Message

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Subject: Morning Energy: How Trump favored Texas over Puerto Rico — EPA holds final 'listening session' on climate rule repeal — DOE gets pushback on 'market-based' efficiency rules

By Kelsey Tamborrino | 03/27/2018 05:45 AM EDT

With help from Nick Juliano and Eric Wolff

HOW TRUMP FAVORED TEXAS OVER PUERTO RICO: A double standard has emerged in President Donald Trump's handling of disaster relief efforts in Texas versus in Puerto Rico, POLITICO's Danny Vinik found in a new investigation out today. A review of public documents, never-before-published FEMA records and interviews with more than 50 people involved with disaster response show an imbalance that tracks with one core person's attention: the president.

Behind the scenes, people with direct knowledge of Trump's comments said the president was focused less on the details of the relief effort than on public appearances, repeatedly using conference calls and meetings to direct FEMA Administrator Brock Long to spend more time on television touting his agency's progress. And as the administration moves to rebuild Texas and Puerto Rico, the contrast in the Trump administration's responses are taking on new dimensions, Danny writes.

During the first nine days after Hurricane Harvey, FEMA provided 5.1 million meals, 4.5 million liters of water and over 20,000 tarps to Houston; but in the same period, it delivered just 1.6 million meals, 2.8 million liters of water and roughly 5,000 tarps to Puerto Rico.

The federal government has already begun funding projects to help make permanent repairs to Texas infrastructure. But in Puerto Rico, that funding has yet to begin, as details of an experimental funding system are negotiated with Trump's Office of Management and Budget — an experimental formula that multiple congressional staffers and people with knowledge said White House officials told Puerto Rico Gov. Ricardo Rosselló to agree to if wanted money for his island. Read it here.

GOOD TUESDAY MORNING! I'm your host Kelsey Tamborrino. Andrew Fasoli of the American Chemistry Council was fastest in identifying former first lady Helen Herron Taft as the first to plant the saplings of the Japanese cherry trees in D.C., which now surround the Tidal Basin and Capitol grounds. For today: Who is the only former Cabinet member to be selected as "designated survivor" twice during past State of the Union addresses? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

POLITICO Space is our new, free weekly briefing on the policies and personalities shaping the second space age in Washington and beyond. **Sign up today to start receiving the newsletter right at launch on April 6.** *Presented by Boeing.*

OFFSHORE ORCHESTRATION: Interior Secretary Ryan Zinke's meeting with Florida Gov. Rick Scott at the Tallahassee airport back in January — after which Zinke declared the state "off the table" for expanded offshore drilling — wasn't as spontaneous as it first seemed, POLITICO Florida's Matt Dixon reports. Scott's office cast the announcement as a hastily arranged example of the governor's ability to influence Trump administration policy, all while dismissing any suggestion that the move had anything to do with his expected

entrance into this year's Senate race. But Matt got ahold of 1,200 documents — including emails, text messages and phone records — that show Interior officials and Scott aides had been coordinating days ahead of the meeting. More from Matt here.

ONE LAST TIME: EPA will hold its final "listening session" today in Gillette, Wyo., on the proposed repeal of the Clean Power Plan. A preliminary list of speakers shows a range of voices will attend the session — including various speakers from Cloud Peak Energy, a firm headquartered in Gillette that mines coal in the Powder River Basin, and the Rocky Mountain Coal Mining Institute. Sens. John Barrasso and Mike Enzi — who have previously applauded the proposed repeal — are also scheduled to speak. Barrasso plans to emphasize how the rule would hurt energy workers in his state, an aide tells ME, and will highlight bipartisan efforts in Congress to promote carbon capture technologies.

On the other side, advocates from the American Lung Association, Moms Clean Air Force and National Wildlife Federation will speak. Moms Clean Air Force will highlight EPA's "legal and moral obligation" to action on greenhouse gas emissions, according to the group's talking points. Administrator Scott Pruitt won't be there today, but he is set to make a separate trip to Wyoming this week to visit the state's coal-mining operations.

WHERE'S PERRY? Energy Secretary Rick Perry is in California today, where he'll tour the Lawrence Berkeley National Laboratory and hold an all-hands meeting with the facility's employees at 3 p.m. The trip follows Perry's visit to the Lawrence Livermore National Lab on Monday.

REFINERS: MORE THAN EPA'S PES WAIVER IS NEEDED TO SURVIVE THE RFS : Two Philadelphia-area refiners said a consent decree between EPA and Philadelphia Energy Services was an acknowledgment by the government that the Renewable Fuel Standard is broken and needs significant reform. PBF told DOJ, which took comments on the agreement until Monday, that "one-time forgiveness of RIN obligations fails to remedy the root cause for the bankruptcy and provides the wrong incentives to the [Renewable Identification Number] market." Monroe said the agreement "is a reflection, an acknowledgment, of the economic harm caused by the RFS program." Both of them were joined by refining giant Valero in arguing that the program needs to be changed more radically than just the one-time waiver offered by EPA. Ethanol producers said in their own earlier comments that they oppose the consent decree and reject the idea that PES' bankruptcy could be blamed on the RFS.

Read Monroe's comments here, PBF's here and Valero's here.

JUDGE LEAVES SOLAR TARIFFS IN PLACE: A judge in the U.S. Court of International Trade on Monday rejected requests for a stay of U.S. solar tariffs pending an appeal. Silfab Solar, Heliene, Canadian Solar (USA) and Canadian Solar Solutions had been hoping the court would block the 30 percent tariff the Trump administration imposed on imported solar panel and solar cells last month. The court had rejected their motions for a temporary restraining order and preliminary injunction earlier in March.

TRADE DEADLINE: Can appliances be regulated like automobiles? That's the question the Energy Department posed last year in an effort to apply Trump's regulatory reform goals to its efficiency standards program, and responses were due by Monday. DOE asked for input on several potential reforms, including enforcing efficiency rules similar to the Corporate Average Fuel Economy program, which averages performance across an automakers' entire vehicle fleet. DOE's request for information also pointed to state-level renewable portfolio standards or California's cap-and-trade program as examples of the ideas it was considering.

But those "market based" approaches probably won't work, numerous commenters told DOE. The main barrier is "anti-backsliding" provisions in the Energy Policy and Conservation Act, which prevents DOE from weakening existing requirements. Current law "precludes the use of averaging, credit-trading, or providing feebates as an alternative to minimum energy-efficiency requirements," the Alliance to Save Energy, a pro-

efficiency group, wrote in its comments. A coalition of industry trade associations agreed that such mechanisms would be unlikely to work; in their comments, the groups, including the Air-Conditioning, Heating and Refrigeration Institute and the Association of Home Appliance Manufacturers, urged DOE "to focus its limited resources on reforming the existing program" through changes to a separate process improvement rule. Read additional comments from AHRI, the Natural Resources Defense Council, Lennox International , E2, Whirlpool, the Edison Electric Institute, Dow, Southern Company and the California Energy Commission.

