate with state and local governments, rather than dictating edicts. His track record so far includes his revision of the definition and implementation of Obama's 2015 Waters of the United States rule (WOTUS), which was overly broad and abusive. WOTUS effectively granted to the federal government jurisdiction over every puddle and tiny body of water on private land.

"EPA is restoring states' important role in the regulation of water," Pruitt stated when announcing the end of the rule. EPA is also establishing Compliance Assistance Centers to "help businesses, colleges and universities, local governments, tribes and federal facilities understand and comply with environmental requirements and save money," and it's introducing Next Generation Compliance standards to "reduce costs and saves time and resources, while improving compliance."

Under Pruitt, the EPA is no longer imposing onerous rules that stifle economic growth and bankrupt the country. Instead, Pruitt is enacting levelheaded regulations that strike a proper balance between protecting the environment and maintaining consumer freedom.

After little more than a year on the job, Pruitt has transformed EPA's culture and restored its mission. The EPA Swamp has been substantially drained, a huge setback for power-grabbing leftists. And it's primarily for that reason the left and mainstream media have succumbed to attacking Pruitt's character. Just imagine how apoplectic they will get if Pruitt is allowed to continue his record of success in the years ahead!

Gulf Live

http://blog.gulflive.com/mississippi-press-news/2018/04/epa_administrator_signs_1076_m.html

EPA Administrator Signs $107.6 Million Memorandum to Clean Mississippi Phosphates Site

By: Tyler Carter, 4/19/18

The Environmental Protection Agency administrator Scott Pruitt signed an Action Memorandum for $107.6 million on Wednesday, accelerating the cleanup of the former Mississippi Phosphates Corporation (MPC) Site in Pascagoula.

In January, Pruitt and his team added MPC to its Superfund Priorities List after the agency announced in August 2017 their intentions to recommend the site for the list because of the environmental hazard it posed to marine and human life in the City of Pascagoula.

The Action Memorandum signed Wednesday selects a $71.6 million cleanup that will take place from 2018 through 2020, plus $36 million for ongoing wastewater treatment during the three-year cleanup period.

"In just over a year, EPA has taken multiple important actions to accelerate the remediation of the Mississippi Phosphates Superfund Site," Pruitt said. "This memo reflects my commitment to addressing Superfund sites as quickly and safely as possible to ensure human health and economic activity in the surrounding areas are fully protected."

The cleanup plan identified in the Action Memorandum focuses on the closure of the East Gypsum Stack and the North Ponds at the West Gypsum Stack. The cleanup will eliminate storage of more than 500 million gallons of contaminated water on site and reduce the volume of water requiring treatment by an estimated 98 percent.

Design of the closure system is underway. EPA is evaluating the possible use of local dredge spoil to cap and close the East Gypsum Stack.

In response to comments received during the public comment period, EPA is also evaluating the use of engineered geosynthetic turf products as an alternative cap/cover system in its design.

The MPC Site is a former diammonium phosphate fertilizer plant that began operation in the 1950s. The facility ceased operations in December 2014 under Chapter 11 bankruptcy protection, leaving more than 700,000,000 gallons of acidic, nutrient-rich wastewater stored at the facility.

The wastewater--if improperly discharged--may be toxic to fish and other forms of marine life and can also cause algal blooms. Previous releases of untreated wastewater from the site (before EPA took over wastewater treatment operations) resulted in fish kills.

EPA currently oversees wastewater treatment at a rate of approximately 2-4 million gallons per day--at a cost of over $1 million per month--due to the high volume of wastewater requiring treatment. EPA has expended approximately $17 million to treat wastewater at the site.

EPA assumed control of wastewater treatment operations at the former MPC fertilizer facility once the MPC Environmental Trust, which owns the property, ran out of funds in February 2017.

"Pascagoula has lived with this catastrophic issue for years with no response," Mayor Dane Maxwell said. "Since President Trump took office and under Administrator Pruitt not only have we had a response, but it has been from the highest levels. Making Mississippi Phosphates cleanup a priority is very important for the entire Gulf Coast."

Daily Caller

http://dailycaller.com/2018/04/19/associated-press-scott-pruitt-travel/

Associated Press Publishes Misleading Headline on Scott Pruitt's Travel Arrangements

By: Jason Hopkins, 4/19/18

The Environmental Protection Agency is pushing back against The Associated Press' reporting on Administrator Scott Pruitt's private travel.

The AP released a report on Wednesday titled: "EPA chief sat in coach when not flying on taxpayer's dime." The headline — and the opening lede — suggested that the leader of the EPA makes more economical decisions when taking personal flights, as opposed to his travel when conducting official business.

Pruitt has received criticism for flying first class on the taxpayers' dime, an arrangement he says is made for security reasons. The AP story centered on how Pruitt flew coach on Southwest Airlines when he made personal trips to Oklahoma in August and September.

However, there is one major detail included about Southwest Airlines: They do not offer first-class travel. This detail was included in the body of the AP article, but the headline and angle of the report framed Pruitt as a hypocrite when it comes to personal travel.

"Despite their misleading headline, the Associated Press knowingly reported that that there are no premium-class seats on Southwest Airlines," read a Wednesday statement from the EPA. "The fact is: Administrator Pruitt consistently follows the same security measures, which is not about sitting in first class but sitting near the front of the plane. It's impossible to fly first-class on Southwest Airlines, however Administrator Pruitt always sat in the first few rows of the aircraft."

This was not the only detail the EPA took issue with. The AP claimed on Twitter that it confirmed their story with the agency.

However, EPA spokesperson Jahan Wilcox said this tweet is false and that the agency never confirmed their report. "The same security procedures are followed whether Administrator Pruitt is on official or personal travel," the official statement provided to the AP read. The statement neither confirmed nor denied the story.

Pruitt, who has racked up thousands of dollars in travel expenses since taking the helm of the EPA, has received immense criticism for taking first-class flights on taxpayer dollars. Democrats and other Pruitt opponents have used news of his expensive flights to push for his ouster. The EPA, however, maintains more expensive flights are necessary for his safety.

Pruitt has been the target of aggression and profane language at airports since leading the agency.

"He was approached in the airport numerous times, to the point of profanities being yelled at him and so forth," Henry Barnet, director of the EPA's Office of Criminal Enforcement, told Politico in a Feb. 15 report. "We felt that based on the recommendation from the team leader, the special agent in charge, that it would be better suited to have him in business or first class, away from close proximity from those individuals who were approaching him and being extremely rude, using profanities and potential for altercations and so forth."

Tulsa World

http://www.tulsaworld.com/news/usworld/scott-pruitt-showed-penchant-for-travel-drivers-even-before-being/article_4aa07e53-b8ff-5241-a223-58d1829655d2.html

Scott Pruitt Showed Penchant for Travel, Drivers Even Before Being Names EPA Head

By: Ellen Knickmeyer and Sean Murphy, 4/20/18

Scott Pruitt's penchant for travel and concerns about security were notable even before he became head of the Environmental Protection Agency, according to newly obtained records that show that as Oklahoma's attorney general he frequently traveled out-of-state for appearances before conservative groups and used an office investigator as a driver.

As Oklahoma's top prosecutor from 2011 to 2016, Pruitt was raising his profile nationally as a conservative in favor of rolling back regulation and federal authority.

Records obtained by The Associated Press show Pruitt traveled extensively as Oklahoma's attorney general, taking 18 out-of-state trips in 2015 and 2016, for example, including 11 to Washington, D.C. Although some travel expenses were reimbursed by conservative think tanks where Pruitt spoke, records show no sign of reimbursement for several trips

involving appearances before them.

Immediately after taking office as attorney general, Pruitt started using a full-time driver who chauffeured him in a large black SUV from his home in Tulsa to the office in Oklahoma City, about 90 miles away.

Pruitt's daily calendars show the driver — variously shown on the records as "driver" or "agent" — was often an office investigator, a licensed law enforcement officer who typically investigates crimes for the agency.

"It appears he created his own security detail," said Gary Jones, Oklahoma's state auditor and a fellow Republican.

As EPA administrator, Pruitt has been under intense scrutiny since it was first revealed last month that he had stayed last year in a bargain-priced Capitol Hill condo tied to a fossil-fuels lobbyist. Multiple investigations have been launched by government watchdogs and congressional committees looking into luxury travel expenses, outsized security spending and massive raises awarded to political appointees.

Lincoln Ferguson, a former spokesman for the attorney general who now serves as a senior adviser to him at the EPA, said if Pruitt's out-of-state travel was strictly for political purposes, it would have been paid for by campaign funds. But travel records show the trips were arranged through a state-contracted travel agency, and few show any reimbursement was made.

In Oklahoma, Pruitt routinely made the three-hour commute from his home in Tulsa to the state Capitol in Oklahoma City during the working day, according to the calendars.

The entry for Dec. 7, 2015, for example, shows the entry: "8:15 to 9:45, depart Tulsa for OKC" and "3:30-5, depart OKC for Tulsa."

That was despite Pruitt expanding his office's Tulsa branch during his time. The AP reported in December 2016 that the move to bigger, pricier offices in Tulsa were part of a 40 percent increase in his office's expenses as attorney general. Pruitt also added nearly 60 employees to the attorney general's office.

By contrast, Pruitt's predecessor, Democrat Drew Edmondson, who held the attorney general post for 16 years, said he typically used a four-door sedan and drove himself to events.

Ferguson, the senior adviser to Pruitt, said "there was no wasted time" on Pruitt's commutes between Tulsa and Oklahoma City.

"He was working, reviewing documents, on the phone," Ferguson said.

Overall spending on travel by Pruitt's office averaged about $270,000 a year in his last four years as Oklahoma's attorney general, up 26 percent from his predecessor's final year in office. The figures do not include a total for Pruitt's trips alone. The attorney general's office spent $201,000 on travel during his predecessor's last year in the office.

The calendars are heavily redacted and entire days are blacked out.

But the records do show Pruitt frequently traveled to Washington to speak to groups including the Federalist Society; the Club for Growth, a free-enterprise advocacy group; and an anti-abortion rally. He also made similar appearances elsewhere, such as one before the small-government FreedomWorks group in Cleveland on "Battling the Regulatory State."

"If it's not state-related, then the state should not be responsible for" the cost, said Jones, the state auditor. "You can't use any public assets for personal or political reasons."

