Message

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Subject: POLITICO's Morning Energy: Spotlight on FERC at Pro summit — Hitching a ride on the 'minibus' — 'Secret science' out in the open

By Kelsey Tamborrino | 07/17/2018 10:00 AM EDT

With help from Emily Holden, Anthony Adragna, Colin Wilhelm and Darius Dixon

SEE YOU THERE: Today's the day — POLITICO Pro is hosting its second annual Pro summit, featuring one-on-one conversations with newsmakers across the policy landscape, including two sessions on energy.

FERC Commissioner Cheryl LaFleur will sit down this afternoon with our own Darius Dixon, before the regulatory body is deadlocked next month following the exit of GOP Commissioner Rob Powelson. LaFleur, a Democrat, has served under presidents from both parties and experienced the agency in almost every configuration — whether it has all five commissioners in place, or just one. There's no shortage of topics to chew over: the potential impact of an Energy Department coal and nuclear rescue plan, the heated rhetoric against states that stand in the way of pipelines, and whether FERC is "on the wrong side of history" when it comes to climate change. Darius' interview with LaFleur starts around 2 p.m.

Also on tap: California Air Resources Board Chairwoman Mary Nichols, Murray Energy CEO Bob Murray and the Council on Foreign Relations' Amy Myers Jaffe will participate in a panel this morning on America's "energy future." Nichols, for one, has been heavily involved in discussions with the Trump administration over car rules that the White House is considering rolling back. Expect questions related to the administration's efforts to pare back regulations and increase oil, gas and coal production — and an in-depth conversation on what that means for free market forces and renewables.

See the full agenda here and watch the livestream here.

WELCOME TO TUESDAY! I'm your host, Kelsey Tamborrino. Citizens' Climate Lobby's Brett Cease was first to correctly identify the two presidents who threw out the first pitch at an All-Star game in D.C.: Franklin D. Roosevelt in 1937 and John F. Kennedy in 1962. For today: Which state or states have just one consonant in its spelling? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

JUST RELEASED: View the latest POLITICO/AARP poll to better understand Arizona voters over 50, a voting bloc poised to shape the midterm election outcome. Get up to speed on priority issues for Hispanic voters age 50+, who will help determine whether Arizona turns blue or stays red.

HITCHING A RIDE ON THE 'MINIBUS': The House Rules Committee late Monday made 70 amendments to the EPA and Interior title of the spending minibus, H.R. 6147 (115). The amendments focus on blocking a host of Obama-era environmental regulations even as the Trump administration is in the process of rolling back many of those. Some of the amendments that caught ME's eye:

— **Diesel emissions grants:** Rep. Gary Palmer's amendment would eliminate the popular bipartisan Diesel Emissions Reduction Grant program used to retrofit diesel engines like those in school buses,

— **WOTUS:** Rep. Don Beyer's amendment would remove language blocking the Obama administration's Waters of the U.S. regulation,

— **Obama-era methane rule:** Rep. Markwayne Mullin's amendment would block enforcement of the Obama-era regulation aimed at curbing methane emissions from new oil and gas sources, which the Trump administration is already reconsidering,

— **Social cost of carbon:** Another amendment from conservatives would bar the use of the social cost of carbon in rulemakings,

— **Trailer efficiency:** Reps. Barry Loudermilk and Morgan Griffith's amendment would bar EPA from applying stricter fuel efficiency and greenhouse gas emissions standards to certain truck trailers,

— **Chesapeake Bay:** Rep. Bob Goodlatte's effort would limit EPA's ability to go after states that miss Chesapeake Bay cleanup milestones,

— **Ozone:** Rep. Glenn Grothman's amendment would block implementation of EPA's 2015 tightened ozone standard,

— **Coal ash:** A Democratic amendment would block the Trump EPA from visiting an Obama-era coal ash regulation,

— **Endangered Species Act riders:** Several measures would bar the administration from issuing or enforcing Endangered Species Act rules relating to species like the lesser prairie chicken and Preble's meadow jumping mouse,

— **Attorney fees:** An amendment from Reps. Jason Smith and Greg Gianforte would block attorney fees from being awarded in any Clean Air Act, Clean Water Act or Endangered Species Act settlement, and,

— **Inspectors general:** Nothing related to former Administrator Scott Pruitt was made in order, but the House will consider an amendment from Rep. Raúl Grijalva that would increase the budget of the Interior Department's inspector general by $2.5 million.