DEFENDING EPA'S SCIENCE: Former EPA Administrator Gina McCarthy and Janet McCabe, the former acting assistant administrator of the Office of Air and Radiation, wrote an op-ed in The New York Times Monday defending EPA's use of scientific studies to support its regulations. Conservatives have long accused the agency of relying on "secret science," and Pruitt says he plans to start relying only on publicly available data. But McCarthy and McCabe say that would deprive EPA of valuable research based on individuals' private health records or proprietary information that businesses want to protect. "Opponents of the agency and of mainstream climate science call these studies 'secret science,'" the pair writes. "But that's simply not true."

BSEE: WE COULD USE YOUR HELP: Interior is calling on its career staff to come up with ways to speed up the offshore drilling permitting process, Pro's Ben Lefebvre reports. The Bureau of Safety and Environmental Enforcement will assemble teams of employees across departments to periodically review the process and look for ways to improve its efficiency across the agency, BSEE said Monday.

MAIL CALL! CALLING OUT WEAK LEASE SALES: House Natural Resources ranking member Raúl Grijalva sent a letter to Zinke Monday, requesting additional information on his agency's budget priorities. Grijalva also asked Zinke to keep royalty rates for offshore drilling development stable, in light of weak demand for lease sales.

— **Sens. Sheldon Whitehouse and Brian Schatz** wrote to the CEOs of BlackRock and JP Morgan Chase questioning the firms' investment in companies active in the Amazon rainforest.

NEW JERSEY TO BLOCK DRILLING: New Jersey Gov. Phil Murphy is expected sign a bill that would prohibit state regulators from approving permits for pipelines or related infrastructure to facilitate expanded offshore drilling in federal waters. Pro New Jersey's Danielle Muoio has more.

MOVER, SHAKER: Friends of the Earth announced Monday that Liz Butler will become vice president of organizing and strategic alliances. Butler will lead a staff of five organizers and 13 organizing fellows in grassroots environmental campaigns.

— **Michael Pratt is joining the American Enterprise Institute's** press office as director of media relations and marketing. Pratt previously served in several other roles at AEI in the digital and media relations departments.

QUICK HITS

— ITER nuclear fusion project avoids delays as U.S. doubles budget, Reuters.

— Half of all U.S. coal plants would lose money without regulation, Bloomberg.

— Federal lease sale fails to impress, but nets $10 million for Wyoming, Casper Star-Tribune.

— Former CEO of Maersk Oil to become Shell Oil president, Houston Business Journal.

— Shell just outlined a radical scenario for what it would take to halt climate change, The Washington Post.

— The EPA says it wants research transparency. Scientists see an attack on science, The New York Times.

HAPPENING TODAY

7:30 a.m. — The American Water Works Association holds Sustainable Water Management Conference, Seattle

8:00 a.m. — The California Solar Power Expo, San Diego

8:00 a.m. — The Mediterranean Oil and Gas Forum 2018 with Mark Menezes, undersecretary of Energy, Nicosia, Cyprus

8:45 a.m. — Energy Thought Summit, Austin, Texas

9:00 a.m. — Inter-American Dialogue discussion "Unconventional Oil and Gas in Argentina," 1155 15th Street NW

9:30 a.m. — American Fuel and Petrochemical Manufacturers holds International Petrochemical Conference, San Antonio, Texas.

11:00 a.m. — The National Academy of Sciences webinar on "Improving Characterization of Anthropogenic Methane Emissions in the United States."

12:00 p.m. — Americans for a Clean Energy Grid webinar on "Transmission Needed to Meet Corporate America's Growing Demand for Renewable Power."

5:00 p.m. — The Johns Hopkins University Paul H. Nitze School of Advanced International Studies book discussion on "The Fracking Debate: The Risks, Benefits, and Uncertainties of the Shale Revolution," 1717 Massachusetts Avenue NW

THAT'S ALL FOR ME!

To view online:
https://www.politicopro.com/newsletters/morning-energy/2018/03/how-trump-favored-texas-over-puerto-rico-151171

Stories from POLITICO Pro

How Trump favored Texas over Puerto Rico Back

By Danny Vinik | 03/27/2018 05:00 AM EDT

SAN JUAN, Puerto Rico — As Hurricane Maria unleashed its fury on Puerto Rico in mid-September, knocking out the island's electrical system and damaging hundreds of thousands of homes, disaster recovery experts expected that only one man could handle the enormity of the task ahead: Mike Byrne.

But Byrne, a widely acknowledged star of the Federal Emergency Management Agency, remained in Houston, which had been ravaged by Hurricane Harvey less than a month earlier.

Today, disaster recovery experts still express shock that FEMA kept Byrne in an already-stabilizing Texas and didn't send him to Puerto Rico for three more weeks. But now, the decision strikes many as emblematic of a

double standard within the Trump administration. A POLITICO review of public documents, newly obtained FEMA records and interviews with more than 50 people involved with disaster response indicates that the Trump administration — and the president himself — responded far more aggressively to Texas than to Puerto Rico.

"We have the U.S. Army and Marine Corps. We go anywhere, anytime we want in the world," bemoaned retired Army Lt. Gen. Russel Honoré, who led the military's relief efforts after Hurricane Katrina. "And [in Puerto Rico] we didn't use those assets the way they should have been used."

No two hurricanes are alike, and Harvey and Maria were vastly different storms that struck areas with vastly different financial, geographic and political situations. But a comparison of government statistics relating to the two recovery efforts strongly supports the views of disaster-recovery experts that FEMA and the Trump administration exerted a faster, and initially greater, effort in Texas, even though the damage in Puerto Rico exceeded that in Houston.

Within six days of Hurricane Harvey, U.S. Northern Command had deployed 73 helicopters over Houston, which are critical for saving victims and delivering emergency supplies. It took at least three weeks after Maria before it had more than 70 helicopters flying above Puerto Rico.

Nine days after the respective hurricanes, FEMA had approved $141.8 million in individual assistance to Harvey victims, versus just $6.2 million for Maria victims.

During the first nine days after Harvey, FEMA provided 5.1 million meals, 4.5 million liters of water and over 20,000 tarps to Houston; but in the same period, it delivered just 1.6 million meals, 2.8 million liters of water and roughly 5,000 tarps to Puerto Rico.

Nine days after Harvey, the federal government had 30,000 personnel in the Houston region, compared with 10,000 at the same point after Maria.

It took just 10 days for FEMA to approve permanent disaster work for Texas, compared with 43 days for Puerto Rico.

Seventy-eight days after each hurricane, FEMA had approved 39 percent of federal applications for relief from victims of Harvey, versus 28 percent for Maria.

Those imbalances track with another one: the attention of President Donald Trump. In public, Trump appeared much more concerned with the victims of Harvey than Maria. He visited Houston twice during the first eight days after the hurricane, but didn't visit Puerto Rico for 13 days. In the first week after the disasters, Trump sent three times as many tweets about Harvey as Maria — 24 about the plight of Texas and eight about Puerto Rico, including a series of comments about Puerto Rico's debt level and quality of infrastructure that local officials considered insulting and enraging while lives were still in jeopardy.

"Wow - Now experts are calling #Harvey a once in 500 year flood! We have an all out effort going, and going well!" he crowed about Texas on Aug. 27, two days after the storm made landfall.

