Message

From: POLITICO Pro Energy [politicoemail@politicopro.com]
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To: Bolen, Brittany [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=31e872a691114372b5a6a88482a66e48-Bolen, Brit]
Subject: Morning Energy, presented by Anheuser-Busch: Returning to the battlefield over California car rules — Pruitt screens friendly questions — Art of the RFS deal

By Kelsey Tamborrino | 05/09/2018 05:42 AM EDT

With help from Anthony Adragna

IF AT FIRST YOU DON'T SUCCEED: The looming fight between the Trump administration and the state of California over climate change rules for cars will cover some familiar terrain — where the liberal state and its environmentalist allies have won major legal battles in the past, Pro's Alex Guillén reports. The White House strategy appears to mirror the approach that automakers and dealers unsuccessfully pursued more than a decade ago in an attempt to reverse California's strict limits on vehicles' greenhouse gas emissions.

This again? California — which has a waiver under the Clean Air Act to enact stricter standards — is hoping things play out the same way it did the last time around, when two federal district courts upheld its rules, which other states also can choose to follow. "It's sort of déjà vu because it's going to be basically round two," said Kevin Leske, who was an assistant attorney general in Vermont in 2007 when the state fought off an industry lawsuit seeking to block the greenhouse gas rules for cars.

The details: At issue is the interplay between the long-standing Corporate Average Fuel Economy standards that were established under the 1975 Energy Policy and Conservation Act, and the relatively new emissions standards enforced nationally for the first time under the Obama administration. The Trump administration is expected to nullify the waiver granted to California and then try to circumvent any questions by arguing that EPCA preempts California from enforcing its auto emissions standards — essentially the same argument automakers and dealers deployed in multiple lawsuits over a decade ago.

But keep in mind: That strategy fell short the first time around. A U.S. district court judge in California concluded that greenhouse gas standards are too different from fuel economy regulations to fall under EPCA's "related to" preemption language. However, the cases were never appealed after a larger political deal was reached on the car rules, but advocates of the Trump administration's approach say they hope to take the issue to a higher court this time around. Read more.

GOOD WEDNESDAY MORNING! I'm your host Kelsey Tamborrino. Andrew Fasoli of the American Chemistry Council was the first to correctly guess that former President Ronald Reagan was first to watch a major league baseball game from the dugout, at a Baltimore Orioles game. For today: In what city did the nation's first paved roadway appear? 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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BEGS THE QUESTION: EPA Administrator Scott Pruitt and his staff sought extensive control over questions that could be asked to the administrator when he toured the country speaking to industry groups, POLITICO's Anthony Adragna and Emily Holden report. Even seemingly friendly questions got axed by the agency, like, "How often do you get back to Oklahoma?" That question was crossed off a proposed list of questions without

an explanation ahead of Pruitt's appearance in December at an event in Iowa, internal emails made public by the Sierra Club through a public records lawsuit show. (At the time, EPA's inspector general was already investigating Pruitt's frequent trips back home.) The emails offer new insight into EPA staff's desires to limit access by independent journalists, pre-screen questions from friendly interviewers and coordinate Pruitt's message with lobbyists ahead of gatherings with conservative or industry groups. Read the details here.

WHAT HAPPENED AT THAT BIOFUELS POWWOW: President Donald Trump appears to have brokered a deal in the long-running fight between ethanol producers and oil refiners over federal biofuels mandates. At a White House meeting Tuesday with Pruitt, Agriculture Secretary Sonny Perdue and a few Republican senators. Trump reiterated his pledge to allow 15 percent ethanol fuels year-round and rejected a price cap on biofuel credits, called Renewable Identification Numbers. Those are both big wins for the corn crowd, Pro's Eric Wolff reports . But ethanol producers groused about another proposed aspect of the deal that would lower compliance costs for refiners: allowing ethanol exports to qualify for RINs. Refiners, meanwhile, were wary of a separate proposal for EPA to require large refiners to take on the ethanol-blending requirements for which it issued dozens of waivers to smaller refiners.

IT'S KIND OF INFRASTRUCTURE WEEK: Close to none of Trump's big-ticket proposals to streamline environmental rules made it into the first major bill infrastructure bill introduced in Congress since his election. America's Water Infrastructure Act of 2018, as the Senate bill is called, is so far the "most significant step lawmakers have taken to help fulfill the president's marquee campaign promise to revitalize the country's transportation arteries," Pro's Annie Snider writes. The bill's authors purposefully set their sights on bipartisanship in light of the fast-approaching midterm elections. "We focus on the 80 percent where we have general agreement, and we're going to get something done," said Sen. Tom Carper (D-Del.), the top Democrat on the panel and a cosponsor of the measure. Read more.

MORRISEY WINS: West Virginia Attorney General Patrick Morrisey came out on top Tuesday, clinching the Republican nomination to take on Democratic Sen. Joe Manchin come November. Coal baron Don Blankenship, who was running a controversial campaign against the Republican establishment and Mitch McConnell, ended up in third place in the most-watched race of the night. Blankenship, who was convicted in 2015 of conspiring to skirt mine standards after 29 miners were killed at Massey Energy's Upper Big Branch facility, only received 19.9 percent of the vote to Morrisey's 34.9 percent, and 29.3 percent for Rep. Evan Jenkins, the other major candidate in the race. Read more on all of Tuesday's primaries here.

NEW DETAILS IN PRUITT SAGA: EPA worked closely with groups such as the Heartland Institute and the CO2 Coalition — both of which dispute the scientific consensus on climate change — when planning Pruitt's proposed "red team, blue team" debate over climate science, The New York Times reports via new documents released by the NRDC. The emails show that EPA scientists were not involved in the discussion, and that political aides continued to work on the idea even after White House chief of staff John Kelly tried to squelch the plan, according to the Times. In a separate report, the Times got a hold of documents that shed new light on the day security officers, fearing for Pruitt's safety, smashed down his condo door. Read it here.

— **Pruitt's former security chief** Pasquale "Nino" Perrotta told the House Oversight Committee that Pruitt and his staff missed a connecting flight on a trip to Morocco because his security detail's weapons and gear couldn't be transferred between the planes in time, the Associated Press reports, citing anonymous committee aides. The delay forced Pruitt to spend more than 24 hours in Paris, and Perrotta's version of events calls into question the official rationale given by EPA. Read that story here.

** **A message from Anheuser-Busch:** Anheuser-Busch announced that America's leading brewer has placed an order for up to 800 hydrogen-electric powered semi-trucks. The zero-emission trucks will be able to travel between 500 and 1,200 miles. Anheuser-Busch aims to convert its entire long-haul dedicated fleet to renewable powered trucks by 2025. Learn more. **

BARRASSO: 'CLOSELY MONITORING' PRUITT SITUATION: EPW Chairman John Barrasso told ME he's "closely monitoring" the ongoing ethical woes of Pruitt and continuing with unspecified "oversight" of the agency. "The job that he's doing — in terms of the job assigned by the president to roll back regulations and overreach by the federal government — he continues to do well," Barrasso said. "We want to make sure taxpayer money is being well spent and appropriately spent." But Barrasso wouldn't specify if he'd sent additional letters to the agency, again deferring to the White House's vague, ongoing review of the situation.