Read the full list of amendments made in order to the measure here.

'SECRET SCIENCE' OUT IN THE OPEN: EPA's controversial proposal to consider only research with publicly available data gets a public hearing at agency headquarters today starting at 8 a.m. Nearly 70 health, medical, academic and science groups — including the American Lung Association, American Heart Association, American Medical Association and American Academy of Pediatrics — oppose the plan, which they say could hamstring public health and environment protections.

EPA's Science Advisory Board voted unanimously to review the proposal, which Pruitt said was meant to bolster transparency. Paul Billings, national senior vice president of advocacy at the American Lung Association, called the rule a "coordinated effort to ignore the science that is inconvenient to the EPA's agenda," and compared it to lobbying efforts by the tobacco industry in the 1990s to exclude studies that showed secondhand smoke could kill.

What's at stake? The proposal could move forward quickly enough to allow EPA to roll back certain air quality standards currently under review. According to the Natural Resources Defense Council, the plan could undercut computer models meant to test chemicals under the new Toxic Substances Control Act and could toss

out landmark studies that relied on personal health records following extraordinary events, including when Hiroshima and Nagasaki victims were tested over time to find out the effects of radiation on humans.

The meeting will run until 8 p.m. or an hour after the last of more than 100 registered speakers has commented. Speakers, aside from many environment and public health groups, include the American Petroleum Institute, the U.S. Chamber of Commerce, the American Chemistry Council, FreedomWorks Foundation and climate science critic Steve Milloy. Dan Byers of the Chamber of Commerce's Global Energy Institute is expected to applaud the agency's efforts and commend EPA for going through the formal public comment and rulemaking process. "It is one thing to be cavalier about transparency principles when their application has little or no import to public policy, but federal rules that impact millions of people and billions of dollars should be held to a higher standard," he is expected to say. Also registered are Reps. Paul Tonko, Suzanne Bonamici and Dan Lipinski. Comments can be submitted until Aug. 16.

Related reading: Competitive Enterprise Institute senior fellow Angela Logomasini looks at the science transparency rule in analysis published today. "The rule is actually far more modest and flexible than depicted by its critics, and its goals are in fact achievable," Logomasini writes. Read it here.

FOR THE RECORD: The House Rules Committee meets at 3 p.m. this afternoon to formulate a rule on an anti-carbon tax resolution, H. Con. Res. 119 (115), that calls a tax on carbon released from fossil fuels "detrimental to the United States economy." The Rules panel will tee up a vote later this week on the resolution, which is led by Majority Whip Steve Scalise and would put a range of lawmakers — most notably the Climate Solutions Caucus — on the record on the issue.

WHERE'S ZINKE? Interior Secretary Ryan Zinke will deliver remarks this morning at the first meeting of the "Made in America" Outdoor Recreation Advisory Committee. The committee is tasked with advising the secretary on "public-private partnerships across all public lands, with the goal of expanding access to and improving infrastructure on public lands and waterways." See the meeting agenda.

AMERICA'S PLEDGE STILL WORKING ON PLEDGES: Michael Bloomberg and California Gov. Jerry Brown, the co-chairs of climate organization "America's Pledge," have unveiled a preview of the report they will release at the Global Climate Action Summit in San Francisco in September, detailing "bottom-up" opportunities for climate action sans federal leadership. The list is familiar: boosting renewables, accelerating coal retirements, retrofitting buildings for energy efficiency, electrifying building energy use, accelerating electric vehicle adoption, phasing out HFCs, preventing methane leaks at the wellhead, reducing methane leaks in cities, reducing emissions from land and starting carbon markets.

Vice Chairman Carl Pope said the group still plans to debut a quantitative analysis outlining what state and local governments are already doing, what they have committed to and what they are keying up. "We have every reason to believe the rest of the world is watching this very closely," Pope said, noting that the U.N.'s top climate official, Patricia Espinosa, mentioned the group and summit by name at the Vatican earlier this month. Read it here.

ESA GETS ITS DAY: Proposed tweaks to the Endangered Species Act will be front and center at a Senate Environment and Public Works hearing this morning. The hearing will feature testimony from Wyoming Gov. Matt Mead, Colorado Parks and Wildlife's Bob Broscheid and Virginia's Secretary of Natural Resources Matthew J. Strickler, and will focus on a discussion draft released by Chairman John Barrasso earlier this month aimed at changing the statute. **If you go:** The hearing kicks off at 9:45 a.m. in 406 Dirksen. Livestream here.

