Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]
**Sent:** 8/8/2018 9:40:07 AM
**To:** Wehrum, Bill [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=33d96ae800cf43a3911d94a7130b6c41-Wehrum, Wil]
**Subject:** Morning Energy: Trump wildfire tweets renew spending fight — Several API staffers head for exit — City goes to court over PFAS

By Kelsey Tamborrino | 08/08/2018 05:38 AM EDT

*With help from Annie Snider and Eric Wolff*

**MAKING WAVES:** In attempting to blame California's devastating wildfires on environmental laws and Democratic Gov. Jerry Brown, President Donald Trump may have upped the stakes for one of the many spending fights Congress will have to resolve this fall. No serious expert has endorsed the president's view that allowing some water to follow its natural course to the Pacific Ocean has complicated efforts to battle the blaze, and the president offered more measured comments late Tuesday night. But Trump's earlier series of tweets this week echoed arguments that agricultural interests have been making for years in long-running wars over how the thirsty state's scant supplies get used.

**In Congress, California Republicans** are trying to block the state from diverting less water to central and southern California farms and cities to preserve more for endangered fish, a plan that has won support from local green groups like the San Francisco chapter of the Sierra Club. The State Water Resources Control Board, whose members were appointed by Brown, is set to vote this month on the plan, and while agricultural interests and their allies are largely powerless to stop him in Sacramento they have had better luck in Washington. GOP Rep. Jeff Denham, whose Central California district would feel some of the deepest cuts under the state's plan, successfully attached an amendment to the House Interior-EPA appropriations bill to block federal funding related to implementation of the plan.

**The policy rider faces an uphill battle** as appropriators attempt to conference the House measure with the Senate's companion bill, H.R. 6147 (115), which contains no such language. Sen. Dianne Feinstein , the California Democrat who was key to a 2016 California drought deal, hasn't taken a public position on the issue, but has historically opposed legislative efforts to override California law. And the provision is sure to draw the ire of Northern California Democrats who have called Denham's provision a water grab.

**Denham hosted Interior Secretary Ryan Zinke** at the New Melones Dam late last month, and shortly thereafter the Interior Department formally weighed in with comments opposing the state's plan, saying it would "essentially elevate the Project's fish and wildlife purposes over the Project's irrigation and domestic purposes contrary to the prioritization scheme carefully established by Congress."

**Don't forget:** Zinke's No. 2, David Bernhardt, was previously the long-time lobbyist for the powerhouse Westlands Water District, battling to send more water to the district's massive farms.

**That's not all:** The president presented a subdued response to the California wildfires during remarks Tuesday night, where he told reporters he was "monitoring the situation very close," adding that his administration "is in constant contact with everything going out in the state and with the local authorities and with the state authorities." Trump applauded the firefighters and first responders and said his administration would hold meetings about the wildfires, "because there are reasons and there are things you can do to mitigate what's happening," per a pool report.

**WELCOME TO WEDNESDAY!** I'm your host, Kelsey Tamborrino. Bracewell's Frank Maisano is back with the win for knowing the island country of Tokelau is powered entirely by solar. For today: What is the name of the only one-word country whose first and last letter starts with the same consonant? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

**SEE IT:** Greenhouse gas emissions in 2017 hit levels never seen before, marking the warmest year on record in a non-El Niño year. Pro's DataPoint team dives into the numbers from the American Meteorological Society's latest "State of the Climate" report here. Want to add DataPoint to your Pro account? Learn more.

**SEVERAL API STAFFERS HEAD FOR EXIT:** The oil and gas industry's top trade association is losing several staffers after hiring a new chief executive , according to sources and social media posts. At least six officials at the American Petroleum Institute, including one of its top lobbyists, have left in recent months, an association spokesman confirmed to Pro's Ben Lefebvre and Marianne LeVine. API's former senior director of federal affairs, Khary Cauthen, is among those who've exited. Cauthen is now vice president of federal affairs at LNG supplier Cheniere, according to a Cheniere spokesperson. Additional senior officials at API are expected to leave in the coming weeks, sources said. Read more here.

**DINNER GUESTS:** Trump dined last night with business executives at the White House, including Continental Resources CEO Harold Hamm, according to a pool report. The dinner follows news this week that Hamm's company gave $25,000 in May to the legal defense fund created for Trump aides caught up in special counsel Robert Mueller's Russia investigation.