On Sept. 30, 10 days after Maria, and while fielding criticism from Puerto Rican officials, Trump testily tweeted: "[They] want everything to be done for them and it should be a community effort. 10,000 Federal workers now on island doing a fantastic job."

Behind the scenes, according to people with direct knowledge of his comments, Trump was focused less on the details of the relief effort than on public appearances, repeatedly using conference calls and meetings designed

to update him on the relief effort to direct FEMA Administrator Brock Long to spend more time on television touting his agency's progress.

In addition, Trump spent the first weekend after the Puerto Rico crisis tweeting repeatedly about NFL players kneeling for the national anthem. Those messages, experts said, send a subtle, yet important signal to the federal bureaucracy.

"On Texas and Florida [during Hurricane Irma], the president was very vocal and engaged in the run-up to the storm. His messaging was frankly pretty good," said Jeremy Konyndyk, the former top disaster response official at USAID under former President Barack Obama. "If you look at his public messaging on a comparable timeline around Puerto Rico, there's virtually nothing. ... That sends a signal to the whole federal bureaucracy about how they should prioritize."

FEMA and administration officials defend the response to the storm, saying it posed unprecedented logistical challenges as the agency faced perhaps the most demanding stretch in its 39-year history. Hurricane Maria was the third major hurricane to strike the United States in less than a month. Combine that with an overwhelmed local government and nonexistent communications and it created a fog-of-war atmosphere that made it difficult to determine what resources were needed when and how to get them to an island whose ports and airports were heavily damaged.

In a statement to POLITICO, Long defended FEMA's efforts, arguing that, unlike in Texas, the agency was forced to take on a greater role in the post-disaster response. "We provided Puerto Rico the same, if not more support, as we have for all presidentially declared disasters across the nation," he said, "but an optimal response cannot rely on FEMA's efforts alone."

A spokesperson for the National Security Council said Trump was "personally engaged" on the response and his "primary directive" to Long was to oversee a unified and effective federal response.

But in that situation, former FEMA officials say, extra political pressure and impetus can make a difference. Puerto Rico, as a U.S. territory rather than a state, has just a single, nonvoting delegate in Congress, compared with the 36 representatives and two senators from Texas who loudly demanded proper resources for their state. Likewise, victims of Superstorm Sandy had six senators and dozens of U.S. representatives in the states of New York, New Jersey and Connecticut to demand extra disaster relief, including powerful lawmakers like Chuck Schumer, then the No. 3 Democrat in the Senate.

"After Sandy, [Rep.] Peter King was all over FEMA continuously. So was Schumer," said Michael Balboni, a former New York state legislator and an expert on disaster response. That constant pressure on senior federal officials, he added, is critical to getting the proper resources after a disaster.

In that vacuum, presidential leadership plays a larger role. But as the administration moves to rebuild Texas and Puerto Rico, the contrast in the Trump administration's responses to Harvey and Maria is taking on new dimensions. The federal government has already begun funding projects to help make permanent repairs to Texas infrastructure. But in Puerto Rico, that funding has yet to start, as local officials continue to negotiate the details of an experimental funding system that the island agreed to adopt after a long, contentious discussion with Trump's Office of Management and Budget.

Multiple congressional staffers and people with direct knowledge of the arrangement said White House officials told Puerto Rico's governor, Ricardo Rosselló, that if he didn't agree to the experimental formula, the island wouldn't get the money, effectively forcing the island to take a huge gamble since it would be responsible for any cost overruns, a requirement that doesn't exist for Texas. The White House denies making that demand.

"There is no doubt that Puerto Rico gets treated differently to a state. And there is no doubt that it has been true for the disaster response as well," Rosselló said in an interview at the governor's mansion in Old San Juan. He added, "Our objective is to eradicate this notion of second-class citizenship in the United States, so that whenever a disaster hits — whether it's Texas, Florida, New York or Puerto Rico — the federal government responds equally in all cases."

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After Hurricane Harvey hit the Houston region on Aug. 25, dropping over 50 inches of rain and flooding whole swaths of the metropolitan region, FEMA quickly mobilized, sending out mission assignments to a long list of federal agencies. In less than a week, U.S. Northern Command deployed 73 helicopters and the Coast Guard sent an additional 18. Within nine days, a whopping 30,000 federal personnel were helping an army of state and local authorities with the response, conducting search-and-rescue missions, removing debris and helping victims apply for disaster assistance, among many other assignments.

The response was effective enough that by Sept. 14, Texas Gov. Greg Abbott reported that "The risk to lives has now been reduced, if not completely eliminated."

On Sept. 20, after four days of increasingly dire forecasts, Hurricane Maria made landfall in a Puerto Rico already reeling from Hurricane Irma two weeks earlier.

POLITICO's analysis of data on Harvey and Maria, pieced together through news releases, internal FEMA documents, revealed for the first time, and numbers supplied by the agency, indicates that FEMA's response to Maria was much slower than it was to Harvey. Helicopters, which are crucial to rescue people from remote, flooded areas, were slow to arrive. In the initial days, Northern Command had, at most, just a few dozen helicopters on the island and the U.S. Virgin Islands while the Coast Guard deployed just six. By Day 9, just 10,000 federal personnel were on the island, about a third as many as were dealing with Harvey at the same point. Those figures increased over time — Northern Command eventually supplied over 70 helicopters and the government deployed more than 20,000 personnel — but the ramp-up took more than three weeks.

The increase in personnel coincided with the arrival of Byrne. A former New York City firefighter, Byrne has spent his career working in emergency management, serving as a senior regional FEMA officer after 9/11 and as a private sector consultant, helping manage a $10 billion recovery program after hurricanes Katrina and Rita. After Superstorm Sandy in 2013, he led FEMA's recovery operations, a position known as the federal coordinating officer, or FCO. Last September, he was promoted to assistant administrator for field operations, overseeing the entire disaster workforce.

Despite his promotion, Byrne still often goes out into the field to oversee the most important assignments. So it came as no surprise to disaster-recovery experts when Long, the FEMA administrator, announced on Sept. 1, a week after Harvey hit Houston, that Byrne was heading down to Houston to help with the recovery efforts.

The surprise came on Sept. 20, the day that Hurricane Maria hit Puerto Rico, when FEMA named Alejandro De La Campa the FCO, while it kept Byrne in Texas.

De La Campa, a Puerto Rican native who runs FEMA's local office on the island, has strong relationships with Puerto Rican officials but is not considered one of FEMA's top disaster response leaders, much less the best person for one of the most complicated and challenging disasters in FEMA's history. Even at the time, the decision shocked former FEMA officials, many of whom thought well of De La Campa, who goes by Alex, but were expecting Long to deploy a much more experienced official for such a critical job.

"When I started hearing things, I was thinking there are a lot of heavy hitters sitting on the bench," said Craig Fugate, the head of FEMA during the Obama administration. Fugate acknowledged that it's difficult to second guess the decision-making without being in the meetings at the time. But he said, "I would have put my heavy hitters in there."