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Records show many of the trips occurred during the workweek, when Pruitt was drawing a state salary of $132,000. Oklahoma broadly bans first-class tickets for state employees. The travel records show only one first-class flight for Pruitt, with a scrawled note on it showing Pruitt's campaign paid for it.

Edmondson, who is now running for governor, said his travel expenses as attorney general typically covered national and regional conventions of attorneys general.

"I think you'll find that his out-of-state travel would far exceed any other attorney general" in Oklahoma, said former Gov. David Walters, a Democrat, who recalled Pruitt speaking before local clubs on topics such as the Obama administration, rather than crime or consumer fraud in Oklahoma.

Conservative groups hosting Pruitt appeared to reimburse most of Pruitt's flights and some other direct state travel expenses after 2015, and some beforehand.

But on one trip in January 2016, Pruitt billed taxpayers more than $1,000 for a trip to Washington in which he held separate meetings with executives of three conservative think tanks: the APP Foundation, The Federalist Society and Club for Growth. There was no record of reimbursement for that trip. Three weeks later, Pruitt spent the weekend in California for a dinner and a speech to The Federalist Society, which reimbursed the state for his travel.

Associated Press

https://apnews.com/e29d5563fc0c45caa4faa6b3749405a6/Comey-memo:-Trump-complained-about-Flynn's-'judgment-issues

In Comey memos, Trump fixates on 'hookers,' frets over Flynn

By: Mary Clare Jalonick, Eric Tucker, and Chad Day, 4/20/18

In a series of startlingly candid conversations, President Donald Trump told former FBI Director James Comey that he had serious concerns about the judgment of a top adviser, asked about the possibility of jailing journalists and described a boast from Vladimir Putin about Russian prostitutes, according to Comey's notes of the talks obtained by The Associated Press on Thursday night.

The 15 pages of documents contain new details about a series of interactions with Trump that Comey found so unnerving that he chose to document them in writing. Those seven encounters in the weeks and months before Comey's May 2017 firing include a Trump Tower discussion about allegations involving Trump and prostitutes in Moscow; a White House dinner at which Comey says Trump asked him for his loyalty; and a private Oval Office discussion where the ex-FBI head says the president asked him to end an investigation into Michael Flynn, the former White House national security adviser.

The documents had been eagerly anticipated since their existence was first revealed last year, especially since Comey's interactions with Trump are a critical part of special counsel Robert Mueller's investigation into whether the president sought to obstruct justice. Late Thursday night, Trump tweeted that the memos "show clearly that there was NO COLLUSION and NO OBSTRUCTION."

The president also accused Comey of leaking classified information. The memos obtained by the AP were unclassified, though some portions were blacked out as classified. Details from Comey's memos reported in news stories last year appear to come from the unclassified portions.

In explaining the purpose of creating the memos, which have been provided to Mueller, Comey has said he "knew there might come a day when I would need a record of what had happened" to defend not only himself but the FBI as well.

The memos cover the first three months of the Trump administration, a period of upheaval marked by staff turnover, a cascade of damaging headlines and revelations of an FBI investigation into potential ties between the Trump campaign and Russia. The documents reflect Trump's uneasiness about that investigation, though not always in ways that Comey seemed to anticipate.

In a February 2017 conversation, for instance, Trump told Comey how Putin told him, "we have some of the most beautiful hookers in the world" even as the president adamantly, and repeatedly, distanced himself from a salacious allegation concerning him and prostitutes in Moscow, according to one memo.

In another memo, Comey recounts how Trump at a private White House dinner pointed his fingers at his head and complained that Flynn, his embattled national security adviser, "has serious judgment issues." The president blamed Flynn for failing to alert him promptly to a congratulatory call from a world leader, causing a delay for Trump in returning a message to an official whose name is redacted in the documents.

"I did not comment at any point during this topic and there was no mention or acknowledgment of any FBI interest in or contact with General Flynn," Comey wrote.

By that point, the FBI had already interviewed Flynn about his contacts with the Russian ambassador, Sergey Kislyak, and the Justice Department had already warned White House officials that they were concerned Flynn was vulnerable to blackmail.

Flynn was fired Feb. 13, 2017, after White House officials said he had misled them about his Russian contacts during the transition period by saying that he had not discussed sanctions. The following day, according to a separate memo, Comey says Trump cleared the Oval Office of other officials, encouraged him to let go of the investigation into Flynn and called him a good guy. Flynn pleaded guilty to lying to the FBI and is now cooperating with Mueller's investigation.

The memos reveal that days before Flynn's firing, then-White House chief of staff Reince Priebus asked Comey if Flynn's communications were being monitored under a secret surveillance warrant.

"Do you have a FISA order on Mike Flynn?" Priebus asked Comey, according to the memos, referring to an order under the Foreign Intelligence Surveillance Act.

Comey said he "paused for a few seconds and then said that I would answer here, but that this illustrated the kind of question that had to be asked and answered through established channels."

Comey's response is redacted on the unclassified memos.

The memos also show Trump's continued distress at a dossier of allegations — compiled by an ex-British spy whose work was funded by the Democratic National Committee and the Clinton campaign — examining potential ties between him and his aides and the Kremlin. Comey writes how Trump repeatedly denied to him having been involved in an encounter with Russian prostitutes in a Moscow hotel.

"The President said 'the hookers thing' is nonsense," Comey writes, noting that Trump then related the conversation with Putin about the "most beautiful hookers." Comey says Trump did not say when Putin had made the comment.

The documents also include the president's musings about pursuing leakers and imprisoning journalists. They also provide insight into Comey's personal and professional opinions. He judges the administration's travel ban to be legally valid, and he takes a swipe at former Attorney General Loretta Lynch, calling her predecessor, Eric Holder, "smarter and more sophisticated and smoother."

The memos were provided to Congress earlier Thursday as House Republicans escalated criticism of the Justice

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Department, threatening to subpoena the documents and questioning officials.

In a letter sent to three Republican House committee chairmen Thursday evening, Assistant Attorney General Stephen Boyd wrote that the department was sending a classified version of the memos and an unclassified version. The department released Boyd's letter publicly but did not release the memos. The chairmen issued a statement late Thursday saying the memos show that Comey clearly never felt threatened, and Trump didn't obstruct justice.

Justice officials had allowed some lawmakers to view the memos but had never provided copies to Congress. Boyd wrote that the department had also provided the memos to several Senate committees.

Boyd wrote in the letter that the department "consulted the relevant parties" and concluded that releasing the memos would not adversely affect any ongoing investigations. Mueller is investigating potential ties between Russia and Trump's 2016 campaign as well as possible obstruction of justice by the president.

Comey is on a publicity tour to promote his new book, "A Higher Loyalty." He revealed last year that he had written the memos after conversations with Trump.

He said in an interview Thursday with CNN that he's "fine" with the Justice Department turning his memos over to Congress.

"I think what folks will see if they get to see the memos is I've been consistent since the very beginning, right after my encounters with President Trump, and I'm consistent in the book and tried to be transparent in the book as well," he said.

Washington Post

https://www.washingtonpost.com/politics/trump-hires-giuliani-two-other-attorneys-amid-mounting-legal-turmoil-over-russia/2018/04/19/8346a7ca-4418-11e8-8569-26fda6b404c7_story.html?utm_term=.995f4a24ac4a

Trump hires Giuliana, Two Other Attorneys Amid Mounting Legal Turmoil Over Russia

By: Robert Costa, Josh Dawsey and Rosalind Helderman, 4/19/18

Former New York mayor Rudolph W. Giuliani and two other former federal prosecutors joined President Trump's legal team Thursday following weeks of turbulence and struggles to find attorneys who would agree to represent the president in the ongoing federal probe into Russian election interference.

The reshuffling comes at a particularly tense juncture for Trump, who aides said is increasingly frustrated by special counsel Robert S. Mueller III's investigation and with the senior officials at the Justice Department.

The entry of Giuliani, an experienced attorney with a combative reputation, immediately raises questions about how Trump will engage with Mueller and the leadership at Justice. Some Trump advisers are concerned that the president could use his -executive authority to close or diminish the special counsel probe, which has spawned a parallel investigation in New York targeting his personal attorney.

"I'm doing it because I hope we can negotiate an end to this for the good of the country and because I have high regard for the president and for Bob Mueller," Giuliani said in an interview Thursday.

Trump said in a statement that Giuliani "wants to get this matter quickly resolved."

In recent days, the president has been regularly venting and speculating to aides about his legal status and the expected timeline for the Russia investigation to end, according to associates briefed on the discussions.

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Rudolph W. Giuliani was an ardent supporter of President Trump during the 2016 campaign, and the former New York mayor was considered for the post of attorney general. (Mike Segar/Reuters)
Trump also loudly and repeatedly complained to several advisers earlier this week that former FBI director James B. Comey, former deputy FBI director Andrew McCabe and former Democratic presidential nominee Hillary Clinton, among others, should be charged with crimes for misdeeds alleged by Republicans, the associates said.

Although White House officials said Thursday that Trump has not called Justice Department officials or taken any formal action, the persistent grousing has made some advisers anxious, according to two people close to the president. A publicity tour by Comey to promote his book critical of Trump, "A Higher Loyalty," has attracted particular attention from the president, who has disparaged Comey publicly and privately.

Trump also complained this week about Supreme Court Justice Neil M. Gorsuch, saying the judge had proved too liberal in recent cases, according to administration officials who heard about the complaints. Associates said he was incensed that Gorsuch had voted against the administration on an immigration case and said it renewed his doubts that Gorsuch would be a reliable conservative. One top Trump adviser played down the comments as unhappiness with Gorsuch's decision rather than with Gorsuch broadly.

Giuliani, 73, brings a familiarity with several of the legal fronts that Trump is navigating. He is a former associate attorney general and a former U.S. attorney for the Southern District of New York, which is the office overseeing an investigation of Trump's personal attorney, Michael Cohen.

Trump counsel Jay Sekulow said Thursday that former federal prosecutors Jane Serene Raskin and Marty Raskin, a couple who manage a Florida-based law firm, have also agreed to join the legal team.

Giuliani is certain to come under intense scrutiny for his role. His own pre-election activities two years ago have been the subject of criticism from Democrats, especially television interviews in which he suggested he had sources providing him inside information about the FBI's investigation of Clinton's private email server when she was secretary of state.