TAKEN BY STORMWATER: The House on Monday passed by voice vote H.R. 3906 (115), the Innovative Stormwater Infrastructure Act of 2017, which would "establish centers of excellence" for stormwater control infrastructure. The legislation, introduced last year by Democratic Rep. Denny Heck, directs EPA to create a

stormwater infrastructure funding task force to make recommendations on the availability of public and private funding for stormwater infrastructure.

DOE ISSUES FIRST TRIBAL LOAN GUARANTEE: The Energy Department will issue its first solicitation for the Tribal Energy Loan Guarantee Program today. The program provides up to $2 billion in partial loan guarantees to support energy development in Native American and Alaska Native communities. According to DOE, today's solicitation marks more than $40 billion in energy infrastructure loans and loan guarantees from DOE's Loan Programs Office in five areas.

HOUSE PANEL TO HOLD GRID HEARING: House Natural Resources will hold a hearing on July 25 on Puerto Rico's electric grid recovery and possible improvements to make it more efficient and resilient to future hurricanes. On top of the devastation caused by Hurricane Maria last year, Puerto Rico's electric utility owes bondholders $9 billion, and most of its leadership departed last week after clashes with Gov. Ricardo Rosselló over executive compensation and political control of the utility, which is quasi-governmental.

MAKING THE GRADE: The Environment America Research & Policy Center is out today with its state-by-state report card, "Renewables on the Rise," which details increases in solar, wind, energy efficiency, electric vehicles and battery storage. The report says the U.S. now produces almost six times as much renewable electricity from wind and solar than it did in 2008. It also found that in March of last year, wind and solar produced 10 percent of the United States' electricity — marking a first. On the state level, the report said California, Arizona, North Carolina, Nevada and Texas saw the greatest total increases from 2008 until 2017 in solar energy generation. See the report here and a state-by-state interactive map here.

YOU DOWN WITH TIP? A bipartisan group of four senators wrote to Energy Secretary Rick Perry on Monday in support of the Western Area Power Administration's Transmission Infrastructure Program, which was axed under the Trump administration's fiscal 2019 budget proposal. "TIP is one of the few federal programs that directly supports new and upgraded electric transmission," according to the letter, signed by Sens. Catherine Cortez Masto, Martin Heinrich, Dean Heller and Cory Gardner.

HOUSE PLANS FLOOD INSURANCE VOTE: The House is planning to vote next week to extend the National Flood Insurance Program, ahead of its July 31 expiration, sources familiar with the matter tell Pro Financial Services' Zachary Warmbrodt. There are already a few options on the table for the program: one from Financial Services Chairman Jeb Hensarling, who has been trying to put together an extension bill that includes reforms, and a new bill introduced by Scalise and Rep. Tom MacArthur that would reauthorize the program through Nov. 30. Read more.

FOR YOUR RADAR: Republican Sen. Chuck Grassley introduced bipartisan legislation on Monday targeting price fixing by OPEC. The bill would amend the Sherman Act to make oil-producing and exporting cartels illegal, and was co-sponsored by Sens. Amy Klobuchar, Mike Lee and Patrick Leahy . "It's long past time to put an end to illegal price fixing by OPEC," Grassley said in a statement. Read the legislation here.

MAIL CALL! National Rural Electric Cooperative Association CEO Jim Matheson sent a letter to the leadership of the Energy and Commerce Environment Subcommittee on Monday in support of legislation to reform the New Source Review permitting program.

— **More than 100 Democrats** signed onto a letter to members of both House and Senate Armed Services committees today to urge them to oppose any provisions to the National Defense Authorization Act that would "have widespread, negative consequences for the conservation of our imperiled wildlife and public lands." Read the letter here.

— **Iowa's congressional delegation** invited acting EPA Administrator Andrew Wheeler to their state to discuss the Renewable Fuel Standard. Read it here.

What role will Hispanic voters over 50 play in Arizona this Fall? Read POLITICO Magazine's new series "The Deciders" which focuses on this powerful voting bloc that could be the determining factor in turning Arizona blue.

QUICK HITS

— "Puerto Ricans return to power grid, but fear for long term," The Associated Press.

— "Oil boom in Southern New Mexico ignites groundwater feud with Texas," Water Deeply.

— "In N.Y., farmers think about what might have been," E&E News.

— "Same agenda, different style, acting EPA head pledges," Bloomberg Environment.

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