The storm impacted every part of the island, wiping out the electricity system and leaving even the local first responders as victims, many of whom lost power and first had to protect their families. Even today, more than 5 percent of the island remains without power. While the Houston region has about twice as many people as Puerto Rico, the severity and nature of the damage caused by Maria overshadowed that of Harvey. As such, FEMA eventually both received and approved more applications for individual assistance from victims of Hurricane Maria than of Hurricane Harvey.

"You had almost a perfect storm," said Jeff Parks, who worked for Honoré on the Katrina recovery effort and traveled to Puerto Rico in a private capacity soon after Maria.

Byrne said he wasn't involved in the FCO decision for Puerto Rico but that he wasn't surprised with the selection of De La Campa, explaining that he has a "stellar reputation." FEMA declined to make De La Campa available for an interview. Asked for further information on why De La Campa was initially selected to serve as the FCO, a FEMA spokesperson said the "question has been answered and addressed."

FEMA also deployed Justo "Tito" Hernandez, an experienced first responder who previously had served as an FCO on the island, as De La Campa's deputy. Hernandez, also a Puerto Rico native, did not comment directly on the selection, instead stressing that FEMA's personnel in Puerto Rico were a team.

Still, he added, "Mike [Byrne] is the best person for the job."

The best person for the job, though, was nearly 2,000 miles away during the first three weeks after Hurricane Maria made landfall, and he was quickly missed. On Oct. 10, in a five-sentence news release, billed as an expansion of the leadership team, FEMA announced it was replacing De La Campa with Byrne.

Former FEMA officials and disaster response experts said the slow ramp-up in force — from the delay in deploying Byrne to the limited number of helicopters — in Puerto Rico and the U.S. Virgin Islands is evidence that the agency underestimated the ferocity of the storm and failed to properly pre-position assets.

"That says that they didn't have the right footprint in place," said Konyndyk. "It's one thing if that's happening over a week or two. It's very different if that's taking a month."

Federal officials caution against comparing Harvey and Maria, arguing that Texas' and Puerto Rico's very different geographic, financial and political situations make comparisons misleading. After POLITICO requested data from U.S. Northern Command on helicopters deployed on certain dates after Maria and Harvey, a spokesperson declined to provide any figures, saying that the only overlap between Florida, Texas and Puerto Rico was that all three experienced hurricanes.

"That's where the comparison stops for us," he said.

Byrne and Hernandez offered two main explanations for the limited number of military assets, particularly helicopters, in the first week after Hurricane Maria. They said it was much easier to deploy helicopters to Houston than to Puerto Rico and the U.S. Virgin Islands, which were 1,000 miles from the United States and had no working ports or airports immediately after the disaster. And even if FEMA could get more responders to Puerto Rico, they said, it had no place to house them.

But it still took weeks for FEMA and the Department of Defense to increase their forces in Puerto Rico and the U.S. Virgin Islands, even though the main airports and ports were opened within a few days. Disaster-recovery experts also faulted the government for failing to direct the aircraft carrier USS Abraham Lincoln and other ships, which have their own fleets of helicopters and were deployed off the coast for Florida to help with Hurricane Irma in early September, to help with the response efforts to Hurricane Maria. The Lincoln began to position itself to help with Irma two days before the storm hit Florida. FEMA never requested that the Department of Defense send the Lincoln to Puerto Rico and the U.S. Virgin Islands.

The USNS Comfort, a hospital ship, didn't even embark from Norfolk, Virginia, to reach Puerto Rico and the U.S. Virgin Islands until nine days after the storm, despite the fact that few hospitals in the region had consistent power, leaving thousands of patients in dire medical condition.

FEMA directed questions about the Comfort and Lincoln to the Department of Defense, which said that during Irma, the Lincoln was also not requested by FEMA for help with civil authorities but instead helped secure military installations in Florida. A spokesperson for NORTHCOM also said that an agreement between DOD and FEMA to send the Comfort was reached "on/about Sept. 25," five days after the storm. It then takes the ship roughly four days to assemble its crew, add necessary supplies and start the ship's engine before it can embark, the spokesperson said.

Other data raise questions about FEMA's claim that a lack of housing prevented a quicker ramp-up in federal personnel on the island.

According to internal FEMA documents given to POLITICO by a person involved in the response efforts, a week after Hurricane Maria, FEMA had filled only 150 of 250 beds that were set aside for first responders at the Puerto Rico Convention Center. Two weeks after Maria, FEMA had filled only 1,258 of 2,250 beds allotted for its first responders at the convention center and aboard two training vessels from the U.S. Maritime Service.

A FEMA spokesperson did not say why the beds weren't used but explained that the numbers were fluid during those days as FEMA staff frequently moved to different parts of the island. "During an emergency, deployed staff comes in and out and depending on where they are needed, they are moved around to support federal and state partners," the spokesperson said.

Nonetheless, Byrne and Hernandez said in separate interviews that FEMA had enough resources to complete its missions, whether conducting search-and-rescue operations or providing food and water to the victims.

"The fact that we ramped up to about 20,000 people in the first month, month-and-a-half, that's impressive to me," said Hernandez. "Whoever says it was slow, I ask them where were you. Where were you when we were moving as fast as we could with the resources that we had?"

Byrne added: "We didn't have any deaths from starving on this. We didn't have any deaths from dehydration. We got plenty of water and food out to people."

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People on the ground, however, describe a different scene, one defined by mass confusion and little coordination among the dozens of different nonprofit groups and federal, state and local officials involved in the response, most of whom had little ability to communicate with one another. They said FEMA was mostly absent during the initial days after the storm.

"For the first couple weeks, right after the hurricane, we were the only thing moving out there," said Mike Soto, a founder of a Puerto Rican think tank who became a leader in the response effort after the storm hit Puerto

Rico. "The government was definitely catatonic. FEMA wasn't around and when they were finally here, it took them awhile."

Bernardo Márquez, the mayor of Toa Baja, a municipality of less than 100,000 people in northern Puerto Rico, said just two pallets of water and one pallet of food arrived from FEMA in the first week, forcing local officials to rely on donations from local supermarkets and nonprofits like the Red Cross. "It was slow," he said.

FEMA did deliver some supplies during the first few weeks: In the first nine days after Hurricane Maria, the agency provided 1.6 million meals, 2.8 million liters of water and roughly 5,000 tarps to the island. But that was only a third as many meals and half as much water as it provided to Texas in the same time period after Harvey. Within three days of Harvey's landfall, FEMA had delivered over 20,000 tarps to Texas.

The agency argued that any comparison of the delivery of assistance between Puerto Rico and Texas is effectively impossible. Texas is accessible by roads, making it easy for FEMA to truck food, water and other emergency supplies into Houston while Puerto Rico is 1,000 miles away from the mainland U.S. "We moved stuff. We moved stuff pretty efficiently," said Byrne. "And the challenge here was getting it by ship."

According to a document obtained by POLITICO through the person involved in the response efforts, federal officials were also slow to begin installing "blue roofs" on the island, the hard, plastic covering that allows victims to return and live in their homes before permanent repairs begin.