A Justice Department Inspector General report on the department's handling of the Clinton investigations is expected to be released in coming weeks and will probably include results of leak investigations regarding the Clinton probe.

Numerous other challenges face the attorneys who will work alongside Sekulow and counsel Ty Cobb — who have functioned as Trump's legal nucleus for weeks following the resignation of John Dowd, a legal veteran and the team's former leader. Dowd stepped down in March amid clashes over strategy and whether Trump should sit for a voluntary interview with Mueller. The legal team has often been beset by infighting.

"The big question is, how's he going to play with everybody else?" said a lawyer involved with the investigation who was not authorized to speak publicly. "Will he be combative Rudy, or will he play well with Mueller's team? Will he try to walk . . . back from the brink and answer the big question, which is whether the president will sit for an interview? And will Trump listen to him?"

Giuliani declined to say whether Trump has made a final decision on whether to sit for an interview with federal investigators. Trump has been mulling it for weeks, moving away from the idea after the home, offices and hotel room of Cohen were raided this month. Trump reacted angrily, calling it "disgraceful."

"It's too early for me to say that," Giuliani replied, when asked whether a Trump interview is unlikely to happen.

Giuliani also declined to discuss whether Deputy Attorney General Rod J. Rosenstein, who has been under fire from conservatives and oversees the Russia probe, could be fired by the president in the coming weeks.

"I'm not involved in anything about those issues. My advice on Mueller has been this: He should be allowed to do his

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job. He's entitled to do his job."

Giuliani said he formalized his decision in recent days, including over dinner last week at Trump's Mar-a-Lago resort in Florida. Giuliani and Trump spoke Thursday about the legal plan moving forward, along with Sekulow, whom he has known for years and called a friend. He added that he and Cobb also spoke, on Wednesday.

Giuliani — who will take a leave from his law firm, Greenberg Traurig, and is in the midst of a divorce from his third wife — said he would spend a "great deal of time" in Washington working with Trump but would continue to live in New York. He has been frequently been seen holding court at the Trump International Hotel in Washington, dining and drinking with friends and browsing for gourmet cigars.

Trump had considered Giuliani for attorney general and has said in recent weeks he needs a New York-based attorney. Many leading white-collar lawyers, such as former solicitor general Theodore Olson, have declined Trump's entreaties, often citing conflicts or expressing unease about the high-profile case.

Trump is also known to be a difficult client who does not always listen to his attorneys' advice, according to lawyers who know him. And Giuliani, once a top adviser, grew frustrated with his treatment during the transition and had receded from the inner circle.

As he has closely monitored cable-news programs chronicling his presidency and the Mueller probe, Trump has swatted away the notion that he cannot attract prominent attorneys. He has also spoken about his desire for a bolstered team and wondered aloud about the damage that Cohen's legal proceedings could bring, according to the associates briefed on the discussions, who requested anonymity to talk about them.

Giuliani's arrival is part of a broader shift in Trump's inner circle toward the core allies and brusque and brutal style that defined his outsider presidential campaign and his business career. Beyond Mueller, aides said everyone and everything around Trump feels liable to become a target for his wrath as he grapples with difficult issues at home and abroad, in Syria and North Korea.

"What we've been seeing with the president is that he is picking A-level people that he knows are experienced but also know him well," said Trump ally Christopher Ruddy, the president and CEO of Newsmax Media, a conservative outlet. "One of the problems in the first year was that people didn't work out because they didn't know him and they didn't have experience for the position."

Trump Tweets

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Donald J. Trump @realDonaldTrump · 2h

Looks like OPEC is at it again. With record amounts of Oil all over the place, including the fully loaded ships at sea, Oil prices are artificially Very High! No good and will not be accepted!

6.9K 9.7K 37K

Donald J. Trump @realDonaldTrump · 2h

Nancy Pelosi is going absolutely crazy about the big Tax Cuts given to the American People by the Republicans...got not one Democrat Vote! Here's a choice. They want to end them and raise your taxes substantially. Republicans are working on making them permanent and more cuts!

8.1K 11K 38K

Donald J. Trump @realDonaldTrump · 3h

So exciting! I have agreed to be the Commencement Speaker at our GREAT Naval Academy on May 25th in Annapolis, Maryland. Looking forward to being there.

7.0K 7.8K 43K

Donald J. Trump @realDonaldTrump · 3h

So General Michael Flynn's life can be totally destroyed while Shadey James Comey can Leak and Lie and make lots of money from a third rate book (that should never have been written). Is that really the way life in America is supposed to work? I don't think so!

17K 12K 43K

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To: Bennett, Tate[Bennett.Tate@epa.gov]
From: POLITICO Pro Energy
Sent: Fri 4/6/2018 9:43:20 AM
Subject: Morning Energy: Pruitt watch: What comes next? — IG requests abound — GAO tells Congress to ban coal self-bonding

By Kelsey Tamborrino | 04/06/2018 05:41 AM EDT

With help from Alex Guillén and Daniel Lippman

WHAT COMES NEXT? EPA Administrator Scott Pruitt fared seemingly well Thursday, at least comparatively — appearing in no contentious interviews and receiving a fuller backing from the president. Of course, that could all change today. White House officials, conscious of how quickly Trump's mind can change about defending top advisers, have avoided publicly making any definitive statements about how long Pruitt will remain in his job, POLITICO's Eliana Johnson and Andrew Restuccia report.

RENT'S DUE: Eliana and Andrew also report the administrator was sometimes slow to pay the rent on his $50-per-night lease in Capitol Hill, according to two people with knowledge of the situation. Pruitt's lobbyist-turned-landlord had to pester him for payment, although it appears he eventually paid his back rent. More here.

STRONG FEELINGS: President Donald Trump praised Pruitt multiple times throughout Thursday, although he acknowledged that he would "have to look at" all of the reports on the EPA administrator. "He's been very courageous. It hasn't been easy, but I think he's done a fantastic job," Trump said of Pruitt. The president was returning from an event in West Virginia, where "they love Scott Pruitt," he said.

Meanwhile, Pruitt kept a low profile Thursday: The EPA chief headed to Kentucky, where he addressed members of the Association of Air Pollution Control Agencies on the agency's National Ambient Air Quality Standards attainment goal and the Trump administration's efforts to speed up the environmental permitting process. "EPA is making tremendous progress working with states and our co-regulators to improve air quality and provide regulatory certainty for local communities," Pruitt said in a statement released after the event.

And he may stay out of sight today too: Plans for a public event with Pruitt at the White House to announce changes to the air quality standards program today have apparently been shelved, but Trump still intends to sign an executive order on the subject, The Washington Post reports. Pruitt had said earlier this week that an announcement on the new policy was in the works, but EPA did not respond to ME's questions Thursday night.

DRIP, DRIP, DRIP: More Pruitt stories emerged Thursday, culminating in an explosive report from The New York Times that detailed how at least five EPA officials were reassigned or demoted, or requested new jobs, after raising concerns about Pruitt's spending habits and ability to manage. Pruitt at one point requested the use of emergency sirens to get him and his security detail through D.C. traffic, including at least one trip to French restaurant Le Diplomate, according to the Times. Read the full report here.

Other Thursday headlines include:

— **Pruitt endorsed raises for two of his aides,** The Washington Post reports, though he left it to others to actually carry out the pay increases. Two EPA officials and one from the White House told the Post that Pruitt told subordinates to give the raises to senior counsel Sarah Greenwalt and Millan Hupp, his director of scheduling and advance, both of whom had worked for him in Oklahoma.

— **Even with the continued spray of scandals,** CNN reported Trump floated replacing Attorney General Jeff Sessions with Pruitt as recently as this week. "He was 100 percent still trying to protect Pruitt because Pruitt is his fill-in for Sessions," one source familiar with Trump's thinking told CNN.

— **The Department of Consumer and Regulatory Affairs** issued a citation to the owner of Pruitt's condo, due to lack of proper licensing to rent the unit. A NBC 4 Washington reporter tweeted the fine could hit $2,034.

THE $16,000 SEAT: That's about how much it cost for Pruitt to fly to Morocco last year, according to a new letter from the top Democrat on the House Oversight Committee, citing documents the panel received from EPA. Rep. Elijah Cummings said the documents showed "that Mr. Pruitt's seat cost $16,164," but were insufficient to determine the full costs for Pruitt and his aides on that and other trips. He asked Oversight Chairman Trey Gowdy to issue a subpoena for more. Read that letter here.

WHERE THE GOP STANDS: Republicans aren't going to give up a fight for Pruitt's permanence any time soon. A leadership aide tells POLITICO's Burgess Everett that the Senate won't be able to confirm a conservative EPA administrator if Pruitt is canned. That may contribute to the choir of GOP voices who are still standing firmly in the embattled EPA administrator's corner. Conservatives like Sens. Rand Paul and Ted Cruz vocalized their support on Twitter Thursday. "He's been an effective member of the President's team," Sen. Jim Inhofe said in a statement.

Still, a third Republican joined in calling on Pruitt to resign Thursday. "I fundamentally disagree with how Pruitt has handled the EPA," Rep. Elise Stefanik said at a town hall meeting.

HART WEIGHS IN: Energy lobbyist Steven Hart, whose wife Vicki co-owned the condo rented to Pruitt, expressed regret in a statement released to POLITICO. Hart said he was taking the matter "very seriously" and apologized to his wife, "whose fantastic career is being maligned unnecessarily." Hart also reiterated that the condo was not owned by his firm Williams & Jensen, its partners or any other employees of the firm. "[A]ny suggestion that Administrator Pruitt's short-term rental of one of its bedrooms in 2017 resulted in undue influence for the firm or its clients with business before the EPA is simply false," Hart said. "I am confident in these facts, and certain that all fair and impartial assessments of the matter will conclude accordingly."