Wait and see: Senior House Republicans overseeing the EPA also appeared to be publicly sticking with Pruitt as well. Rep. John Shimkus, who oversees the EPA on the House Energy and Commerce Committee, told ME he didn't have plans for additional oversight on his subcommittee but deferred to Chairman Greg Walden on whether it was appropriate. Shimkus acknowledged his lack of oversight plans "might disappoint some of my colleagues," including some Republicans who questioned Pruitt's spending at a hearing several weeks ago. A spokesman for the committee didn't respond to requests for comments on its oversight plans.

HEWITT KNEW IT: Conservative radio host Hugh Hewitt responded Tuesday on his radio show to a POLITICO report about a meeting set up by Hewitt between Pruitt and a water utility that sought a Superfund distinction in his hometown — which it ultimately received. "I knew it was going to show up in the FOIA request," Hewitt said of the meeting request. "I just didn't think it was a story." Separately, the liberal media watchdog group Media Matters reported Tuesday, that The Washington Post's Editorial Page Editor Fred Hiatt had not known of ties between EPA and Hewitt's law firm. "Hewitt, who has not written about Pruitt since September, has agreed not to write about him going forward and has assured us that similar incidents won't occur in the future," Hiatt said in an email to the group.

PERRY PULLS UP: Energy Secretary Rick Perry will testify this morning before the House Science Committee on his department's overall budget for fiscal 2019. Members will likely discuss funding for Advanced Research Projects Agency-Energy and Department's Loan Programs, which are terminated under the budget, as well as Perry's recent moves on coal plants. "Termination of these programs will save over $300 million in FY 2019 alone while significantly reducing financial risk to the taxpayer moving forward," Perry is expected to say. **If you go:** The hearing kicks off at 9 a.m. in 2318 Rayburn. Watch the livestream here.

AT THE SAME TIME: The House Energy and Commerce Committee is slated to hold a markup on five cybersecurity, small-scale LNG bills this morning. Included in the docket: The bipartisan H.R. 5175 (115), the "Pipeline and LNG Facility Cybersecurity Preparedness Act." The slate of bills — which also includes H.R. 4606 (115), H.R. 5174 (115), H.R. 5239 (115), H.R. 5240 (115) — were approved by the subpanel in April. H.R. 4606 — which would allow the expedited approval of small-scale shipments of liquefied natural gas — got a vote of 19-14 over the objections of most Democrats.

CHATTERJEE SEES CHALLENGES: FERC Commissioner Neil Chatterjee called out natural gas pipeline permitting in New York Tuesday, while speaking at the at the Independent Power Producers of New York conference. "The gravest threat we face to resilience and fuel security is in New England and that's not the result of coal and nuke retirements but because of gas constraints due to a lack of adequate infrastructure," Chatterjee told reporters. Read more from Pro New York's Marie French here.

INTERIOR FACES FOIA SUIT: The Wilderness Society will file a lawsuit today to compel Interior to release documents related to the administration's environmental protection plans on public lands. The group says it filed 21 requests under the Freedom of Information Act for documents related to orders issued by Trump and DOI in March 2017 aimed at removing "potential burdens" to energy development on public lands. TWS says it only received responses to two of those requests.

MAIL CALL! The Environmental Protection Network sent this letter to EPA requesting a public hearing and an extension of the 30-day public comment period on the agency's "secret science" proposal to ban the use of

studies that don't publicly disclose all their data. "The proposal is far too complex, with effects too broad and indeterminate, and requests comment on far too many issues, for a thirty-day response period," the letter says.

WATCH IT: The American Council for Capital Formation released a new ad on Tuesday calling on the president to uphold the investor-state dispute settlement mechanism in any negotiation of NAFTA. Watch it here.

E2 LAUNCHES CLEAN JOBS CAMPAIGN: Environmental Entrepreneurs launched a nationwide campaign Tuesday, dubbed Clean Jobs Count, "to advance awareness and support of America's fastest-growing energy sector." The campaign includes digital ads in Michigan, Ohio, Illinois and Colorado, and additional ad campaigns are planned throughout the rest of the year in at least half a dozen more states.

MOVER, SHAKER: Exelon announced Constellation CEO Joseph Nigro was promoted to Exelon senior executive vice president and CFO, succeeding Jack Thayer, who becomes senior executive vice president and chief transformation officer. ComEd President and CEO Anne Pramaggiore was promoted to CEO of Exelon Utilities, succeeding Denis O'Brien. And Joseph Dominguez, the executive vice president of governmental and regulatory affairs and public policy, was promoted to CEO of ComEd Chicago.

— **Power Ledger,** a blockchain-powered renewable energy trading platform, announced Dante Disparte was appointed its strategic adviser and ambassador.

QUICK HITS

— Thousands of Puerto Ricans are still in the dark while U.S. agencies leave, Bloomberg.

— Cassidy charts own course on climate change, E&E News.

— Poll: Majority of voters oppose Trump offshore drilling plan, The Hill.

— Trump's pick for top U.N. migration job gave misleading answers on tweets critical of climate change, CNN.

— EPA's "secret science" rule could undermine agency's "war on lead," Science.

— Due to climate change, hurricanes are raining harder and may be growing stronger faster, The Washington Post.

HAPPENING TODAY

9:00 a.m. — House Appropriations Interior-Environment Subcommittee two-part hearing on "American Indian/Alaska Native Public Witnesses," 2007 Rayburn

9:00 a.m. — OPIS West Coast Fuel Supply and Transportation Opportunities conference, Napa Valley, Calif.

9:00 a.m. — House Science Committee hearing on "An Overview of the Budget Proposal for the Department of Energy for FY2019," 2318 Rayburn

9:00 a.m. — House Energy and Commerce Committee markup on various bills, 2123 Rayburn

9:30 a.m. — Center for Climate and Energy Solutions discussion on "Zero-Carbon Power: Maintaining U.S. Nuclear Capacity," 2000 H St NW

9:30 a.m. — NAS Committee on Earth Resources spring meeting on "Critical Minerals and Materials: Opportunities, Challenges and the Needs for U.S. Manufacturing, Economy and Security," 500 Fifth Street NW

9:30 a.m. — The U.S. Chamber of Commerce's annual Sustainability and Circular Economy Summit on "Translating Value to Ignite Action," 1615 H Street NW

10:00 a.m. — Senate Energy and Natural Resources Public Lands Subcommittee hearing on law enforcement programs at the Bureau of Land Management and the Forest Service, 366 Dirksen

10:00 a.m. — Senate Environment and Public Works Committee hearing on the "America's Water Infrastructure Act of 2018," 406 Dirksen

10:00 a.m. — House Foreign Affairs Committee markup of H.R. 5535 (115), the "Energy Diplomacy Act of 2018," 2172 Rayburn

12:00 p.m. — The Environmental Law Institute discussion on the Ramsar Convention on Wetlands of International Importance, 1730 M Street NW

4:00 p.m. — Senate Indian Affairs Committee hearing on the nomination of Tara Mac Lean Sweeney to be assistant Interior secretary for Indian affairs, 628 Dirksen

6:00 p.m. — The Environmental Law Institute holds National Wetlands Awards, 100 Maryland Avenue SW

6:30 p.m. — The Carnegie Institution for Science discussion on "Deep Earth Through a Diamond Looking Glass," 1530 P Street NW

THAT'S ALL FOR ME!