Twenty-five days after the storm, the Army Corps of Engineers, the federal agency responsible for installing the roofs, had completed just 260 installations in Puerto Rico out of an estimated 60,000 that were needed, equal to 0.4 percent.

There's no similar data for Harvey because Texas didn't request any blue roofs and instead handled temporary housing relief in the first weeks after the storm by itself. But 25 days after Hurricane Irma struck Florida, the Army Corps had installed 1,600 blue roofs, out of 15,000 estimated, or 10.7 percent. A week later, the Army Corps had completed more than a third of the installations in Florida, compared with just 2.8 percent during the same period in Puerto Rico.

Jacqueline Tate, a spokeswoman for the Army Corps, wrote in an email that the agency faced multiple challenges with its blue roof program in Puerto Rico, including locating where victims lived based on their provided address and road closures resulting from landslides and debris.

Experts said it's difficult to pinpoint the exact costs of all these delays.

The official death toll as a result of Hurricane Maria currently stands at 64, compared with 103 from Hurricane Harvey, but a New York Times report in December, using a statistical analysis to compare deaths in the weeks after the storm with a similar period in 2015 and 2016, put the number as high as 1,052. According to the report, deaths from sepsis, pneumonia and breathing disorders jumped considerably. Local officials and experts are suspicious of FEMA's official death count and also said the delays, if not causing deaths, significantly aggravated the pain and stress felt by many Puerto Ricans.

Eventually, officials agree, FEMA's distribution of food and water accelerated; since the storm, FEMA has distributed more than 64 million meals and 72 million liters of water, both records for the agency. But the initial delays represented lost time that can never be recovered.

For FEMA, the response to Hurricane Maria put the agency in an unfamiliar position, forcing it to take on the lead role in the response when it typically acts as a support agency, fulfilling requests from state and local officials. In Puerto Rico, the state and local governments didn't always know what they needed or what they could even request. But after FEMA struggled under similar conditions after Hurricane Katrina, Congress gave

the agency additional authorities to send commodities and help with the emergency response even before it receives official requests from local officials. Many disaster response experts suggested that FEMA failed to use those authorities effectively after Hurricane Maria.

"My big mantra is I never get time back," said Fugate, the former FEMA administrator from the Obama administration, adding that he always erred on the side of sending relief supplies rather than waiting for an official request.

As hurricane victims look to start rebuilding their lives in the aftermath of a storm, many first turn to FEMA to apply for federal assistance. Applicants can receive a quick infusion of cash — up to $34,000, depending on their needs and the severity of the damage — to start fixing their homes, money that also helps jump-start the local economy. But that money was slow to arrive in Puerto Rico.

According to FEMA data on its individual assistance program, the agency processed applications more slowly for victims of Hurricane Maria than victims of Hurricane Harvey. Nine days after Harvey, FEMA had already approved more than $141.8 million in federal assistance, compared with just $6 million during the same period after Maria. In fact, from Oct. 2 to Oct. 9, FEMA approved just $6,008 in individual assistance for Puerto Rico.

A FEMA spokesperson explained that communications were a challenge in the first days after the storm, preventing Puerto Ricans from using the online application and making it difficult for federal officials to follow up with survivors. Many victims also had trouble proving their residency with a deed or title, the spokesperson said.

Still, Puerto Ricans found a way to register in the first two weeks. By Oct. 5, the agency had received 248,281 registrations for individual assistance, rising to 496,418 by Oct. 13.

Seventy-eight days after the two hurricanes, FEMA had received 18 percent more applications from victims of Maria than from victims of Harvey but had approved 13 percent more applicants from Harvey than from Maria. At the time, 39 percent of applicants from Harvey had been approved compared with just 28 percent of applicants from Maria.

"People are grateful for what FEMA was done. Mayors won't openly say we hate FEMA," said Sen. Eduardo Bhatia, the minority leader of the Puerto Rico Senate. "But if you talk to them enough, they will say it was totally frustrating. It was an absolute mess. No communication, no coordination, no chain of command and certainly no reasonable plans given the magnitude of the problem."

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A little before noon on Oct. 3, Air Force One landed at the Luis Muñiz Air National Guard Base in Carolina, Puerto Rico, where Trump was scheduled to get a first-hand look at the devastation wrought by Hurricane Maria, his first trip to the island since the storm hit 13 days earlier. He visited Texas twice in the first eight days after Harvey but was slower to visit Puerto Rico, the NSC spokesperson said, so that his trip "didn't have a negative impact on ongoing response operations."

Nonetheless, Puerto Ricans were grateful for the chance for national attention, given what they considered the still-daunting magnitude of the crisis.

Quickly, however, they realized that Trump's visit wasn't going to include the worst-hit areas, and that Trump didn't have patience for any complaints.

Instead, the carefully scripted trip appeared to be something of a victory tour, as Trump praised FEMA's response and gave an "A+" to Long, the FEMA administrator, and touted the fact that the death count at the time stood at 16, compared with nearly 2,000 after Hurricane Katrina.

At a briefing on the base, he indirectly alluded to Puerto Rico's financial woes, suggesting that the federal response to the storm was creating new challenges for Mick Mulvaney, the White House budget director. "Now, I hate to tell you, Puerto Rico," Trump said, "but you've thrown our budget a little out of whack because we've spent a lot of money on Puerto Rico, and that's fine."

On a walking tour during the afternoon, Trump visited a neighborhood in nearby Guaynabo, an effort to show the president the damage on the ground. But the area had been one of the least-affected neighborhoods in Puerto Rico, according to multiple Puerto Rican officials, because most of the houses were constructed with cement.

"Nothing happened. Everything was perfect," said Sandra Rodriguez, a communications consultant who lives eight minutes away from the neighborhood. "The only thing was, it didn't have any electric power."

At a church, Trump handed out bags of rice to local residents before taking paper towels and impersonating a basketball player as he shot them into the crowd, whose members scrambled to grab the free supplies. To many Puerto Rican residents, that image — Trump's arms arched as if shooting a three-pointer — illustrated the president's cavalier attitude toward the island.

"The president's visit made it very clear that he did not think this was a big deal," said Bhatia, the Senate minority leader. "The whole paper towel incident was silly. He was making a joke out of it."

The NSC spokesperson defended the location chosen for Trump's walking tour, saying the president was fully aware of the challenges facing Puerto Rico. "Had the president visited areas that were severely impacted by the Hurricane, security measures would have required that rescue and relief efforts be temporarily redirected, which is not what the president wanted," the spokesperson said.

James Norton, a senior official in the Department of Homeland Security under former President George W. Bush, said public appearances and visits to storm-wrecked regions play an important role in establishing priorities within the federal government — as Bush learned the hard way when he was criticized for not getting more personally involved in the Katrina recovery effort.

"Bush made every effort to correct [the mistakes made after Hurricane Katrina] given how many visits he made to the region," he said. "Compare that to Trump: He made one visit. That type of executive attention drives the bureaucracy. While there might be people working behind the scenes, not having that constant attention and trips to region does have an impact on the level of effort."