WE MADE IT TO FRIDAY! I'm your host Kelsey Tamborrino. The Natural Resources

Defense Council's Ed Chen was first to guess the first president to receive a Ph.D. was Woodrow Wilson, who got a one in political science from Johns Hopkins University. Another presidential question for today: Which president started his career as a male model, landing a spot on the cover of Cosmopolitan? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

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IG REQUESTS ABOUND: Democratic Sens. Tom Carper and Sheldon Whitehouse asked EPA's inspector general to expand an existing investigation into Pruitt's alleged use of a special hiring authority to give raises to two aides, Pro's Alex Guillén reports. Alex also confirmed earlier Wednesday that the IG is reviewing requests to investigate Pruitt's $50-a-night lease agreement — the first step before determining whether to launch a formal probe. Opposition research group American Bridge 21st Century added itself to the list Thursday, sending a letter to the IG requesting an investigation into Pruitt's rental.

— **Another new letter to the IG emerged Thursday** from Carper, who raised questions last week — before Pruitt's scandal saga hit fever-pitch — about Samantha Dravis' prior work experience. Specifically, Carper wrote he had been informed that Dravis "did not attend work or preform her duties for much if not all of the months of November 2017 - January 2018." Read it here.

AD-ING IT UP: American Bridge is also launching new digital ads focused on Pruitt's "corrupt spending." The ads will run on Twitter and will target those tweeting about Pruitt, directing them to their petition page.

202 AND YOU: The president promised a crowd in West Virginia Thursday he'd review the use of emergency authority to prop up coal and nuclear power plants, a provision referred to as Section 202c of the Federal Power Act. "We'll be looking at that 202. You know what a 202 is? We'll be looking at that," Trump said. "We're trying. Nine of your people just came up to me outside, 'Could you talk about 202?' We'll be looking at that as soon as we get back." The use of the provision has resurfaced after Ohio-based FirstEnergy Solutions submitted an unusual request to the Energy Department just before it filed for bankruptcy protection, asking that department to use its authority to provide four-year contracts to many coal and nuclear power plants in the PJM Interconnection. Read more here from Pro's Eric Wolff.

WIND POWERS ZINKE REMARKS: Interior Secretary Ryan Zinke will speak at noon today about U.S. offshore wind initiatives at the International Offshore Wind Partnering

Forum in Princeton, N.J. Bureau of Ocean Energy Management's program manager of offshore renewable energy, James Bennett will speak at the forum earlier in the day about the agency's thoughts on offshore wind in the Atlantic. "We want the federal government to be our partners, and we are ready to work with Secretary Zinke, who recognizes offshore wind has become more valuable in terms of both environmental and economic benefits," said Liz Burdock, executive director of the Business Network for Offshore Wind, earlier this week.

GAO TELLS CONGRESS TO BAN COAL SELF-BONDING: Congress should pass a law barring coal companies from using "self-bonding" to ensure they will clean up old mine sites, according to a new report from the Government Accountability Office. Most coal-related financial assurances are done through surety bonds secured from other companies or by putting up collateral. But 12 percent of assurances in 2017, representing $1.2 billion, were done via self-bonding, in which a coal company essentially promises it has the money to cover clean-up costs, according to GAO's report.

Recent high-profile coal bankruptcies "have highlighted risks" that the Interior Department and the states face to be left holding the bag if coal companies go under without remediating their mines, GAO concluded. It's "a risk that may be greater today than when self-bonding was first authorized under" the Surface Mining Control and Reclamation Act of 1977, the agency added. Hardrock miners, the agency noted, were barred from self-bonding back in 2001.

MAIL CALL! Senate Energy and Natural Resources ranking member Maria Cantwell sent a letter Thursday to Zinke requesting he withdraw his park fee increase proposal. "I am unable to see how doubling or tripling a park entrance fee is anything other than an effort to exclude many Americans from enjoying their national parks," Cantwell wrote. The Associated Press reported earlier this week that the department was walking back the proposal after public outcry. Read Cantwell's letter here.

COME FOR THE CHERRY BLOSSOMS, STAY FOR THE OIL INFRASTRUCTURE? A 10-foot oil derrick and construction crew will be strategically placed on the National Mall today, to draw attention to potential drilling on public lands. The display comes via The Wilderness Society's "Too Wild to Drill" campaign. **If you go:** The display will be up on the Mall between 14th and 15th Streets from 10 a.m. to 4 p.m.

CfA SUES FOR TAR CREEK DOCS: The Campaign for Accountability filed a lawsuit against EPA on Thursday to force the agency to comply to a Freedom of Information Act request about a northeastern Oklahoma Superfund site. The lawsuit requests documents between officials at EPA and news organizations, including POLITICO, regarding the Tar Creek Superfund cleanup site. The site was the subject of a recent feature in POLITICO Magazine. Read the suit here.

— **The Renewable Fuels Association submitted FOIA requests** to EPA and DOE regarding waivers issued for small refineries from complying with the Renewable Fuel Standard. Read it here.

QUICK HITS

— U.S. companies on edge over tariff threat to supply chains, Financial Times.

— Quietly, Trump officials and California seek a deal on car emissions, The New York Times.

— Conservative allies rally in bid to save embattled EPA head, Bloomberg.

— Documents show Shell grappled with climate change years ago, E&E News.

— How Lisa Murkowski mastered Trump's Washington, The New York Times Magazine.

— This Texas school that inspired "Friday Night Lights" is overcrowded amid oil boom, The Texas Tribune.

HAPPENING TODAY

8:00 a.m. — The Business Network for Offshore Wind holds International Offshore Wind Partnering Forum, Princeton, N.J.

9:00 a.m. — The Henry L. Stimson Center seminar on "Solving the Unsolvable: Nuclear Waste Solutions for the New Millennium," 1211 Connecticut Avenue NW

9:30 a.m. — The National Capital Region Water Resources Symposium on water management in urban environments, 4340 Connecticut Ave NW

10:00 a.m. — The Millennium Challenge Corporation discussion on work in the water, sanitation and irrigation sector, 1099 14th Street NW

12:30 p.m. — Young Professionals in Energy DC afternoon tour of Covanta's Energy-from-Waste facility, Alexandria, Va.

THAT'S ALL FOR ME!

To view online:
https://www.politicopro.com/newsletters/morning-energy/2018/04/pruitt-watch-what-comes-next-160332

Stories from POLITICO Pro

Pruitt fell behind on payments for his $50-a-night condo rental Back

By Eliana Johnson and Andrew Restuccia | 04/05/2018 05:21 PM EDT

Environmental Protection Agency chief Scott Pruitt was at times slow to pay the rent on his $50-per-night lease in a Capitol Hill condo, according to two people with knowledge of the situation — forcing his lobbyist landlord to pester him for payment.

Pruitt's living arrangement is the latest ethical issue to come under scrutiny by the EPA's inspector general's office, which said Thursday it's considering opening an investigation into Pruitt's lease arrangement — a move that would add to reviews of Pruitt's taxpayer-funded first-class travel, his use of special hiring authority to grant raises to aides and his spending on a soundproof phone booth for his office.

The EPA head was renting the condo from health care lobbyist Vicki Hart, whose husband, J. Steven Hart, is an energy lobbyist.

The cavalcade of problems has raised questions about Pruitt's future in the Trump administration.

Though President Donald Trump told reporters "I do, I do," when asked Thursday whether he had confidence in Pruitt, an administration official said the president has begun asking friends and advisers what he should do about the EPA chief.

On his way back from an event in West Virginia, Trump said he was considering how to respond to reports about Pruitt's activities. "I have to look at them," Trump said. "I'll make that determination."

But the president said repeatedly that he thinks Pruitt has done "a fantastic job."

"I think he's a fantastic person," Trump added. "I just left coal and energy country. They love Scott Pruitt. They feel very strongly about Scott Pruitt, and they love Scott Pruitt."

Trump's conservative outside advisers have been mounting a defense of the EPA chief, urging the president not to succumb to what they argue is an unfair pile-on by the media.

White House officials, conscious of how quickly the president's mind can change about defending or dismissing top advisers, have avoided publicly making any definitive statements about how long Pruitt will remain in his job. "I can't speak to the future of Scott Pruitt," White House spokesman Hogan Gidley said Thursday. "If the president has confidence in somebody, they stay."

But behind the scenes, White House officials are frustrated with the way Pruitt has handled the crisis. While in many cases, the president has unilaterally dismissed Cabinet members and senior advisers against the advice of his top aides, Pruitt's situation is a rare instance in which the president has remained loyal longer than other members of the White House staff, who are eager to see Pruitt gone.

West Wing frustration with Pruitt spiked after a Fox News interview on Wednesday that one White House official called a "disaster."

Trump, who watched the interview, was said to be unhappy with Pruitt's performance, the aide said, adding that the EPA chief appeared to be unprepared for tough questions from Fox News correspondent Ed Henry.

Pruitt, for his part, has gotten conflicting messages from the White House.

During a phone call on Monday, Trump encouraged Pruitt to defend himself after the EPA chief complained that the press was out to get him, according to a person familiar with the conversation — which Pruitt interpreted as a green light from Trump to do a series of media interviews in a bid to tamp down the scandals engulfing him.

But Kelly and other White House officials have found Pruitt's efforts at a response to be lackluster and counterproductive. Kelly called Pruitt after Wednesday's Fox News interview to discourage him from doing more press.

In a separate phone call on Tuesday, Kelly pressed Pruitt about whether more damaging revelations were coming, the White House official confirmed. The Daily Beast first reported Kelly's comments. It is unclear how Pruitt responded, but the next day, The Atlantic broke the news that Pruitt circumvented the White House to grant raises to two employees.

And late Thursday, Pruitt faced a new batch of damaging reports, including one from The New York Times that detailed how at least five EPA officials were pushed out of their jobs or resigned after questioning the EPA chief's expensive spending habits.

Pruitt's lease agreement, first reported last week by Bloomberg News, has become a point of contention because political appointees sign an ethics pledge prohibiting them from accepting gifts from lobbyists — which would cover cut-rate lodging.

A lease agreement covering February through April 2017 indicated Pruitt's rent was "payable on the 1st day of each month, in installments of $500 on March 1, 2017 and any remaining balance on April 1, 2017 based on days of actual occupancy," according to a memo obtained by the Campaign Legal Center.

Had Pruitt stayed in the condo every night in a given month, he would have owed $1,500 — but canceled checks reviewed by Bloomberg show Pruitt made a payment of $1,700 on Sept. 1, suggesting he eventually paid his back rent.

A spokesman for Pruitt declined to comment.

The uncertainty about Pruitt's fate comes in the wake of Trump's successive dismissals last month of Secretary of State Rex Tillerson, national security adviser H.R. McMaster and Veterans Affairs secretary David Shulkin.