** **A message from Anheuser-Busch:** Anheuser-Busch announced that America's leading brewer has placed an order for up to 800 hydrogen-electric powered semi-trucks from the pioneer in hydrogen-electric renewable technology, Nikola Motor Company. The zero-emission trucks — which will be able to travel between 500 and 1,200 miles and be refilled within 20 minutes, reducing idle time — are expected to be integrated into Anheuser-Busch's dedicated fleet beginning in 2020.

Through this agreement Anheuser-Busch aims to convert its entire long-haul dedicated fleet to renewable powered trucks by 2025.

"At Anheuser-Busch we're continuously searching for ways to improve sustainability across our entire value chain and drive our industry forward," said Michel Doukeris, CEO of Anheuser-Busch. "The transport industry is one that is ripe for innovative solutions and Nikola is leading the way with hydrogen-electric, zero-emission capabilities. We are very excited by the possibilities our partnership with them can offer."

Learn more. **

To view online:
https://subscriber.politicopro.com/newsletters/morning-energy/2018/05/returning-to-the-battlefield-over-california-car-rules-207821

Stories from POLITICO Pro

Failed legal argument against California car rules gets second wind under Trump Back

By Alex Guillén | 05/09/2018 05:00 AM EDT

The Trump administration's plan to stymie California's tough greenhouse gas emissions for cars is about to trigger an epic legal fight — and the White House appears to be planning to use the same strategy that failed to block the state's rules a decade ago.

California's supporters, however, hope any courtroom battles will play out the way they did when the auto industry tried to prevent California and other like-minded states from setting stricter emissions limits than those pushed by EPA: with a pair of resounding legal defeats.

"It's sort of déjà vu because it's going to be basically round two," said Kevin Leske, who was an assistant attorney general in Vermont in 2007 when the state fought off an industry lawsuit seeking to block the greenhouse gas rules for cars.

"Here we are, 10 or 11 years later, basically facing the prospect, it sounds like, of the Trump administration making the same arguments that the auto industry did," added Leske, now a law professor at Barry University in Florida.

If finalized, the move would be one of the biggest regulatory rollbacks of the Trump administration, and it could go even further than what automakers have asked the White House to do. And its advocates say despite the previous legal setbacks, they hope to take the issue to a higher court, something they were denied in the previous battle when a political deal ended the conflict.

In the meantime, California, which has already spearheaded a lawsuit over EPA's April decision to weaken the standards, is already preparing for a major regulatory break with the Trump administration. The state's Air Resources Board on Monday asked for public input for regulatory language that it will not consider cars complying with a weakened federal standard to be acceptable in California.

The legal issue will center on the interplay between the long-standing fuel economy standards known as the Corporate Average Fuel Economy, which is issued by the National Highway Traffic Safety Administration under the 1975 Energy Policy and Conservation Act, and the relatively new greenhouse gas emissions standards enforced nationally for the first time under the Obama administration.

In requiring a national CAFE standard, Congress barred states from issuing their own laws or regulations "related to" fuel economy standards. But California's novel approach to regulate carbon dioxide emissions via the state's special authority under the Clean Air Act gave it significant leverage to force car makers to meet stricter rules.

In order to avoid a patchwork of different regulations between California and its allies and the rest country, the Trump administration is expected to seek to nullify the waiver EPA granted California in 2009 allowing it to enforce its own rules. EPA has never tried to revoke a waiver, and legal observers note the law does not explicitly grant EPA such authority.

But the Trump administration is expected to try to circumvent any questions around revoking the waiver by arguing that EPCA preempts California from enforcing its auto emissions standards — essentially the same argument automakers and dealers deployed in multiple lawsuits over a decade ago.

A May 1 letter from Sen. Tom Carper to EPA and DOT says the draft proposal would adopt that EPCA preemption argument.

That strategy fell short first time around, when a California judge concluded that greenhouse gas standards are too different from fuel economy regulations to fall under EPCA's "related to" preemption language. Emissions

may be closely correlated to fuel efficiency, he ruled, but factors like air conditioning usage and credits for electric vehicles mean that the pollution rules are not explicitly aimed at fuel economy, and thus are not preempted

Meanwhile, a Vermont judge also ruled in 2007 that since EPA had approved the California standard under the Clean Air Act waiver, it becomes a proper government motor vehicle standard, which EPCA requires DOT to take into account when when setting fuel economy targets. Congress "could not have intended that an EPA-approved emissions reduction regulation did not have the force of a federal regulation," the judge wrote.

Those two legal rulings with the span of a few months would seem to be formidable hurdles for any EPCA preemption argument. And they case gets even more difficult for the Trump administration when the Supreme Court's landmark ruling in that year's *Massachusetts v. EPA* is added in. In that case, the majority said that fuel economy and greenhouse gas rules may "overlap," but could both be administered in a way that would "avoid inconsistency."

"I think it's fair to say this ground has been trod before and it's not looking good if Pruitt's EPA trots out this EPCA preemption argument again," said Sara Colangelo, the environmental law and policy program director at Georgetown University.

Congress also passed two major Clean Air Act updates after EPCA, in 1977 and 1990, that expanded California's special powers and didn't address the exemption at all, a move Colangelo said "really signals that they intended California to maintain this special position as the laboratory for advancing pollution controls in the emissions arena."

NHTSA declined to address the preemption issue, but said in a statement that its "top priority" is safety and that the administration "must also consider economic practicability." A spokesman for California's Air Resources Board said that the preemption proposal "would harm people's health, boost greenhouse gas pollution and force drivers to pay more money at the pump for years."

Those two previous court losses are not slowing down conservatives pushing the Trump administration to adopt the preemption argument now.

Undeterred, a coalition of industry groups wrote to EPA Administrator Scott Pruitt in March urging him to revoke California's waiver by concluding it is preempted by EPCA.

"Even though these two lower courts have weighed in, I think there's opportunity now for the lawsuits to move on to a higher level," Patrick Hedger, the policy director for the FreedomWorks Foundation, a conservative advocacy group.

He added that no higher court ultimately addressed the issue. Appeals in both cases were dropped as part of the single national standard deal reached between the Obama administration, California and automakers. Hedger noted that the Supreme Court's *Massachusetts v. EPA* ruling was not specifically about EPCA preemption.

Marlo Lewis, a senior fellow at the Competitive Enterprise Institute, believes the best way to win the preemption argument is to focus on the high degree of overlap to show the two standards are "related" under EPCA

"You and your dad are different people. Are you not related?" Lewis said. "The idea that they're not related because they're not identical is just pure rhetorical flimflam."

Like many other deregulatory actions, this proposal would substantially benefit the energy-producing that voted for Trump.

For conservatives, blocking California's climate change authority is the ultimate goal, since the Democratic hold on state politics and California's size mean its aggressive action on climate change has an outsize influence on the rest of the nation.

"I think this is one step in basically saying, 'Look, we're not going to allow California on this issue or any others in the future to continue to supersede federal policy on these issues and basically impose their standards on the entire country just because of the size of the market," said Hedger.