To some aides, Trump didn't seem to approach Hurricane Maria any differently than Hurricane Harvey. In both cases, he lauded the efforts of FEMA and the military, heaping praise on officials who he believed were reflecting positively on his administration. "He came across as a coach, like Mickey in those Rocky movies," one person familiar with his comments said. "'You're killing them, go get 'em.'"

But in Trump's Twitter feed, a proxy for his daily attention, he didn't seem particularly concerned with the fate of Puerto Rico after Hurricane Maria. According to a POLITICO tally, he tweeted just eight times about the island in the week after the storm, often to criticize Puerto Rico. In a three-part tweet on Sept. 25, he said Puerto Rico "is in deep trouble," due to its debt and infrastructure; during that same week, he tweeted 18 times about NFL players not standing for the national anthem. In comparison, in the week after Harvey, he was laser focused on the storm, tweeting 24 times about the relief efforts in Texas and repeatedly praising the first responders.

Trump also got into verbal disputes with local Puerto Rican officials, including the mayor of San Juan, Carmen Yulín Cruz, who criticized the federal response at a Sept. 29 news conference, saying that "We are dying and you are killing us with the inefficiency."

A day later, Trump struck back, slamming Cruz for her "poor leadership" and tweeting that she and "others in Puerto Rico ... want everything to be done for them."

"It was a little disheartening to see the exchange between the president and the mayor," said Michael Coen, former chief of staff of FEMA during the Obama administration. "It doesn't help morale at FEMA and the staff who are working hard."

On Oct. 12, more than three weeks after Hurricane Maria hit Puerto Rico, the president suggested that the federal government wasn't prepared to help the island indefinitely. "We cannot keep FEMA, the Military & the First Responders, who have been amazing (under the most difficult circumstances) in P.R. forever!" The next day, he walked back that tweet in another tweet, saying about Puerto Ricans, "I will always be with them!"

To many Puerto Rican officials and disaster experts, Trump's public comments about Puerto Rico, a territory with no voting representation in Congress, exacerbated the challenges it faces with the federal bureaucracy due to its political status. "There is certainly a different treatment and many of these things, in order to get some reaction, there has to be some pushing," said Rosselló.

The NSC spokesperson said in a statement that the idea that Trump's public comments negatively affected the federal response was a "ridiculous insinuation" and "an insult to the thousands of FEMA and other federal employees who were in Puerto Rico before, during and after the storms." The official added that such criticisms were "partisan political shots."

But there is a lot of evidence that political pressure can lead to a stepped-up disaster response.

In Texas, Senate Majority Whip John Cornyn (R-Texas) held up the nomination of the deputy director of the White House budget office for months over concerns about inadequate support for his state in the wake of Harvey. He finally allowed the nomination to move forward in February after Congress passed a bill with $90 billion of disaster relief funding and Trump signed it.

Rep. Dan Donovan (R-N.Y.), who leads the House Homeland Security subcommittee on emergency preparedness, told POLITICO that even today, more than five years after Superstorm Sandy, he still has to keep lobbying FEMA to support his constituents on different issues resulting from the storm, such as flood insurance mitigation measures. "We are always putting pressure on them," he said.

Puerto Rico, with a single, nonvoting delegate in the House, can't hold up White House nominations. The territory doesn't have a full delegation of lawmakers — or congressional staffers — to put pressure on FEMA. "Unless you are God, you can't do the job of six people just yourself and without a vote," said Kenneth McClintock, the former secretary of state of Puerto Rico.

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As of March 20, six months after Hurricane Harvey, Texas was already receiving federal dollars from FEMA for more than a dozen permanent projects to repair schools, roads and other public infrastructure that were damaged by the storm.

But for Puerto Rico, FEMA has so far not funded a single dollar for similar permanent work projects.

The gap is a result of Puerto Rico's decision to use an experimental formula for calculating the federal funds allocated to rebuild its public infrastructure. The new formula gives Puerto Rico significant flexibility during the rebuilding process, but it also requires the island to pay for any cost overruns, a burden that doesn't apply to Texas, where FEMA will pay for any excess costs. For a cash-strapped territory like Puerto Rico, which is more than $70 billion in debt, the potential for cost overruns is a huge risk, making the decision to use the new formula across all rebuilding projects a somewhat surprising gamble.

But according to multiple congressional officials and people with direct knowledge of the arrangement, the island was forced to take that gamble. According to those people, White House officials, led by Mulvaney and Homeland Security Adviser Tom Bossert, told Puerto Rico that in order to receive money for permanent work projects, it had to adopt the experimental funding formula for all its projects.

That formula, which dates to Hurricane Katrina and was used on a major housing project after Superstorm Sandy, has never been tried on this scale and Puerto Rican officials weren't interested in being the guinea pig. But in a series of contentious meetings and conversations in late October, White House officials told Puerto Rico it had no choice, according to the congressional staffers and people with direct knowledge of the meetings.

On Nov. 2, with almost no media attention, FEMA published an amendment to its disaster declaration for Puerto Rico that required the use of the experimental funding formula across all projects. It had never been included in a disaster declaration before.

"This is unusual and when it came out, I had lots of phone calls from people," said Elizabeth Zimmerman, a former senior FEMA official who helped create the program when she was in the Obama administration.

Byrne defended the process, arguing that the administration did not force Puerto Rico to adopt the new formula.

"We made a strong case. We showed them all the pluses to it because of the flexibility you'd have, the increased use of mitigation," he said. "It speaks for itself. And at the end of the day, the governor put it in writing that that's how he wanted it done."

A senior administration official said it was "absolutely false" that FEMA forced Puerto Rico's hand.

Rosselló said the administration was "not explicit" in ordering Puerto Rico to adopt the experimental formula, which is known as 428 for its section in the Stafford Act, but he added that "they were very adamant about 428."

Rosselló also argued that the process has slowed down Puerto Rico's ability to rebuild its infrastructure. The process for authorizing permanent funding for Puerto Rico took 43 days, compared with 10 days for Texas. The U.S. Virgin Islands received that authorization within 15 days.

The senior administration official acknowledged that projects might get rebuilt quicker under the traditional payment method but said the delay reflects the time necessary to build back the island's infrastructure in a smarter, more effective way. "It does take a little more time to plan that out," the official said, adding that many emergency projects, including some road repairs and electricity generation, are ongoing. FEMA has already spent more than $1.3 billion on such emergency projects.

Still, today, more than six months after Hurricane Maria, FEMA still hasn't funded any permanent work projects on the island as Puerto Rico and federal officials negotiate an agreement under 428. The most important piece of those negotiations is the cost estimate. Puerto Rico is on the hook for any overruns, so state officials are very concerned about who is conducting the estimate. According to Rosselló, FEMA agreed in November that Puerto Rico and FEMA would jointly be in charge of the estimate. "We had this explicitly written down in order for us to agree to 428," he said.

Byrne, however, suggested that FEMA would ultimately determine the estimate. "We're more than happy to have Puerto Rico engineers and engineering firms be part of this, and they can help us with the estimates," he said, citing an inspector general's report after Sandy that faulted FEMA for weaknesses in its financial controls in using the new formula. "At the end of the day, we're going to do the estimate." Any disagreements would go to a third-party panel for review, he added. "This is going to be fair."