His situation may more closely resemble that of former "Apprentice" contestant Omarosa Manigault, who was fired in December of last year despite the president's initial objections after

Kelly convinced him that her abuse of a White House car service, among other things, was a scandal in the making.

Pruitt was among a handful of Cabinet-level officials slapped on the wrist last month by Kelly, who called him into the White House to drill home the notion that — legality aside — "optics matter." CNN first reported on the meeting.

Pruitt has made clear he wants to keep fighting. He pushed back on allegations in the interview with Fox News on Wednesday. In the interview, Pruitt described his housing arrangement as "an Airbnb situation" and said EPA ethics officials had signed off on it.

An EPA ethics official clarified later Wednesday that he had concluded only that the $50-per-night lease did not constitute an improper gift but did not investigate whether Pruitt's arrangement ran afoul of other ethics rules.

Asked by Fox whether renting a room from a Washington lobbyist was inconsistent with Trump's promise to drain the swamp, Pruitt replied: "I don't even think that that's even remotely fair to ask that question."

To view online click here.

Back

Trump: Pruitt's 'done an incredible job' Back

By Kelsey Tamborrino | 04/05/2018 05:17 PM EDT

President Donald Trump today praised Scott Pruitt but said he would look into reports of ethics questions that have been raised about the EPA administrator.

"I think he's done an incredible job," Trump said of Pruitt, according to a pool report. "He's been very courageous. It hasn't been easy, but I think he's done a fantastic job."

Pruitt has come under scrutiny for a slew of reports concerning a $50-per-night condo he rented from a lobbyist last year, as well as previous questions surrounding his travel costs and security spending. When asked about the reports today, Trump suggested he had not read all the details.

"I have to look at them," Trump told reporters aboard Air Force One. "I'll make that determination. But he's a good man."

The president was returning from an event in White Sulphur Springs, W.Va., on the recent tax cuts, where he said the residents were in support of Pruitt.

"You know, I just left coal and energy country," Trump said. "They love Scott Pruitt. They feel very strongly about Scott Pruitt."

To view online click here.

Back

Third Republican calls on Pruitt to resign Back

By Alex Guillén | 04/05/2018 03:34 PM EDT

Rep. Elise Stefanik (R-N.Y.) today called on EPA Administrator Scott Pruitt to resign, becoming at least the third Republican to do so even as more conservative lawmakers come to Pruitt's defense.

"I'm going to make news today," Stefanik said at a town hall meeting in South Glens Falls, about 45 miles north of Albany, according to The Saratogian. "I think Scott Pruitt should resign. I fundamentally disagree with how Pruitt has handled the EPA."

Reps. Carlos Curbelo and Ileana Ros-Lehtinen, both Florida Republicans, earlier this week called for Pruitt's ouster, as have a number of Democrats. Pruitt is facing increased scrutiny for ethics issues including the $50-per-night rent he paid to rent space in a condo from a lobbyist last year.

Meanwhile, conservative Republicans like Sens. Rand Paul (R-Ky.) and Ted Cruz (R-Texas) have come to Pruitt's defense today.

"Why do Obama and his media cronies want so badly to drive @EPAScottPruitt out of office?" tweeted Cruz.

Pruitt "is likely the bravest and most conservative member of Trump's cabinet," tweeted Paul. "We need him to help @realDonaldTrump drain the regulatory swamp."

To view online click here.

Back

Democrats ask EPA IG to expand probe into hiring authority to cover aides' raises Back

By Alex Guillén | 04/05/2018 05:10 PM EDT

Two Senate Democrats today asked EPA's inspector general to expand an existing investigation into Administrator Scott Pruitt's use of a special hiring authority to look into allegations that two aides brought with him from Oklahoma received large raises via that authority.

The Atlantic first reported this week that Sarah Greenwalt and Millan Hupp were both denied

large raises by the White House, but that they later received them via special authority that allows Pruitt to make hires via the Safe Drinking Water Act.

Pruitt said Wednesday on Fox News that he had no knowledge of the raises, and was looking into the matter.

In a letter to EPA's IG, Sens. Tom Carper (D-Del.) and Sheldon Whitehouse (D-R.I.) write that if Pruitt's statement to Fox News is accurate, then one or more EPA officials acted without his knowledge. "This could indicate a serious breakdown of internal controls on the appropriate use of this authority," they wrote. "If Pruitt's statements were false, then the SDWA hiring authority may have been intentionally abused under the direction of the Administrator to award large raises to favored aides."

EPA's IG in January announced an investigation into whether Pruitt used the SDWA hiring authority to shield political appointees from the Trump administration's ethics pledge.

To view online click here.

Back

EPA inspector general reviewing allegations around Pruitt rental Back

By Alex Guillén | 04/05/2018 09:04 AM EDT

EPA's inspector general is reviewing requests to investigate Administrator Scott Pruitt's $50-a-night lease agreement, a spokesman confirmed today — an initial step before determining whether to launch a formal probe.

Democrats from the House and Senate this week called on the IG to review Pruitt's rental of a room in a condo co-owned by the wife of a lobbyist with energy clients.

There are already three other IG investigations underway into Pruitt's specific activities at EPA. The IG is also investigating his travel, his use of a special Safe Drinking Water Act hiring authority and his spending on a soundproof phone booth for his office.

WHAT'S NEXT: It is unclear how long the IG will review the allegations before determining whether to open an investigation into the apartment lease. IG probes often take months to complete.

To view online click here.

Back

Top Pruitt policy aide Samantha Dravis resigns Back

By Emily Holden and Daniel Lippman | 04/05/2018 09:05 AM EDT

Samantha Dravis, senior counsel and associate administrator of EPA's Office of Policy, submitted her resignation early last week, according to a source familiar with her plans.

People close to the situation said she had been planning to leave for some time, and that her decision is not because of a series of recent negative headlines for Administrator Scott Pruitt, including news that he rented a $50-a-night condo from a lobbyist and clarification from an ethics official late last night that he didn't have all the facts when he suggested the deal might not violate rules.

Dravis is one of Pruitt's top aides and she had been tasked with numerous new responsibilities, including a regulatory reform task force, and the offices for environmental reviews and environmental justice.

Dravis, who previously was policy director and general counsel of the Republican Attorneys General Association, will pursue opportunities in the private sector.

To view online click here.

Back

Trump in West Virginia promises review of emergency authority for power plants Back

By Eric Wolff | 04/05/2018 03:30 PM EDT

President Donald Trump told a crowd in West Virginia today that he'd review the use of emergency authority to prop up coal and nuclear power plants.

Trump said he would review the use of Section 202c of the Federal Power Act, a provision that can be used to keep power plants running that are in danger of retiring. The president was at an event in White Sulphur Springs, W. Va., promoting last year's tax cuts.

"We'll be looking at that 202. You know what a 202 is? We'll be looking at that," he told the crowd. "We're trying. Nine of your people just came up to me outside, 'Could you talk about 202?' We'll be looking at that as soon as we get back."

FirstEnergy Solutions, an Ohio utility company, submitted an unusual request to the Department of Energy last week — days before the company filed for bankruptcy protection — asking that DOE use its authority to provide four-year contracts to as many as 85 coal and nuclear power plants in the PJM Interconnection, a power market consisting of 13 mid-Atlantic and rust belt states.

DOE rejected a request from FES, a subsidiary of the regulated utility FirstEnergy Corp., to use

that authority last year, and FERC rejected a rule proposed by Energy Secretary Rick Perry that would have benefited FES in January.

Alex Guillén contributed to this report

To view online click here.

Back

The Environmental Scandal in Scott Pruitt's Backyard Back

By Malcolm Burnley | 12/06/2017 05:57 PM EDT

PICHER, Okla. — Tar Creek, Oklahoma, is breathtaking in a terrible way: At one time the world's deepest source of lead and zinc, the three-town region is now a cratered landscape so poisonous that no one, aside from 10 holdouts, can live there. Mountains of ashlike "chat," a toxic residue from lead-zinc milling, rise majestically among the remains of homes torn from their foundations. Abandoned pets forage around the ruins. A child's teddy bear lies sprawled in a ghostly living room. A gorilla statue fronts an empty high school, atop a sign proclaiming "1A Football State Champs, 1984."

Tar Creek is also part of the environmental legacy of one of the state's—and nation's—leading politicians, Senator Jim Inhofe, and his longtime ally, Scott Pruitt, the former Oklahoma attorney general who is now head of President Donald Trump's Environmental Protection Agency. After the EPA struggled to clean up the area, in 2006, Inhofe endorsed a plan in which a trust overseen by local citizens would use federal dollars to purchase homes and businesses in the toxic region so residents could move elsewhere. Then, when the plan proved so problematic that it spawned more than a half-dozen civil lawsuits and an audit into possible criminal wrongdoing, Pruitt, as the state's attorney general, invoked an exception to state freedom-of-information laws to keep the audit from being an open public record.

Now, that decision is coming into new light as many Oklahomans clamor for the audit to be released, suggesting that its revelations will prove embarrassing to Inhofe, who played a key role in designing the buyout plan, and cast doubt on Pruitt's decision not to move forward with charges. Last week, a Washington, D.C., nonprofit called Campaign for Accountability raised the stakes even further, filing suit in Oklahoma courts to force the release of the audit.

"If you take a look at Scott Pruitt's record, you see a general disregard for transparency," said Daniel Stevens, the group's executive director. "I don't think it's outside our bounds to say that Pruitt is trying to hide evidence of criminal wrongdoing."

Pruitt, in an interview, dismissed the idea that he was covering up anything, saying his former office's grand jury unit reviewed the audit and determined that no charges were warranted. He said he declined to make it public because he didn't want innocent people to be besmirched, even though the auditor rejected that reasoning and maintained it should be a public document. "It was

important to protect the individuals' reputation that were in that investigation," Pruitt said.

Nonetheless, the mess at Tar Creek continues to follow Pruitt in other ways. As EPA administrator, he has assumed full responsibility for the still-faltering cleanup. And eyebrows were raised in Oklahoma this past January when, as Pruitt was awaiting confirmation for his EPA post, a White House spokesperson told Bloomberg News that the handling of Tar Creek was emblematic of Pruitt's philosophy: "national standards, neighborhood solutions."