Halting fuel economy standards at 2020 levels would mean needing roughly 2 billion barrels more oil over the lifetime of cars built from 2021 to 2026, said David Cooke, a senior vehicles analyst at the Union of Concerned Scientists. And that's not counting the longer-term demands that would be caused for future model years that would start with lower targets because of this potential freeze.

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Back

Pruitt sought tight control of events even on friendly turf Back

By Anthony Adragna and Emily Holden | 05/08/2018 06:38 PM EDT

EPA Administrator Scott Pruitt and his staff went to great lengths to avoid unscripted questions when he toured the country speaking to industry groups, and even a seemingly friendly ice breaker can be deemed unacceptable.

"How often do you get back to Oklahoma?" the top official from the Iowa Association of Electric Cooperatives planned to ask Pruitt when he addressed the group last December, according to internal emails that were recently made public.

That question was crossed out when an EPA staff member sent back a proposed list of questions for Pruitt's "fireside chat" with Chuck Soderberg, the association's executive vice president. Tate Bennett, EPA's associate administrator of public engagement, did not explain why that and another question had been removed, but at the time of his Nov. 29 email the administrator was already facing questions over his travel practices. A few months earlier, EPA's inspector general had launched an investigation into whether the agency had sufficient policies in place to "prevent fraud, waste and abuse with the Administrator's travel that included trips to Oklahoma."

The emails among Bennett, other EPA staffers and representatives of the Iowa cooperatives were included in the thousands of documents obtained by the Sierra Club through a public records lawsuit. They reveal a pattern of Pruitt and his staff working to limit access by independent journalists, pre-screen questions from friendly interviewers and coordinate his message with lobbyists ahead of gatherings with conservative or industry groups.

Ahead of the Iowa event, the co-op association's director of government relations, Kevin Condon, confirmed that neither his group nor EPA would issue a media advisory, and they would cancel a press gaggle but still host an interview with the group's internal Living with Energy in Iowa magazine.

That publication also got questions pre-approved by EPA staff.

"Let me know if any of these give you heartburn," said Erin Campbell, the co-op group's director of communications. "This would be a friendly interview environment and we're keeping the conversation focused on Iowa consumers."

In another instance, before Pruitt spoke at a U.S. Chamber of Commerce event in June, EPA received a list of 10 proposed questions from the head of the group's energy institute, Karen Harbert. They touched on his regulatory philosophy, his efforts to rollback rules, and whether co-owning a minor league baseball team taught him lessons useful for running a federal agency. EPA staff did not appear to object to Harbert's proposed list.

When Pruitt was slotted to speak at a Texas Oil and Gas Association conference in October, EPA staff asked for a Q&A format with a representative of the group, rather than have the administrator take three pre-screened questions from the crowd.

EPA aides asked for the change in plans after being made aware that four reporters would be attending from the Houston Chronicle, Bloomberg BNA and Reuters.

Bennett wrote that after updating Pruitt that the media would attend, "he'd like to respectfully request that the entire format now be Q&A with two chairs on stage." She also shared a list of questions the moderator could ask, including on regulatory rollbacks, on what Pruitt would consider "true environmentalism" and on what his relationship was like with the president.

"What has it been like to run such a newsworthy agency? More difficult than you imagined?" the last question read.

And in at least one instance, a lobbyist for a group Pruitt was set to address offered to help write his speech for him. Before Pruitt and an entourage of eight staffers and security agents traveled in November to Kiawah Island, South Carolina, for a speaking engagement with the American Chemistry Council, the group's lobbyist Bryan Zumwalt asked a scheduler who to contact to help write Pruitt's speech.

"Who in your sop (sic) should I be working with to help prepare Administrator Pruitt's talking points/speech? Figure someone there might like the help on key areas to discuss," he said.

The scheduler, deputy White House liaison Hayley Ford, replied that Millan Hupp, director of scheduling and advance, and Bennett could assist.

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Back

Trump plan leaves biofuel makers cold Back

By Eric Wolff | 05/08/2018 06:48 PM EDT

President Donald Trump's latest bid to strike a deal on biofuels on Tuesday appeared to win over oil refiners, but a plan to allow ethanol exports to qualify for credits under the federal program left biofuel producers irate.

Trump gave ethanol producers two big victories at the White House meeting by reiterating his promise to allow 15 percent ethanol fuels year-round and rejecting a price cap on the credits, called Renewable Identification Numbers, that are used to prove compliance with the Renewable Fuel Standard. But ethanol producers balked at

the plan to have EPA Administrator Scott Pruitt and Agriculture Secretary Sonny Perdue set up a system to allow ethanol exports to receive RINs.

"The notion of allowing exported ethanol to count toward an oil company's RFS obligation is extremely problematic," Bob Dinneen, president and CEO of the Renewable Fuels Association, said in a statement. "In no way will that ever be acceptable or considered a win for our industry."

But the Trump administration said it has found the right balance between competing parts of its electorate.

"After several meetings and input from stakeholders on both sides, President Trump is pleased to announce that a final decision has been made that allows E15 to be sold year-round, while providing relief to refiners," White House spokeswoman Lindsay Walters said in a statement. "This outcome will protect our hardworking farmers and refinery workers. The President is satisfied with the attention and care that all parties devoted to this issue."

Refiners backed the idea, although they were wary of a separate proposal to allow EPA to consider requiring large oil refineries to take on the ethanol-blending requirements the agency lifted from small refiners by issuing dozens of compliance waivers.

Sen. Ted Cruz (R-Texas) emerged from Tuesday's meeting calling the deal a "win-win." Refiners have been pressing for years to change the program to lower compliance costs that they say are eating away at their profits.

"President Trump brought together two sides that thought a deal couldn't be reached and he found a 'win-win' solution to one of the most intractable regulatory problems facing the nation — a problem that has been neglected for years," refiner Valero Energy said in a statement.

The group of independent refiners pushing for changes, led by Valero, Carl Icahn's CVR and some Philadelphia-area refiners, had previously sought a cap on RIN prices in exchange for supporting an increase in the sales of E15.

At Tuesday's meeting, the seventh so far held by the White House, a source said Trump agreed to definitively reject any price cap, but he also asked Pruitt and Perdue to work out a plan for how exports could ease price pressure on RINs. Currently, ethanol that is shipped abroad is stripped of the RINs that can be used to meet a refiner's RFS obligation. Sources who work with refiners say preserving those credits would increase the supply and drive down prices for refineries.

"Because biofuels exports are a long-time major objective of the farm community, allowing export RINs is literally the anticipated win-win solution, obviating the need for more direct cost containment devices," said a refining industry source close to discussions.

But ethanol producers, who have been increasing their exports in recent years, complain that allowing those shipments to earn RINS would undermine the biofuel program's goals.

"Pursuing a path that includes RIN credits on export gallons would violate the letter and spirit of the RFS, serving the interests of oil refiners who have already benefited from Administrator Pruitt's unprecedented RFS volume waivers at the further expense of America's farmers," Kevin Skunes, president of the National Corn Growers Association, said in a statement.

Sources said Tuesday's meeting included a lengthy discussion about whether EPA could potentially reallocate the 1.2 billion gallons of ethanol demand the industry says has been exempted under the dozens of compliance waivers the agency has granted to small refineries. One source said Pruitt expressed openness to shifting those gallons to large refiners, something the refiners opposed. But that reallocation discussion got tied up with the

idea of export RINs, and Pruitt and Perdue left the White House with instructions to develop some kind of proposal.