Bryan Koon, who served as the director for Florida's emergency management agency from 2011 to last October, said he supports 428 and thinks it could help Puerto Rico. But if he were in charge, he said, he would object to FEMA conducting the cost estimate itself. "As a state guy, I would be opposed to that."

The senior administration official conceded that there is "tension" around the cost estimate but said it should reflect a collaborative approach. "We recognize that you don't want to take the number we're giving you and you have to recognize that we're not going to just take the number you give us," the official said. "That's the way this works."

The official also argued that the Trump administration has put Puerto Rico in a better position to use 428 by requesting and receiving from Congress an exemption from the requirement that the cost estimate be based upon the pre-disaster conditions of Puerto Rico's infrastructure. "That's a big deal," the official said. The exemption could prove lucrative to Puerto Rico, since FEMA now can now fund permanent work projects without deducting for any pre-existing damage that was not caused by Maria.

Experts on the formula said it could have additional benefits. It is, effectively, a block grant, allowing the island to more efficiently allocate resources to rebuild its roads, bridges and power system. Under the formula, FEMA also distributes the money up front, instead of reimbursing the island for individual projects, an important benefit for the cash-strapped territory that also cuts down on burdensome paperwork.

Rosselló said he was examining the formula before the White House approached him, realizing that it would be a mistake to rebuild Puerto Rico's outdated infrastructure to its previous condition. "Puerto Rico is in hurricane alley," he said. "It's going to come again."

But Rosselló and other Puerto Rican officials worry that the administration's position on 428 is representative of a broader White House strategy to limit funding toward Puerto Rico. The governor particularly pointed to the Treasury Department's decision to withhold more than half of a $4.7 billion loan that Congress authorized for Puerto Rico in an October spending bill. Treasury said Puerto Rico didn't need the money, which was earmarked to help the island pay for essential services, since it had a cash balance of $1.7 billion at the end of 2017. The two sides reached an agreement over the loan last week.

Rosselló believes the president is committed to funding Puerto Rico's recovery, but he's worried that it will not be a priority as the administration moves on to other issues. "When we asked for him a certain set of things ... [Trump] has responded," he said. "My concern is that somewhere along the way, it has sort of fizzled."

"I don't know who it is, but there certainly is evidence that they are trying to penny-pinch," the governor added.

The senior administration official rejected that accusation, saying, "I'm not sure where he is getting that impression" and noting that the federal government has already committed more than $10 billion in funding to Puerto Rico. "Our No. 1 concern is to make sure we deliver for the people of Puerto Rico," the official said, adding, "Things take longer than anyone would like them to."

Puerto Rico's recovery will take many years and will continue to put pressure on the federal budget. The historic 2017 hurricane season and California wildfires have already forced Congress to pass three disaster spending bills, totaling more than $140 billion, and another disaster spending bill could be needed later this year. The Trump administration, led by Mulvaney, has attempted to keep costs down, sending a funding request to

Congress in November that Democrats and Republicans both derided as too low. The White House budget office included in that request a list of spending cuts that Congress could use to offset the extra hurricane-related costs, which lawmakers also ignored in February's disaster spending bill.

Many Puerto Rican officials and disaster-recovery experts fear that the contentious battles over 428 and the Treasury Department loan are just the first of many future fights between Puerto Rico and the federal government. It's a fear shared by many in Puerto Rico, who, now more than ever, feel like second-class citizens.

"There is a lingering lack of knowledge about Puerto Rico and a lingering tendency to want to treat Puerto Rico differently," said McClintock, the former Puerto Rico secretary of state, "and always for the worst."

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POLITICO Florida: Records, Zinke's office refute Scott framing of impromptu oil-drilling reversal Back

By Matt Dixon | 03/27/2018 05:05 AM EDT

TALLAHASSEE — When Gov. Rick Scott and U.S. Interior Secretary Ryan Zinke announced Jan. 9 Florida was "off the table" for offshore oil drilling, the governor cast the hastily arranged news conference at the Tallahassee airport as unplanned and the Trump administration's decision as something Scott had influenced at the eleventh hour.

In fact, Zinke's top advance staffer, whose job it is to plan ahead for such events, was in Tallahassee the previous day. And top officials from the offices of both Scott and the secretary were in regular contact for several days leading up to the announcement, according to more than 1,200 documents reviewed by POLITICO Florida as part of a public records request.

The documents, which include phone records, text messages, and emails, contradict the supposed spontaneous event that portrayed Scott as single-handedly securing a politically popular win for Florida's environmental future only days after the administration had spelled out a controversial new national five-year plan to boost offshore oil drilling. The event left Scott, at least for the moment, with a big victory to hold over Sen. Bill Nelson (D-Fla.), whom the term-limited Scott is almost assuredly challenging in 2018.

The records reaffirm the perception at the time that the Trump administration's decision to reverse course and remove Florida from the list was carefully choreographed to give Scott a political win in his widely expected challenge this year to unseat Nelson.

"Whatever Rick needs, they [Trump administration] will do. There will be net more offshore drilling, but the governor will get what he needs," one Republican who spoke directly with Zinke told POLITICO Florida at the time, a prediction that came true.

It will "be a big win, and it won't be Bill Nelson bringing it home," the Republican added.

Turns out all the optics were orchestrated long before that January day.

Zinke press secretary Heather Swift told POLITICO Florida Monday that "the governor's staff was certainly aware that the secretary was traveling to Florida at the governor's request," but Scott's office — at the time — gave no indication the meeting and oil drilling deal had been hashed out prior to the Jan. 9 airport meeting.

Scott's office did not include the meeting on his original public schedule, which is released each morning. The event was sent out as part of an amended calendar around 4:50 p.m. on January 9, about an hour before the event. Around the same time, Scott's office began telling reporters to get to the airport, but there was no notice prior to the amended statement and calls from staff. There was an absolute feeling in Florida political circles at the time that the announcement came out of nowhere.

The decision to give no public notice was done despite Zinke's staff being already in Tallahassee to help coordinate the event: "Even the shortest trips require a lot of coordination and planning," Swift said.

Scott spokesman McKinley Lewis said Monday Scott wanted the meeting with Zinke to "express his strong opposition to drilling off Florida's coast," but did not discuss the public perception that the meeting was not planned.

"Governor Scott was glad to have the opportunity to quickly meet with Secretary Zinke and get commitment from him in that meeting to take Florida off the table for future off shore drilling," Lewis said.

He did not return follow up questions about why the meeting was kept off Scott's original public Jan. 9 calendar.

Records clearly show Rusty Roddy, Zinke's former advance staffer, was in Tallahassee ahead of the Jan. 9 event helping coordinate with Scott's staff.

"Head's up. Secretary having issues with flight out of Atlanta," wrote Roddy in a text message the day of the event to Scott deputy chief of staff Craig Carbone. "Arrival here TBD but looks like it will be later than planned for sure."