Pruitt, in the interview, said he knew nothing about the Bloomberg article, saying only that he endorses the EPA's current work at Tar Creek and the principle of combining federal resources and state and local leadership, rather than the buyout that occurred before his time as EPA administrator, while he was Oklahoma's attorney general.

"I think as far as a model going forward outside of the buyout, what we're trying to do is have a renewed focus on what I think are some of the most beneficial things we can do for citizens across the country, and that's to address some of these legacy sites that have substantial environmental challenges that allow them to once again enjoy the communities in their backyard," he said.

But many residents of the Tar Creek area, who gave up their homes in a buyout they considered both coercive and corrupt, continue to blame Pruitt for the fact that no one was prosecuted. They described a program so rife with good-old-boy corruption that certain individuals received outsize payoffs while some homeowners got so little they couldn't relocate anywhere nearby; meanwhile, they said, the people hired to demolish the homes received inflated contracts through a flawed process.

"We were lied to and deceived from Day One," said Gloria Workman, who said her son has learning disabilities from growing up in the polluted zone of Tar Creek, which had lead-poisoning levels in children that were three times higher than those registered in Flint, Michigan, during the peak of its recent water crisis. "Not only were we losing our homes, we were raped in the process."

"It was a nightmare," said Mary Thompson, who was still awaiting a resolution from the trust when an EF4 tornado ripped through Tar Creek in 2008, throwing bodies and trailers through the sky, killing six people and destroying more than 100 homes. Without homes, many people took lower-than-expected buyout offers—however insufficient they were perceived to be—because they had nothing left, she said.

"They preyed on us after the tornado," said Thompson, whose home was leveled.

Nonetheless, Inhofe, in a 2015 news release touting the completion of the buyout, cast it as a success because it did not lead to an expanded federal role.

"This is an example of a government program created for a specific purpose and then dissolves after the job is completed," Inhofe proclaimed.

Now, he continues to defend it but sounds less celebratory. "The first thing to know about the Superfund site at Tar Creek is that it's what's called a 'mega-site' and that it is an exceptional circumstance in every way. You can't compare it to any other Superfund site in the country," Inhofe said in a statement to POLITICO. "The voluntary relocation assistance to get people out of harm's way was right for the situation at Tar Creek, but may not be for every other Superfund—that is why state and local partnership is critical."

To many former residents, who still want the investigative report by the state auditor to see the light of day, even these modest and conditional endorsements feel like slaps in the face.

"People hate the government out here, and it's because of things like this," said Aletha Redden, a lifelong resident of the area who has a Donald Trump bumper sticker on her pickup truck. "I want Scott Pruitt to know: This is not the model."

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A flat expanse of dusty roads and scrubby vegetation situated in the heart of Tornado Alley, the Tar Creek area was once the mainstay of the Quapaw Tribe, which was forcibly relocated there by the U.S. government in 1834. At the time, the territory had little economic value, but a half-century later, prospectors discovered enormously rich ore. By the turn of the 20th century, companies broke ground with drill rigs on Quapaw land.

Many of those firms made fortunes, luring white settlers into an uneasy state of coexistence with the Quapaw. Tar Creek proved to be the deepest reservoir of lead-zinc ore in the world, producing a whopping $1 billion in minerals between 1908 and 1950, according to the Oklahoma Historical Society. Picher, the largest of the mining towns, swelled to a population of 14,000.

Almost every aspect of life in Tar Creek traced back to the mines. The high school took on the mascot of a gorilla, a reference to workers in the mines who broke up boulders with hammers. Children played in sandboxes filled with chat, the chalky mining debris. Teenagers earned the nickname "chat rats" for climbing up the pillowy piles of toxic rubble throughout town and rolling tires down their slopes.

By the end of World War II, however, the boom was over. Most of the mining companies decamped for richer pastures. For the families left behind—including that of Yankees slugger Mickey Mantle, who grew up in the Tar Creek area in the 1940s—it was a slowly unfolding disaster. The extent of Tar Creek's collapse was reflected in the words of John F. Kennedy, who barnstormed into Joplin, Missouri—25 miles away from Tar Creek—in the closing days of the 1960 presidential campaign.

"My own judgment is I know no tougher occupation in the world that [sic] to be a miner, lead, zinc, coal. I am always glad to meet them because I think they live with peril," Kennedy declared. "They have as tough a life as there is. Every other one whose hand you shake has a finger off, a foot crushed, the chances of in 20 years their having a bad accident are more than any of the rest of us. And yet in this community and in West Virginia and Idaho and in other sections of the United States, there has been no group that has been harder hit, no group that has

been more forgotten."

Indeed, after the last prospector looking for ore packed up and left in the mid-1970s, people looked to casinos and farming to make a living. But the residue from decades of mining was poisoning them. In 1979, acid mine water leached into the ground, threatening the area's aquifers, killing fish and turning creeks a rusty orange color. When the federal Superfund program—designed to clean up the nation's most polluted and contaminated land—kicked off in the early 1980s, Tar Creek was named to the inaugural National Priorities List. It's still on the list.

The EPA has spent more than $176 million over the past 25 years on cleanup work inside the 42-square-mile-area, on projects from plugging mine shafts to removing contaminated surface soil in people's yards. Though the amount of money sounds large, it hasn't been nearly enough to remove the toxic dangers, and many residents insist the cleanup was mishandled from the get-go. In some cases, the removal of soil resulted in sloping yards, which, during bouts of rain, caused flooding and mold inside houses. In 2000, the FBI raided the offices of the EPA's prime contractor at Tar Creek, Morrison-Knudsen. The company later settled a lawsuit brought by the federal government alleging false representation of billing and progress reports for a sum of $1 million. In the settlement, the company made no admission of wrongdoing.

Meanwhile, the environmental hazards began to multiply: Shortly after the start of that Superfund spending spree, in 1993, researchers at the University of Oklahoma found that 34 percent of Quapaw children were living with lead concentrations above the federal limit. Further studies found alarming rates of lead and arsenic in both the tribal and non-tribal populations. In 1997, a university-led study estimated that 21 percent of children near Tar Creek had elevated blood-lead levels (defined as 10 micrograms per liter at the time), which is three times higher than the highest measurements found in Flint, Michigan, in 2015. The learning disabilities and memory loss that had plagued the schools and curtailed lifespans for decades suddenly had a culprit.

As the dangers became ever-more visible and the cleanup lagged, residents rallied around the idea that the government should quickly buy them out of their homes, rather than wait for the hazardous materials to be removed. They thought they might have an ally in the state's senior senator, Inhofe, a Republican who was chair of the Senate Environment and Public Works Committee. But Inhofe, who has a skepticism about environmental science that exceeds that of any of his colleagues, refused to consider the idea. "There will never be a buyout. I promise you that," Inhofe told the *Tulsa World* in late 2003.

Inhofe's refusal to take action of any sort was often criticized in local press, due in part to the relentless attacks of a young Democratic congressman named Brad Carson. "If you'd asked people in Oklahoma politics at the time, they'd say we were mortal enemies," said Carson, referring to himself and Inhofe. "I was elected [to Congress] in 2000, and my goal was to untie the Gordian knot. The area is desperately poor. If it was in suburban Tulsa or Oklahoma City, there would've been outrage."

In 2004, Governor Brad Henry signed a bill authorizing the use of state dollars for the relocation

of roughly 100 families with children under the age of 6. Under pressure to take further action, the senior senator began to come around. At first, he secured $2 million in federal funding to pay for a study that discovered that 286 homes within Tar Creek were at risk of being swallowed up from cave-ins of underground mine shafts. This provided an opportunity for Inhofe to reverse himself on the buyout, supporting it on the grounds of protecting residents from cave-ins.

"The stability with the underground mine workings was worse than anyone had previously been thought," recalls Ed Keheley, a retired nuclear engineer and native of Picher who co-authored the study's final report. In the spring of 2006, Inhofe announced a joint federal and state buyout program that would begin with $20 million in funding, with the express purpose of relocating any and all people who'd voluntarily leave Tar Creek.

Having once opposed the buyout to his political detriment, Inhofe now used his clout to keep on funding it, but with the idea that decision-making would be concentrated among local leaders, not the federal government. With Inhofe's support, the Oklahoma legislature created a nine-member panel called the Lead Impacted Communities Relocation Assistance Trust to assume control over the project. The members were all volunteers, helping their community, but some had a vested interest in the buyout: They included, for example, a local banker whose institution would later give loans to people to help them relocate; local property owners whose own homes—and those of relatives—would be subject to the buyout; town officials; and a leader of the Quapaw Tribe.

Inhofe cast himself in the role of the community's protector, putting out a 2008 campaign ad that declared: "Tar Creek: poisoned earth, the threat of schools and churches sinking into abandoned mines. Everyone thought it would be too much to tackle, except for one stubborn man named Inhofe."

But over a five-year period, the buyout would become the subject of a host of civil lawsuits and the subject of a state investigation.

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The local members of the trust—few, if any, of them schooled in environmental management—had two major tasks: figuring out how much each property owner should be paid for their home or business, and then choosing a company to demolish the properties. Both tasks would become the subject of complaints about cronyism, with residents saying the trust members rewarded their friends and politically connected individuals.

It didn't help that the trust often met behind closed doors, and that the vice chairman of the trust resigned within a year. The trust's sole employee, operations manager Sonya Harris, also quit, declaring in her resignation letter that she could no longer continue "with a clear conscience without recommending a change; I will not place myself in a position to be perceived as approving of the operations to this point."

The first case to raise eyebrows involved the mayor of Picher, Ernest "Sam" Freeman. In 2005, when the buyout was first being discussed as a probability, he acquired three large parcels of

former mining land covered with chat from the Picher Development Authority, which he chaired. Freeman bought them at 3 cents per square foot, for a total price of $2,088.50, according to the findings of a state audit at the time. It was, the audit declared, a violation of state laws forbidding members of public boards from entering into contracts with those boards. Ottawa County District Attorney Eddie Wyant called on Freeman to return the properties to the development authority in lieu of charges.

"If Sam wanted to buy that land, he needed to get off the board and purchase it legally," Wyant told a local newspaper at the time. "I am not one to put anyone in jail over this, but he needs to clear it up." Wyant, when reached by phone, declined to comment further.