"There was discussion about how to reallocate the waived obligations so that demand for biofuels wouldn't be hurt," Sen. Chuck Grassley (R-Iowa) said in a statement. "While details weren't decided, I look forward to reviewing a plan being developed by Secretary Perdue and Administrator Pruitt. Any fix can't hurt domestic biofuels production."

Republican Sen. Pat Toomey of Pennsylvania also expressed reservations about the vague promise of changes to the program.

"The proposal discussed at our White House meeting today might result in lower RIN prices, which would relieve this artificial burden — but even that is not clear until details are established," he said in a statement.

Even as the White House has pushed for a deal, Sen. John Cornyn (R-Texas) and Rep. John Shimkus (R-Ill.) have been leading efforts in Congress to overhaul the program. Shimkus and his staff have said in the past that administrative changes to the program would undermine their effort, though they appear to be moving full-steam ahead for now.

"Executive actions aren't a substitute for legislation," said Shimkus spokesman Jordan Haverly. "The only path to an enduring and equitable deal for farmers, refiners, ethanol producers, automakers and consumers — especially one that won't spend more time in court than on the books — is through Congress. Those legislative efforts remain ongoing."

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Back

Trump's latest strike against regulations: His infrastructure plan Back

By Annie Snider and Anthony Adragna | 02/16/2018 05:01 AM EDT

President Donald Trump's infrastructure plan would trigger one of the most significant regulation rollbacks in decades, benefiting not just roads and bridges, but businesses ranging from coal mines to homebuilders to factories.

The blueprint the White House released this week would eliminate the Environmental Protection Agency's authority to veto the Army Corps of Engineers' wetlands permits, a power that the EPA wielded during the Obama administration to block a controversial mountaintop coal mine in West Virginia. Industrial facilities like coal plants and steel factories could get 15-year Clean Water Act pollution permits — up from five years — that would be automatically renewed. For some infrastructure permits, the deadline for opponents to file legal challenges would shrink from six years to 150 days.

The proposed revisions to some of the nation's bedrock environmental regulations are drawing heavy criticism from congressional Democrats — including in the Senate, where Republicans would need at least nine extra votes to enact Trump's plan. Environmental groups say the ambition of the plan's deregulation push contrasts with the relatively meager amount of federal money the White House is proposing to contribute toward the $1.5 trillion total.

"This isn't an infrastructure package," said Melissa Samet, an attorney with the National Wildlife Federation. "This is an all-out attack on longstanding environmental protections that have done a lot of good for this country."

Republicans and business groups have long complained that the federal government's often cumbersome permitting process, governed by laws Congress enacted decades ago, creates unnecessary delays for projects. "We built the Empire State Building in just one year," Trump said in his State of the Union address last month. "Is it not a disgrace that it can now take 10 years just to get a permit approved for a simple road?"

Supporters of Trump's plan are happy the White House is pushing for changes.

"We're very pleased with the permitting provisions," said Ross Eisenberg, a vice president at the National Association of Manufacturers. "Even some of them being signed law would be a major improvement. We don't want to blow up the process. We just want it to go faster."

Senate Environment and Public Works Chairman John Barrasso (R-Wyo.) said he hopes Democrats will come around.

"You're never going to win over every obstructing Democrat, but they've got to realize that projects have been slowed down in their states," Barrasso said.

But Democrats say the nation's real infrastructure problem is money — and the Trump proposal calls for just $200 billion in federal investments over the next decade for needs including roads, bridges, airports, water plants, veterans' hospitals and rural broadband service. And they questioned whether Trump's aim is really just to make regulatory reviews more efficient.

"The president's contentions are not to streamline a process, but to compromise needed environmental and public health issues," Sen. Ben Cardin (D-Md.) told reporters.

Some kind of environmental streamlining has been a part of most of the major infrastructure measures Congress has passed in recent years. Provisions in the 2012 highway bill and a 2014 water bill aimed to get agencies to coordinate their permit reviews more efficiently and impose consequences for delays.

Supporters of those changes included then-Sen. Barbara Boxer (D-Calif.), an environmental stalwart, who argued that the streamlining amounted to common sense despite the opposition of some environmentalists. Many of those provisions have yet to take effect, however.

Trump's infrastructure proposal would go much further, setting strict deadlines for reviews and curtailing EPA's say over projects.

For instance, Trump has touted the proposal's two-year limit for agencies to issue final permitting decisions, including a strict 21-month limit on analyses done under the National Environmental Policy Act of 1970, one of the nation's foundational environmental laws.

The law requires federal agencies to make a public estimate of the environmental impacts when the federal government spends money or makes a permitting decision, although nothing in the law requires agencies to limit environmental damage. Repeated environmental studies under NEPA were one factor that contributed to the Obama administration's nearly seven-year review of the Keystone XL oil pipeline, a project Trump has pushed to revive this year.

Under Trump's proposal, agencies would be required to complete environmental reviews in no more than 21 months. Anyone seeking to challenges the permits would have just 150 days to sue, instead of the current six years.

Industry groups argue the act's long statute of limitations for permit challenges leaves a cloud of uncertainty over projects. But Samet, the National Wildlife Federation attorney, said 150 days runs by quickly when challengers have to track down documents that regularly run hundreds of pages, decipher them, find experts to analyze the data, hire lawyers and scrounge up the money to cover legal costs.

The result, she said: "Bad projects will move forward. There'll be nothing to stop them."

Trump's plan would also deliver on a long-sought Republican goal of curbing EPA's authority under the Clean Water Act's wetlands program — a change that would have sweeping effects not just for infrastructure projects but for nearly any kind of development.

The blueprint would remove EPA's authority to oversee the Army Corps of Engineers' determinations about which streams and wetlands are subject to Clean Water Act protections. And it would take away the EPA's ability to veto dredge-and-fill permits that it decides would cause undue harm to the environment.

EPA has used that veto authority only 13 times since the Clean Water Act was enacted, including with its 2012 reversal of a Army Corps permit for the Mingo Logan mountaintop coal mine in West Virginia — a decision that angered the coal industry's supporters in Congress. Most of the other occasions when it used that power came during Republican administrations.

Trump's proposal would also extend pollution discharge permits under the Clean Water Act from five years to 15, and allow them to be automatically renewed as long as "water quality needs do not require more stringent permit limits." Those changes that would apply not only to municipal wastewater treatment plants but also to industrial facilities.

The plan also calls for eliminating a section of the Clean Air Act that requires EPA to review, comment on and rate other agencies' environmental impact statements.

While the proposal may allow construction on projects to get started faster, it might end up creating bigger problems in the end, argued Kym Hunter, an attorney with the Southern Environmental Law Center. She said a narrower NEPA review wouldn't just keep potential environmental problems from coming to light, but it would also keep the public in the dark about whether a project would live up to its promises.

"NEPA is about taking that hard look," Hunter argued. "When it was promulgated in 1970, the idea was if you think about what you are doing you're likely to make a better decision. This [Trump proposal] would just encourage agencies to rush forward without being thoughtful, without being careful."

Trump's plan also attempts to limit the ability of courts to halt work on projects while lawsuits proceed. But that could backfire too, Hunter said, if it keeps courts from halting an ill-conceived project until after a government body has started spending money and taking on debt.