Roddy, who is no longer with Zinke's office, acknowledged that the event was "planned" and that he was in Tallahassee prior to the airport meeting. Additional records further confirm the "off the table" airport event was not as hastily thrown together as it then seemed publicly. In emails, Roddy indicated he was planning to be in Florida before the event as early as Friday, Jan. 5, a day after Zinke announced Florida was on the oil drilling list, and days before the Jan. 9 airport event, which officials said was not planned.

"Look forward to seeing you guys Monday," he said in a Jan. 5 email to Jackie Schutz Zeckman, Scott's former chief of staff. She resigned Monday and is likely to join Scott's Senate campaign.

The way Scott's office framed the Zinke trip helped downplay the perception of political gamesmanship from the announcement. Scott's office maintains that 2018 politics had no role in the process, a sentiment they stressed in January.

"This is not about politics," John Tupps, Scott's communications director, told POLITICO Florida at the time. "This is good policy for Florida."

Records show that between the Jan. 4 announcement that Florida could see additional oil drilling rigs off its shore and the Jan. 9 meeting where the state was taken "off the table," Carbone spoke with Roddy, the Zinke advance staffer, 17 times, while Schutz Zeckman spoke with Kate MacGregor, who at the time was acting assistant secretary of Land and Minerals Management, seven times. MacGregor was the point person for much of the discussions, and traveled with Zinke for the Tallahassee rollout, records show.

The records show a general uptick in Scott administration contact with the Interior Department officials in the months leading up to the oil drilling announcements. Those increased conversations were something Scott talked about at the time, as he said he was lobbying to keep Florida off any oil drilling lists.

There were at least 60 calls Carbone and Schutz Zeckman had over the last three months of October with Interior officials. Prior to October, Scott's office and the Interior Department had discussions about various policy issues, but the discussions became much more frequent as the oil drilling announcements approached.

Nelson, Democrats and other Scott opponents always saw political motivations in the quick about-face by the Trump administration toward Florida. Scott was one of Trump's earliest political supporters, and is the current chairman of a pro-Trump super PAC.

"I have spent my entire life fighting to keep oil rigs away from our coasts. But now, suddenly, Secretary Zinke announces plans to drill off Florida's coast and four days later agrees to 'take Florida off the table?' I don't believe," Nelson said in a statement at the time. "This is a political stunt orchestrated by the Trump administration to help Rick Scott, who has wanted to drill off Florida's coast his entire career."

That last point has been one of debate. Nelson's camp has tied Scott to oil drilling, pointing to the fact that in 2010 when first running for office, Scott said that there must be "sound policies in place" when working to "explore the expansion of domestic drilling in the U.S."

Scott now opposes offshore oil drilling, and he immediately tweeted opposition to Trump's oil drilling plan when it was first announced in early January. That garnered him a "full flop" from PolitiFact Florida earlier this year.

His stance also opened a brief rift between the two political pals, but his past statements are not likely to go away headed into the mid-term elections.

"Just like Donald Trump," the Florida Democratic Party responded in January, "Governor Scott is trying to rewrite his long anti-environment record with a tweet."

This article first appeared on POLITICO Florida on March 26, 2018.

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BSEE to review offshore safety permitting process for efficiency Back

By Ben Lefebvre | 03/26/2018 03:49 PM EDT

The Interior Department is asking career staff to come up with new ways to speed up permitting for offshore energy development.

Interior's Bureau of Safety and Environmental Enforcement will soon assemble teams of employees from various departments to periodically review the permitting process and look for ways to make it more efficient and consistent across the agency, BSEE announced today.

BSEE's regional directors and deputy regional directors will nominate employees to the teams, agency spokesman Greg Julian said.

"In the coming weeks, BSEE plans to identify permit types to be assessed and nominate team members for assessments to take place this year," Julian said.

The move comes as Interior tries to roll back regulations and otherwise speed the permitting process across all its agencies. BSEE earlier proposed to roll back Obama-era rules on offshore oil and gas well safety.

WHAT'S NEXT: Interior is still trying to decide whether to merge BSEE with the Bureau of Ocean Energy Management, which is in charge of offering offshore oil and gas drilling leases.

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'Bellwether' auction shows weak demand for offshore oil leases Back

By Ben Lefebvre | 03/21/2018 01:22 PM EDT

An Interior Department auction for offshore drilling leases generated $124.7 million, a relatively low amount that shows little industry interest as of yet in a key part of the Trump administration's offshore energy policy.

The Trump administration has promoted offshore drilling as part of its policy to increase oil and gas production, advertising this lease sale as the largest ever in the Gulf of Mexico. Interior for the second auction in a row put its entire Gulf holdings up for lease, breaking previous practice of only offering parts of the Gulf up for auction at a time. And it again offered reduced rates for less attractive, shallow water parcels as it did at its August 2017 lease sale in the Gulf.

Interior Secretary Ryan Zinke, who has proposed opening virtually the entire U.S. coastline to oil and gas exploration, recently pointed to the auction as a "bellwether" of industry interest in expanded offshore drilling, compared to surging onshore production in states like Texas and North Dakota.

But the auction brought in about the same amount of money as an August lease sale, which raised just $121 million — about 40 percent below the government's initial forecast. As recently as March 2017, Interior raised over $274 million with a single lease sale.

Interior has actively promoted coastal drilling as a way to boost oil and gas production, but so far hasn't been able to buck market trends that work against companies investing billions of dollars in deepwater projects that take years to start producing.

Michael Celata, regional director for the Gulf of Mexico region at Interior's Bureau of Ocean Energy Management, argued it was unfair to compare Wednesday's sale to results before Interior started offering leases in the entire Gulf up for sale last August.

"It's difficult to compare this sale to sales from years past," Celata told reporters on a conference call Wednesday. "The best comparison is directly to the last previous sale."

Celata did not have the numbers for how much BOEM had forecast this latest lease sale would generate. Celata also said that lowering the royalty rates for shallow water tracts may have helped increase interest in the area. Data released after the sale showed companies had bid for 43 tracts in shallow water regions, nearly double the number from the March 2017 lease sale when shallow water royalty rates had been higher.

Oil production coming from projects started in years past has helped bring oil production in the U.S. Gulf of Mexico to record highs, according to the Energy Information Administration. But more recently, Exxon, Chevron and other companies have hesitated to add more area to their operations in federal waters, preferring to drill in North Dakota, Texas and other onshore shale plays that have proven much cheaper to set up and much faster in producing new oil.

But the area is also facing new competition for industry attention as Mexico has become more open to allowing foreign companies to drill in its part of the Gulf. Mexico for decades only allowed its national oil company Pemex to drill in those waters, meaning the area is much less developed than on the U.S. side.

Shell and other international oil companies participated in a January auction of Mexican offshore oil leases, bidding aggressively despite fears that a change of government later this year could roll back the country's energy policy reforms.

In a time of low oil prices and strict limits on capital spending, companies have to decide whether to gamble on buying space in a less developed area or sticking to known territory on the U.S. side, said Bernadette Johnson, VP of market intelligence for Drillinginfo, an industry research organization.

"You may do both, but many won't," Johnson said. "Companies are going to be much choosier because margins are tight and are going to stay tight."

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