Freeman returned the land, but, in a move that enraged some neighbors, profited off it anyway. The trust had decided that, because so much former mining land had been taken over by state authorities and tribal members, those who owned mobile homes or other shelters on land they didn't own would be eligible for buyouts. Freeman made a claim based on the fact that he had been maintaining and renting out homes on the chat-infested property for years before he tried to buy it.

Trust documents show that Freeman received at least $274,000 from the buyout, more than half of which came from the same lots he had been ordered to return by law enforcement. (Freeman told POLITICO a payout of more than a quarter-million sounded accurate enough, though he declined to provide an exact figure.) Neighbors suspected cronyism. Freeman, who is no longer mayor, denied receiving any preferential treatment. "These people thought I bought the lots to make a killing in the buyout," he said. "I don't think I got more than anyone else would have."

The size of the mayor's profit diminished public confidence in the trust, just as it was engaged in the most delicate part of its task, figuring out how much to pay each individual property owner. Property owners were supposed to receive fair market prices as if pollution hadn't existed in Tar Creek, based on the sales of similar properties elsewhere in northeast Oklahoma. But those calculations appeared to lack uniformity.

The average payout for the 695 properties involved in the buyout was just over $65,000, but the disparity in prices between two properties could be dramatic. Residents complained about lowball offers on some decent properties and overly high payouts for others that were rundown or minuscule in size.

"I got $3,000 for my gun shop. It took me $16,000 to build it," said former Tar Creek resident John Frazier.

Wally Long said he and his wife got $35,000 for their Dairy Queen, while another Dairy Queen right up the road got substantially more.

"We were told [by the trust] that's all the money there is," Long said. "It bothered my wife a lot. She put 23 years of her life into this business."

Meanwhile, a trust member named Janell Trimble got $185,000 for her house, and her brother

collected $115,000 for his fiberboard house.

"I may be a member of the [relocation trust's committee], but I honor my duties and I recuse myself when family members are involved," Trimble told the *Tulsa World* in 2008. "[B]ut as a buyout participant I also expect to be treated just like the next person."

Nonetheless, both Trimble and her brother received more than 35 percent above the average price per square foot. On the other end of the spectrum, an elderly woman named Betty Betts received an offer of $12,000 for her home; when she protested, the appraised value was raised to $20,000. Many people got so little for their homes that they had to turn around and take out loans in order to resettle elsewhere in Oklahoma. In the end, the trust finished up with millions in unspent funds.

Residents concentrated their anger on the company that the trust hired to conduct the appraisals, Cinnabar, which had previously made headlines for its management of a noise-insulation program at the Tulsa Airport, which involved multiple lawsuits . In response, the trust engaged an "appraisal reviewer" to go back over Cinnabar's work. But the reviewer, a company named Van Tuyl Associates, quickly came under criticism as well. "They [often] didn't get out of their car. They never entered these homes," said Keheley, who was a member of the trust at the time. (Van Tuyl Associates is now defunct; its former president could not be reached for comment.)

When the unrest over the buyout made the local newspapers, the trust's leadership pointed to a 95 percent acceptance rate for buyout offers. But some residents accused trustees of pressuring them with "take it or leave it" offers, according to a class-action lawsuit brought against the trustees, Cinnabar and Van Tuyl by more than 250 residents affected by the buyout. Plaintiffs also complained that they were denied the right to view the appraisal paperwork. There was even a fake camera—and posters notifying residents they were being videotaped—in the room where buyout offers were made, an apparent attempt to compel residents to take the offers, according to documents in the suit.

The suit, filed in Oklahoma district court, accused the defendants of cheating average property owners and rewarding friends and associates of the trustees. Depositions revealed an explanation for some of the inconsistencies in appraisals: For certain properties, Cinnabar expanded the boundaries of where it could find "comparables"—properties in adjacent counties whose sale prices were used to calculate the appraisals—with the approval of a state employee named J.D. Strong, who, according to the lawsuit, played a significant role in overseeing the trust.

One of the properties appraised in this fashion was that of Trimble, whose $185,000 payout, according to appraisal documents, had infuriated other residents.

When, in 2008, residents outlined their frustrations in a scathing six-page letter to Inhofe, Henry and other elected officials, Strong dictated the governor's reply, which was co-signed by Inhofe, lawyers for the plaintiffs asserted in his deposition. "I may have drafted this," Strong responded, when presented with a copy of the letter saved on Strong's computer.

In an interview, Strong defended the trust and its system of appraisals: "We knew going in that

we weren't going to be the most popular. We went in with the idea that we were going to be fair. I can honestly say that, looking back, we were fair and unbiased and frugal."

During the six years the lawsuit was making its way through the state court system, both Cinnabar and Van Tuyl Associates declared bankruptcy. Eventually, the plaintiffs and the trust settled the case in 2015 for $1.3 million, which, after deducting attorney fees, meant that each resident ended up receiving an additional $2,600.

But that didn't satisfy many property owners.

"The people of Tar Creek were treated like second-class citizens, based on where they were born and lived," concluded Wally Kennedy, a columnist at the *Joplin Globe* who reported on northeast Oklahoma, including Tar Creek, for more than 30 years. "For someone to portray the buyout of the people of Tar Creek as a successful program is lying through their teeth."

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Once the trust obtained the properties on the toxic land, the next problem was how to destroy the empty structures that were on them.

Inhofe made sure there was enough money for the job. Even as he joined fellow Republicans in condemning President Barack Obama's 2009 stimulus bill as an unwarranted giveaway, the senior senator helped secure an additional $15.7 million in the bill to help the trust finish its work.

The trust hired a local businessman named Jack Dalrymple to oversee bids for the demolition contract. He was best known for organizing an annual deer hunt for paralyzed veterans, an endeavor that earned him a lifetime achievement award from a local Chamber of Commerce. His payment was to be 10 percent of the value of the winning bid. He formulated a scoring system to evaluate bids and, in March 2010, the trust awarded the contract to Stone's Backhoe, which offered the most expensive of all four bids. At $2.1 million, Stone's bid was nearly four times that of the lowest bidder.

Just 14 days after Stone's was declared the winner, it asked that the contract be reassigned to two subcontractors, CWF Enterprises, a carpet-cleaning business, and Vision Construction and Management. Former residents contend that there were longstanding ties between Dalrymple and the subcontractors. Whether or not they were friends before, they soon became hunting buddies. In October 2012, local coverage of Dalrymple's annual event for paralyzed veterans pictured the heads of the two firms setting up the flag for the hunt.

One of the losing contractors filed suit against the trust and individual trustees in Oklahoma district court, accusing them of violating the state's open-meeting act and competitive bidding act. The district county judge sided with the plaintiff, reopening the bidding process.

But rather than blame Dalrymple, the trust gave him a new contract. It included a flat rate for his services, $305,472—about $100,000 more than he would have received had the contract

remained with Stone's.

In January 2011, a $1.7 million demolition contract was awarded to none other than CWF Enterprises, the carpet-cleaning business, whose bid was also the least expensive of the three received. A month later, however, the estimated cost of the contract ballooned to $3,050,786—almost exactly 10 times what Dalrymple received in his new contract.

While many residents cried foul, Andy Lester, the trust's attorney, attributed the increase to the fact that the EPA-controlled repository for dumping debris had just closed down. Trekking the remains of the houses and businesses to a dumping ground further away caused the massive change order, and a near doubling of the contract.

Lester also defends the choice of Dalrymple to handle the bids, contending that he was an engineer with some prior experience with public contracts and that the trust members couldn't handle the process on their own.

"It is important to remember that the trust board consisted of nine members—including, for example, a physician, a school teacher, and a mushroom farmer. They were volunteers, not professionals at this kind of work," Lester said. "Jack Dalrymple is a professional engineer with significant experience. And candidly, there are very few professional engineers in northeast Oklahoma."

Nonetheless, lawyers out of the Tulsa region filed a lawsuit in 2012 under the False Claims Act that accused the trust members, Dalrymple and the heads of the companies hired to do demolition work of being part of a "good old boy network" and defrauding federal taxpayers.

Attorneys for the plaintiffs, Zach and Brad Barron, say the lawsuit fizzled when the Department of Justice took the stance that "the government didn't sustain damages" from the charges laid out in the complaint. In a false claims lawsuit, where the plaintiffs are effectively trying to recoup money that's owed to the government, a lack of willingness from the government is effectively a death knell, the Barrons said. The lawsuit was eventually dismissed.

In an interview, Dalrymple insisted the allegations of cronyism were entirely unfounded.

"There were a lot of emotions and feelings during that period," he said. "When you ask someone to leave their home, it's a tough thing. But ... there was nothing there."

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Still, the drumbeat of complaints continued, eventually reaching the ear of Jerry Morris, the state director for Oklahoma's then-junior senator, Republican Tom Coburn.

It was no secret that Coburn, a physician who cast himself as a political outsider, didn't look upon Inhofe with any sort of fond feelings of mentorship.

"I think they were often seen as having very different approaches to politics," said David Blatt of

the Oklahoma Policy Institute. "Inhofe is seen as a classic, pork-barrel politician who'd bring federal dollars to Oklahoma, the more the merrier." Whereas Coburn, Blatt says, "hated that kind of politics and did as little of it as he possibly could. In fact, he spoke disdainfully and caustically about it the whole time he was in the Senate."

Coburn was not shy about stepping on his fellow Republican's toes. Morris forwarded a memo with a lengthy list of allegations related to the awarding of contracts in the Tar Creek buyout, especially regarding the demolition work, to then-Attorney General Pruitt. In April 2011, Pruitt asked the state auditor and inspector, Gary Jones, to look into the memoranda sent from Coburn's office.

"I have determined that these concerns are serious in nature such that an investigation of the matter is warranted," Pruitt wrote to Jones. A 17-point list of allegations for Jones to investigate followed, including whether there was collusion between Dalrymple and the contractors hired to do the demolition work.

After spending almost two years on the investigation, Jones turned over the results of the audit to the attorney general's office in January 2014, apparently believing it had uncovered important information.

For a year and a half, the attorney general sat on the findings. Then, in May 2015, Pruitt announced that he wouldn't press charges. In addition, he vowed to keep the audit secret by refusing to release it.

Jones fired back at the attorney general's office days later, penning a letter to Pruitt that described his rationale for withholding the audit as "baffling."