Sen. Tom Carper of Delaware, the top Democrat on the Environment and Public Works Committee, didn't dismiss the idea of making updates to the decade-old laws. But if the administration's goal is to weaken environmental regulations, he said, "we're not going to get very far."

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Trump's proposed regulatory rollbacks left out of Senate infrastructure bill Back

By Annie Snider | 05/08/2018 06:44 PM EDT

The first major infrastructure bill introduced in Congress since President Donald Trump took office ignores virtually all of the big-ticket deregulatory proposals the White House laid out in its blueprint earlier this year.

Chief among Trump's complaints about the country's infrastructure system is the amount of time it takes to get environmental permits. The package the White House unveiled in February included a meager $200 billion in federal funding for infrastructure, and instead focused on a number of so-called environmental streamlining provisions. Among them: proposals to eliminate the EPA's authority to veto the Army Corps of Engineers' wetlands permits and reduce the length of time opponents have to file legal challenges to permits from six years to 150 days.

But none of those provisions made it into what stands to be a multibillion dollar water resources measure introduced by top Republicans and Democrats on the Senate Environment and Public Works Committee on Tuesday.

That bill, dubbed America's Water Infrastructure Act of 2018, is so far the most significant step lawmakers have taken to help fulfill the president's marquee campaign promise to revitalize the country's transportation arteries. And in a bid to have a feather in their caps to take home before the 2018 midterm elections, lawmakers in the upper chamber are charting a bipartisan course with the measure.

"We focus on the 80 percent where we have general agreement, and we're going to get something done," Sen. Tom Carper (D-Del.), the top Democrat on the panel and a cosponsor of the measure, told reporters.

The House Transportation and Infrastructure Committee is working on its own water resources bill that also could be released this month, and members are pursuing a bipartisan approach, too, as they have historically.

The Senate bill is sidestepping battles over the nation's foundational environmental laws, including the National Environmental Policy Act and the Clean Water Act. Republicans and business groups fault those laws for delays and skyrocketing costs — "Is it not a disgrace that it can now take 10 years just to get a permit approved for a simple road?" Trump asked in his State of the Union address in January — but Democrats and environmentalists defend them as critical protections.

Instead, the bill's authors set their sights on a suite of more practical changes at the Army Corps of Engineers — one of the government's most red-tape-laden bureaucracies that just about every lawmaker loves to hate.

The bill includes dozens of provisions aimed at making the agency more transparent and responsive to Congress and the communities it works with to build projects. It would make a major change to the way the Army Corps budgets, in an effort to help projects that are important to states but aren't competing well for scarce federal dollars under the current approach. And it would create a board related to water storage projects that an environment committee aide said is aimed at helping communities understand early on whether their project will be able to get a permit.

The measure also includes a number of drinking water and wastewater provisions, issues that became a major component of the last such measure in 2016, when an aid package to help Flint, Mich., recover from its lead

contamination crisis was included. The new Senate bill includes provisions to help small and rural water utilities with technical assistance, allow communities to use federal drinking water dollars to protect their water sources, and to help communities balance multiple costly wastewater upgrade requirements at the same time.

The meat of the bill is six new project authorizations for the Army Corps, including a ship channel extension project in Texas, flood control projects in New York and Hawaii, and hurricane protection projects in Florida and Texas. The bill would also increase the amount that can be spent for the Savannah Harbor expansion project, a top priority for Georgia's senators, and allow more water to be stored at a key Wyoming reservoir.

And it's not just Trump's environmental permitting changes that senators rejected in the bill; they also responded to the White House's past proposals to eliminate or significantly cut a popular Great Lakes restoration program by increasing its authorization. The bill would also require EPA to open a new program office for the Long Island Sound, where the Trump administration also proposed eliminating funding.

Asked Tuesday how work on the the House's measure is coming, Transportation Committee Chairman Bill Shuster (R-Pa.) said "good."

But one fault line is already emerging between the two chambers.

Shuster has backed a proposal from his water resources subcommittee chairman, Rep. Garret Graves (R-La.) to move the Army Corps of Engineers out of the Pentagon and to another agency like the Department of Transportation or the Interior Department. But an EPW aide said that both Republicans and Democrats in the Senate have concerns with the idea; their bill would instead mandate a study by the National Academy of Sciences into the structuring of the Army Corps.

"We're trying to pass a bipartisan bill and I think that would make it very difficult to do with the limited amount of time that we have," the aide said.

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Top takeaways from the first big primary of 2018 Back

By Steven Shepard, Elena Schneider and Scott Bland | 05/09/2018 01:13 AM EDT

Republicans can exhale now.

Convicted coal magnate Don Blankenship's surprise third-place finish in Tuesday's West Virginia GOP Senate primary sidestepped yet another debacle for the party after consecutive meltdowns in special elections in Alabama and Pennsylvania. Instead, party leaders celebrated state Attorney General Patrick Morrisey's win, which capped the first multi-state primary of 2018.

The night saw Republicans pick three of the 10 candidates who will take on Democratic senators in states President Donald Trump won, and the first House incumbent go down in a primary in 2018.

Here are POLITICO's seven takeaways from Tuesday:

1. Republicans averted catastrophe, but victory in West Virginia is far from assured.

A Blankenship nomination might well have extinguished GOP hopes of toppling Democratic Sen. Joe Manchin, despite the state's heavy Republican electorate. Blankenship was living in a Phoenix halfway house this time last year, after his conviction for conspiracy to skirt mine safety rules after an incident claimed the life of 29 miners at one of his facilities. He called Senate Majority Leader Mitch McConnell "Cocaine Mitch," and made racially charged comments about McConnell's family.

Morrisey is someone national Republicans can embrace. National Republican Senatorial Committee executive director Chris Hansen said in a statement Tuesday night that Morrisey will "fight for conservative values" and predicted his victory over Manchin in the general election.

But Morrisey enters the race with his own baggage — even if it's nothing like Blankenship's. Morrisey used to be a Washington lobbyist, and Morrisey's wife still is one. Also, Morrisey ran for Congress in 2000 — in New Jersey.

Rep. Evan Jenkins, who finished second on Tuesday night, tried to level those attacks. But the punches didn't land with Blankenship's circus-like candidacy stealing the spotlight.

With Blankenship fading into the distance, Manchin can contrast his folksy, "Pepperoni Roll," West Virginia affect against Morrisey's Jersey accent and D.C. "swamp" ties. Republicans will fire back, alleging that Manchin isn't the aw-shucks bipartisan he claims to be and doesn't stick up for Trump, who is very popular in the state.

2. Words alone can't earn the Trump mantle.

Reps. Luke Messer and Todd Rokita spent the final week of the GOP Senate primary in Indiana trying to convince voters that Mike Braun — the businessman and former one-term state representative who had surged to the front of the field on an outsider message — wasn't a reliable conservative. They cited Braun's participation in Democratic primaries for more than three decades.

But Braun easily defeated both Messer and Rokita because his outsider message, in contrast with his two D.C. insider rivals, resonated more than his Democratic past. (Braun said he only voted in Democratic primaries to influence local elections, but Messer and Rokita painted that as a lame excuse.)

Braun's argument was easier to make after Trump's 2016 presidential campaign. Trump's opponents in the GOP primaries needled the billionaire for his past donations to Democratic candidates, or his past conservative apostasies on issues like abortion and universal health care. Trump parried those attacks, barely breaking a sweat.

Ultimately, as much as Rokita (who donned a red "Make America Great Again" hat in his ads) or Messer (who talked up Trump for a Nobel Peace Prize) tried to claim the Trump mantle, Braun seemed more like the real deal. He hit Messer and Rokita for being attorneys who never practiced law, instead getting into politics at a young age. And Braun, who will now try to unseat Democratic Sen. Joe Donnelly, said he was the only candidate who had signed the front of a paycheck, while his opponents had been endorsing government checks for most of their careers.

3. House members went down hard.

It was a bad night for House members running statewide: Jenkins lost to Morrisey by more than 5 points. Rokita and Messer finished even further behind Braun.

Rep. Jim Renacci, who still won the GOP nomination to face Sen. Sherrod Brown in Ohio, failed to win a majority of the vote in the primary, despite endorsements from Trump and the state Republican Party.

For a party led by a first-time-candidate-turned-president, it's not surprising that Congress isn't the ideal springboard to higher office. But the GOP is relying on other House members to maintain its Senate majority — whether it's Martha McSally in Arizona, Marsha Blackburn in Tennessee or Kevin Cramer in North Dakota.

And for members facing competitive statewide primaries — think McSally, Kristi Noem for governor in South Dakota, Raul Labrador for Idaho governor or Diane Black for Tennessee governor — they may find their congressional résumés are more anchors than propulsion for their candidacies.

4. The first incumbent falls. Will others join?

Rep. Robert Pittenger (R-N.C.) became the first incumbent member of Congress knocked out in a primary in 2018.

Pittenger tried to align himself closely to Trump, touting in his first TV ad that he was the "strongest supporter" of the president. But Mark Harris, a pastor who nearly beat Pittenger in 2016, successfully tagged Pittenger as a part of the "Washington swamp." Republicans in primaries across the country are questioning their opponents' pro-Trump bona fides, a strategy that proved effective here.

Pittenger's loss surprised national and local Republicans, who expected the congressman to survive the primary challenge. But Harris' campaign said Pittenger's "votes didn't match his rhetoric," pointing to his support for the omnibus spending bill in March, said Andy Yates, a spokesman for the campaign. (Harris, a social conservative, said he planned to join the House Freedom Caucus.)

It's not clear that there's a long list of Pittengers about to be swept away in primaries. Still, his defeat could serve as a wake-up call to incumbents who have struggled to unite Republicans at the ballot box in the past, like Reps. Martha Roby (Ala.) and Doug Lamborn (Colo.).

5. Both parties got their men for Ohio governor.

It was an easy night for both parties watching the Ohio gubernatorial race. State Attorney General Mike DeWine easily dispatched Lt. Gov. Mary Taylor in the GOP primary, aided by the imprimatur of the state party.

And on the Democratic side, former state Attorney General Richard Cordray cruised past Rep. Dennis Kucinich after weeks of hand-wringing that the race against the at-times eccentric Kucinich was closer than it should have been.

In the end, Cordray — who until recently headed the federal Consumer Financial Protection Bureau — crushed Kucinich and four other challengers, even winning a greater percentage in the Democratic primary among a fractured field than DeWine earned in a one-on-one matchup with Taylor.

Both parties quickly pivoted to trying to attach a Washington brand to their opponents. The Republican Governors Association called Cordray "a Washington D.C. power-hungry insider," despite DeWine's 20-year congressional tenure.

Meanwhile, the Democratic Governors Association said DeWine was "a card-carrying member of the D.C. and Columbus swamp," despite the fact that Cordray was DeWine's predecessor as attorney general and was an Obama political appointee.

Either way, the gubernatorial election this year will be a rematch of the 2010 attorney general race. DeWine, four years removed from a loss to Brown, toppled the then-incumbent Cordray by 1 percentage point in the GOP wave year.

6. Chalk two up for the GOP establishment.

Establishment Republicans got more good news in Ohio when Troy Balderson and Anthony Gonzalez won primaries for open congressional seats.

Balderson, backed by former Rep. Pat Tiberi, beat Melanie Leneghan in two primaries in Ohio's 12th District on Tuesday — one for the November election, and one for an August special election to complete Tiberi's unexpired term.

The race was a proxy war between Tiberi — an long-time ally of former House Speaker John Boehner — and Rep. Jim Jordan (R-Ohio). Tiberi spent money on TV ads to back Balderson, while Jordan, the House Freedom Caucus co-founder, cut a competing TV ad for Leneghan that aired with help from conservative megadonor Richard Uihlein.

Gonzalez, a former Ohio State University football star, won a similar fight in the state's 16th District. He defeated state Sen. Christina Hagan, who had Jordan's backing in the race.

Both districts have been Republican strongholds — the 16th is even more solidly red than the 12th. But given Democrats' stronger-than-expected performances in special elections in the Trump era, Republicans are gearing up for a fight for the Tiberi seat over the next three months.

"There will be a very clear contrast between Troy and ... [Democratic nominee] Danny O'Connor in the months ahead," said Rep. Steve Stivers (R-Ohio), who chairs the National Republican Congressional Committee.

7. Women are dominating Democratic primaries

Women are running for federal office in record numbers in 2018 — and it looks like Democratic primary voters are poised to support those candidates like never before. There were 20 open Democratic House primaries with women on the ballot Tuesday night, and voters selected a female nominee in 17 of them.

It's a sharp turnaround from past years when female Democrats faced big hurdles in trying to win support from voters. A good number of the primary winners Tuesday night are running in heavily Republican seats with little chance of winning general elections. But they are still part of an important trend: Evidence is building that Democratic voters are tilting toward supporting women this year.

Keep this in mind as we approach primaries in big states full of battleground districts over the next two months: California and New York in June, and Pennsylvania next week.

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Pruitt fast-tracked California cleanup after Hugh Hewitt brokered meeting Back

By Emily Holden and Anthony Adragna | 05/07/2018 10:12 PM EDT

EPA Administrator Scott Pruitt placed a polluted California area on his personal priority list of Superfund sites targeted for "immediate and intense" action after conservative radio and television host Hugh Hewitt brokered a

meeting between him and lawyers for the water district that was seeking federal help to clean up the polluted Orange County site.

The previously unreported meeting, which was documented in emails released by EPA under a Freedom of Information Act lawsuit by the Sierra Club, showed Pruitt's staff reacting quickly to the request last September by Hewitt, who has been one of Pruitt's staunchest defenders amid a raft of ethics controversies around his expensive travel, security team spending and a cheap Washington condo rental from a lobbyist.

Pruitt has drawn criticism from environmentalists and other critics for letting prominent GOP backers and industry groups influence the agency's agenda — even as he has kicked scientists off of EPA's advisory panels and moved to limit the kinds of peer-reviewed research it will consider when making decisions.

In many cases, the people whose advice Pruitt is heeding could be useful supporters for him in a future race for U.S. senator or president. They include GOP megadonor Sheldon Adelson, who — as POLITICO reported in March — persuaded Pruitt last year to take a meeting with an Israeli water purification company called Water-Gen that later won a research deal with the EPA.