"To our knowledge, the individuals named in the report are members of a public trust or contractor whose services were retained as part of this substantive project," Jones wrote. Further, he contended, "our office has received no inquiries from you or your staff regarding the content of the audit report."

Pruitt justified the secrecy by comparing the investigation results to the findings of a grand jury. "Specifically, our office is concerned about publication of unsubstantiated criminal allegations against private citizens," Pruitt wrote in a 2015 statement.

In the interview with POLITICO, Pruitt appeared to go one step further, suggesting the audit had in fact been vetted by a grand jury.

"You're addressing issues that it's been some months since I've looked into," Pruitt said. "I know the decision I made at that time was based upon the investigative audit. The investigative audit didn't yield anything to the grand jury, and, as such, it was important to protect the individuals' reputation that were in that investigation."

But when asked to clarify, a Pruitt staff member indicated that he was using the term "grand jury" as shorthand for the Multi-County Grand Jury Unit, a division of the AG's office, headed at

the time by a Pruitt appointee, which decides whether to take cases to a grand jury for indictment.

It's not the same as a grand jury finding. Nonetheless, the attorney general's office, now overseen by Mike Hunter, Pruitt's former top deputy, has denied all open records requests for the audit, declaring it to be "under the supervision of the Multi-County Grand Jury Unit." A spokeswoman for the Oklahoma attorney general's office said that if there was in fact a grand jury, the office couldn't confirm or deny that.

These rationales befuddle open records experts.

"I don't think there's anything in the law that would prohibit it [the investigation] from being released," said Joey Senat of Oklahoma State University, the former president of FOIA Oklahoma. "The law doesn't require that the audit be kept secret. What would its release be harming? They've closed the investigation and decided not to prosecute."

Jones, who is now running for governor, reiterated his call for the attorney general's office to release the audit, saying in a statement that "regarding any investigation of this kind, we always err on the side of transparency and the people of Oklahoma have a right to know."

Concluded Senat: "When you have the state auditor [Gary Jones] saying these are not unsubstantiated claims and this is a serious problem, good government would call for letting the public know what happened and showing the public the audit. Transparency helps alleviate a lot of concerns about favoritism, corruption, and incompetency—if those are indeed unfounded."

***

Tar Creek today looks like an abandoned landfill. Illegal dumping has added a fresh layer of grime to the already ruined patch of earth. Giant craters from collapsed mine shafts, some as large as 200 feet in diameter, are filled with Bud Light cans, shotgun shells and the tangled remains of kids' playground equipment. "We call this urban renewal, Picher style," quipped former resident Gloria Workman.

Abandoned houses that were not part of the buyout are now coated with graffiti. The charred remains of the former mining museum in Picher, which burned down at the hands of arsonists, stands as a teetering monument to Tar Creek's former way of life. And the sense of danger and destruction extends beyond the former buyout area: On rainy days, local fields used for football practice bleed a toxic shade of orange.

The EPA is continuing its now 33-year-old cleanup effort, and it's thrust the Quapaws back into stewardship of the land. Although the tribe leased away or sold off significant chunks of Tar Creek to mining companies throughout the 20th century, the Quapaws have at least temporarily regained control of all of it. Since 2012, the tribe—a sovereign nation with roughly 5,500 members—has been the primary EPA contractor for environmental remediation at Tar Creek. It's the first time any tribe has been a prime contractor on a Superfund site, assigning all the contracts and overseeing all the work.

"It's a great story," said Craig Kreman, assistant environmental director of the Quapaw tribe. "We're employing tribal members a lot of the time and members of the community. So that income [from the EPA contract] stays here in this community and is being spent in this community. We're not hiring a contractor out of Georgia."

Every day, a steady stream of trucks haul away more than 2,000 tons of soil saturated with cadmium, lead and other metals at the site. Each patch of earth requires years of passive soil treatments before it tests clean enough to plant row crops like winter wheat. Half-acre by half-acre, the hope is that Tar Creek can be put into productive agricultural use decades from now.

In August, after touring the abandoned area and surrounding towns, Pruitt's senior adviser Albert "Kell" Kelly, praised the EPA's efforts surrounding Tar Creek in sweeping terms: "People from all across the country count on the Superfund program to address pollution and revitalize their communities. Tar Creek cleanup is an excellent example of how the program should work. State and local partners, tribal partners, and EPA—all working together year after year to address historical pollution at this mega-site. It's cooperative federalism working at its best."

But many local observers, including Ed Keheley, aren't nearly as positive.

"Usually, the EPA comes in, they do their dirty work, sprinkle some wheat seed, take a picture to show Congress, and next year it looks like this," he said, pointing to a barren pasture. "Clearly, the EPA hasn't had the best interests of the people at heart. So I get personally offended when people like Scott Pruitt suggest otherwise."

For his part, Pruitt announced a fresh grant of $5 million to the Quapaw-led project last May, and he is quick to distance this experiment in local control from the one that preceded it.

"We [the EPA] can't impact the buyout. We didn't authorize the buyout. I didn't manage the buyout and its unique situation," Pruitt said. "I think what's most tangible is what we can do together with the tribe to advance and continue remediation."

When asked to respond to the undying complaints of residents in rural Ottawa County, where Tar Creek is located—a county in which Trump received 71 percent of the vote in November 2016—Pruitt changed the subject. "I had no experience with Tar Creek, to be honest with you," he said.

That's true, except it was his office's decision, when he was attorney general, not to prosecute the people accused of mishandling the trust money, Keheley and other local residents point out.

But what galls them more than the failure to prosecute is the failure to release the results of a government investigation—an audit that they believe will raise questions about Pruitt's unwillingness to press charges and cast a negative light on a project near and dear to Inhofe's heart.

Pruitt's connections to Inhofe are extensive. One of Pruitt's first hires as EPA chief was Ryan

Jackson, a longtime Inhofe staffer and the senator's point person on Tar Creek, who is now Pruitt's chief of staff. He also brought on four other former aides to Inhofe, the Senate's leading proponent of the idea that man-made pollution contributing to climate change is a conspiracy and a hoax. Three of them are Pruitt's senior advisers on air, climate and legal issues.

"It gives me a level of comfort to know that we have a bureaucracy that's actually going to be serving instead of ruling," Inhofe told the *Washington Post*, applauding Pruitt for hiring his staff.

Numerous veteran Oklahoma political watchers, some of whom spoke to POLITICO on condition of anonymity, suggest that there may be an ulterior motive in Pruitt's embrace of Inhofe: It's widely believed that Pruitt, who is 49, wants to run for Inhofe's seat when the senator retires. Many observers think Inhofe is unlikely to seek reelection in 2020, when he'll be 85. And some have noted that Pruitt's decision not to advance the case against the buyout trust spared Inhofe the embarrassment of seeing the program he personally tailored and promoted go down in scandal.

"Pruitt is a rising Republican political star previously in Oklahoma and now nationally," said one journalist who closely follows the Oklahoma political scene. "There have been rumblings that Pruitt might have his eye on higher office. ... Pruitt would do everything to keep Inhofe close, assuming he wants to run for that seat."

Joplin Globe columnist Wally Kennedy, who has covered the Tar Creek trust more closely than any other journalist, said, "My sense of the way that unfolded was that Pruitt decided he was not going to do any kind of prosecution, and then Inhofe writes a letter saying what an outstanding job the trust did. My reaction was 'Huh?'"

"The fact that the audit was not publicly disclosed tells me that somebody is hiding something," he added. "This is Oklahoma taxpayers' money being committed to ratting out what appears to be some apparent corruption. But everybody looks the other way. That's why I'm talking to you. Because if you can shed a light on this, maybe somebody will say 'We need to take a second look at this.'"

Pruitt, however, insists his decisions were strictly based on the law, and an Inhofe staffer flatly dismissed the possibility of Inhofe influencing Pruitt's decision.

"Senator Inhofe would have had no involvement in the case or in any of then-Attorney General Pruitt's decisions," the staffer said.

Pruitt was similarly bemused by the idea that there would have been any sort of political calculation behind his decision to shield the audit. The only politics in this case, he suggested, was on the part of those who want to embarrass him and Inhofe.

"You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys," Pruitt said in frustration.

Others argue that transparency in this case is not a political issue as much as a legal right.

"The open records act seems pretty clear this audit should be released," said Stevens, executive director of Campaign for Accountability. "You have to ask why he's not releasing it? Pruitt should have to be held accountable for this."

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Best Regards,

Tamika Burton

Staff Assistant

Office of the Deputy Administrator

MC 1104A Room 3412 WJC North

(202) 564-4771 (d)

Ex. 6 - Personal Privacy

burton.tamika@epa.gov

From: Burton, Tamika
Sent: Friday, July 28, 2017 1:42 PM
Subject: Agency Weekly Report 07282017

Good Afternoon,

Please see the attached weekly report.

Best regards,

Tamika Burton

Staff Assistant

Office of the Deputy Administrator

MC 1104A Room 3412 WJC North

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burton.tamika@epa.gov

Ex. 5 - Deliberative Process

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WEEKLY REPORT – 07/28/2017

Ex. 5 - Deliberative Process

Tar Creek, Picher, Oklahoma

EPA intends to continue field sampling to fill data gaps related to characterization of and potential risk related to sediment and surface water within the Tristate Watershed investigation area. The sampling is being accomplished through joint coordination and cooperation with Region 7; the states of Oklahoma, Missouri and Kansas; the Quapaw, Peoria, Ottawa, Miami, Eastern Shawnee, Wyandotte, Seneca-Cayuga, and Cherokee tribes; and other federal and state agencies (U.S. Fish and Wildlife, U.S. Geological Survey, Oklahoma Department of Wildlife). The Quapaw Tribe Environmental Office will continue source material excavation at Distal 10 and hauling to the central repository. Site preparation (i.e., grubbing, haul roads) will continue at Distal 12. The Quapaw Tribe Environmental Office will continue confirmation sampling at Distal 10, under cooperative agreements with the EPA. The Oklahoma Department of Environmental Quality will continue the remedial action work at Beaver Creek under a cooperative agreement with the EPA. The ODEQ will also continue the preparation of the Operable Unit (OU) 2 (Residential) Commerce remedial action work plan and cost estimate, and continue planning for the public meeting currently scheduled for August 15, 2017.

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