Hewitt, a resident of Orange County whose son James works in EPA's press office, emailed Pruitt in September to set up a meeting between the administrator and the law firm Larson O'Brien, which employs Hewitt and represents the Orange County Water District. Pruitt had been planning to meet with the lawyers in California a month earlier, but cancelled the trip to undergo knee surgery.

"I'll join if the Administrator would like me too or can catch up later at a dinner," Hewitt wrote in his Sept. 18 message. Hewitt added that the issues surrounding the Superfund site were "Greek to me but a big deal in my home county."

Pruitt's aides responded within minutes and quickly confirmed an Oct. 18 meeting for the lawyers and a project director.

Six weeks after that meeting, on Dec. 8, the Orange County North Basin site appeared on Pruitt's list of 21 contaminated areas to address. A month later, Pruitt proposed listing the site on EPA's National Priorities List, a move that could make it eligible for long-term federal cleanup funding from the federal government if the responsible polluters cannot be identified and forced to pay for its remediation.

Since then, Hewitt has been a robust defender of Pruitt, dismissing his recent controversies as "nonsense scandals" on MSNBC in early April and saying his detractors were "just trying to stop the deregulation effort."

Pruitt has touted the agency's Superfund work as one of his key priorities, setting up a task force to seek to speed up the clean-up of the nation's worst contaminated sites. That task force had been headed by Albert "Kell" Kelly, a former banker and longtime friend, who departed the agency last week after news about loans he provided to Pruitt in Oklahoma, including the mortgage provided to Pruitt for a house he bought from a lobbyist when he was a state senator.

Environmental advocates have worried Pruitt's efforts to identify Superfund priority sites would bypass the process set up by Congress to ensure cleanup resources are divided fairly, and that he could focus on sites seen as important to his political supporters. And environmentalists have said Pruitt's rush to claim that contaminated properties have been remediated could risk turning them over to local governments and businesses that might pursue cheaper, inadequate solutions.

Elgie Holstein, senior director for strategic planning at the Environmental Defense Fund who has been tracking EPA's Superfund actions, said the connection to Hewitt is "not a surprise."

"The biggest fear we have is that No. 1, the administrator's political priorities and personal ambitions, political ambitions become the primary criteria for action under this program instead of science and health," Holstein said.

EPA never disclosed the meeting with Hewitt's contacts. It was listed on Pruitt's public calendar as a staff briefing. But on his private Outlook schedule, which the agency has released in response to lawsuits, it appeared as an "Orange County Superfund Site" meeting with Kelly and two other staffers. The records did not list the Californians in attendance at the meeting at EPA headquarters in Washington.

But EPA spokesman Jahan Wilcox confirmed that two lawyers representing the water district, Robert O'Brien and Scott Sommer, and the water district director of special projects, Bill Hunt, were there. A third lawyer, former federal Judge Stephen G. Larson, was forced to cancel his trip due to wildfires in California, according to emails.

"Hugh Hewitt helped arrange the meeting at the request of the water district but did not attend," Wilcox said.

Wilcox said the meeting was for the water district to "brief EPA on the Superfund site's cleanup efforts and request expedited cleanup," following a 2016 agreement with the agency to conduct a remedial investigation and feasibility study, at a cost of $4 million over two years. Hunt did not immediately respond to a request for comment.

Hewitt in an email to POLITICO called Pruitt a friend and said he does not have a working relationship with him. He said that his firm has represented the water district and worked on the site with EPA's regional office for years but that he had not participated in that work.

Hewitt said he requested a meeting because the water district wanted to brief the new EPA team, he said, adding that he was an Orange County resident until 2016 as well as an Orange County Children and Families Commission member. He said that he "very much" wanted the Superfund site remediated as soon as possible.

According to an EPA fact sheet, the Orange County site has more than five square miles of polluted groundwater containing chlorinated solvents and other contaminants across the cities of Anaheim, Fullerton, and Placentia. It includes the Orange County Groundwater Basin, which provides drinking water to more than 2.4 million residents across 22 cities, according to the agency. Those pollutants can damage humans' nervous systems, kidneys and livers, and some are considered carcinogenic.

EPA has just begun its process of studying the contamination and it has not determined which companies caused the pollution in the area. But an administrative settlement with the EPA in 2016 says the area was home to "electronics manufacturing, metals processing, aerospace manufacturing, musical instrument manufacturing, rubber and plastics manufacturing, and dry cleaning."

Hewitt also thanked EPA schedulers for working to arrange a meeting between Pruitt and the California Lincoln Clubs, which describe themselves as in favor of "limited government, fiscal discipline and personal responsibility." After some rescheduling Pruitt eventually met with representatives of the group on a trip to California in March of this year, according to his public calendar. Prominent Orange County businessman John Warner also helped to connect that group with staffers.

Pruitt and his scheduling staff have frequently sought to set up meetings with or for influential Republican figures, according to the internal EPA emails.

His team accepted an invitation for him to address The Philanthropy Roundtable at an invitation-only event at the White House for "conservative and free-market foundation CEOs and individual wealth creators to discuss

the greatest opportunities for foundations to protect and strengthen free society" and "what [Pruitt] views as unique opportunities for philanthropic action.

As POLITICO reported in March, Pruitt also met with an Indiana coal executive and Trump fundraiser who was seeking to soften a pollution rule.

Pruitt also crafted his travel schedule — including a tour of states in August — to meet with big business much like a member of Congress would during the annual recess.

In July, EPA's associate administrator of public engagement Tate Bennett was working with Pruitt to "essentially create an August recess for the EPA to be out in the states talking with individual companies & doing listening sessions within sectors," said Leah Curtsinger, the federal policy director for the Colorado Association of Commerce & Industry, in an email introducing Bennett to her husband, public affairs director at coal company Cloud Peak Energy and a fellow alum of Senate Majority Leader Mitch McConnell's office.

Annie Snider contributed to this report.

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House subpanel approves cybersecurity, small-scale LNG bills Back

By Anthony Adragna | 04/18/2018 11:19 AM EDT

A House Energy and Commerce subpanel today approved a quartet of bills designed to boost DOE's efforts to protect the nation's electric grid from cyberattack.

All four cybersecurity measures — H.R. 5174 (115), H.R. 5175 (115), H.R. 5239 (115), H.R. 5240 (115) — advanced by voice vote.

H.R. 5175 asks DOE to coordinate the federal, state and business responses to physical and cybersecurity threats. H.R. 5239 would establish a voluntary DOE program to test the cybersecurity of products intended for use in the bulk-power system. H.R. 5240 would encourage public-private partnerships on cybsersecurity efforts, while H.R. 5174 would have DOE bolster its emergency response efforts.

In addition, the subcommittee approved H.R. 4606 (115), which would allow the expedited approval of small-scale shipments of liquefied natural gas, over the objections of most Democrats. That vote was 19 to 14.

"Leave it to the Republican leadership of this committee to markup a bill that has even fewer environmental safeguards than a Trump Administration proposal," Rep. Frank Pallone (D-N.J.), ranking member of the full committee, said. "This bill is unnecessary, it is bad policy and it is a legislative earmark."

WHAT'S NEXT: The bills will get consideration by the full House Energy and Commerce Committee.

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