**VOTERS SELECT MICHIGAN GOV. CONTENDERS:** Come November, Democrat Gretchen Whitmer will face off against Republican state Attorney General Bill Schuette for Gov. Rick Snyder's term-limited seat amid the still-unresolved drinking water crisis in Flint and PFAS contamination elsewhere. Whitmer won the Democratic nomination Tuesday, turning back a primary challenge from progressive outsider candidate Abdul El-Sayed. Schuette, who leads the state's investigation into the Flint water crisis, also handily won his race. Read the recap of last night's primary winners and losers here.

**Detroit-area voters faced power outages** in at least 14 polling sites due to thunderstorms that struck the area Monday night, electric and gas company DTE Energy said Tuesday morning. The outages caused some poll workers to rely on flashlights and small generators to keep things running for voters, according to tweets sent by Rashida Tlaib, a Democratic candidate in the 13th District. Power was eventually restored to all 14 polling places by around 4:30 p.m., the electric company said.

**CITY GOES TO COURT OVER PFAS:** The toxic nonstick chemicals known as PFAS that have been popping up in water supplies across the country will be the focus of a lawsuit sought by the New York city of Newburgh. The city filed a federal lawsuit Monday over the contamination in its own water supply in the U.S. District Court of the Southern District of New York. The suit, the city said, seeks to require 23 defendants to clean up the watershed contamination and pay for the supply of clean water needed until the contamination is gone. The defendants range from those who have manufactured or sold the chemicals to those who owned and operated the Stewart Air National Guard Base and Stewart International Airport, where the contamination originated. The lawsuit alleges the defendants' use of the "aqueous film forming foam" resulted in the spread of 12 different types of PFAS chemicals within Washington Lake, the city's primary water supply.

**EDF FILES 'SECRET SCIENCE' FOIA SUIT:** The Environmental Defense Fund is suing EPA over its failure to release documents requested under the Freedom of Information Act pertaining to EPA's proposed "secret science" rule to ban the use of studies that don't publicly disclose all their data. Earthjustice is representing EDF in the lawsuit, which was filed Tuesday in the District Court for the Southern District of New York. The suit comes as a slate of experts at Harvard University also submitted a comment letter on the transparency rule Tuesday, ahead of the Aug. 16 comment deadline.

**SECRET KEEPERS:** The Trump administration won't have to turn over documents to a law firm related to its legal arguments for the decision to shrink national monuments, U.S. District Judge David Nye said Monday. The law firm, Advocates for the West, sued for 12 documents withheld from a public records request related to the move to downsize the Bears Ears and Grand-Staircase Escalante national monuments, The Associated Press reports . Instead the federal judge said the records are protected presidential communications. The Advocates for the West's lawyer told the AP the group hasn't decided whether to appeal the decision to the 9th U.S. Circuit Court of Appeals, but said the decision "shows how difficult it is to force sunlight on a government that flourishes in secrecy."

**PRIVATE PRACTICE:** Tesla CEO Elon Musk took to Twitter on Tuesday to say he's considering taking the electric car company private, jolting the company's stock. The tweet came after a Financial Times report that said Saudi Arabia's sovereign wealth fund has acquired an undisclosed stake of between 3 percent and 5 percent of Tesla's shares this year. In a vague tweet, Musk said he was considering taking the company private at $420 a share and already has secured funding.

**Shortly after, the company posted an email** Musk sent to staff explaining the potential move. Musk wrote that the intention is not to merge SpaceX and Tesla, but to instead emulate SpaceX's structure. Tesla shares were at about $342 in morning trading, Pro's Patrick Temple-West reports, but shortly after 2 p.m., trading was halted on the Nasdaq market at $367.09, up 7 percent from the start of the day. When trading resumed, Tesla shares bid higher to close at $379.44.

**HAPPY BIRTHDAY, RFS:** The Renewable Fuel Standard turns 13 today, making it old enough to have its bar or bat mitzvah. Ethanol producers are filled with naches over the program's expansion of domestic biofuel production, but they want presents. What they'd really like is a Clean Air Act waiver allowing year-round sales of E15, something Trump promised Iowans last week was "very close" (though acting EPA Administrator Andrew Wheeler was skeptical). "President Trump vowed to protect the engine of economic growth that has delivered for 13 years," Kyle Gilley, a spokesman for ethanol producer POET, said in a statement. "It is time to allow year-round E15 access for America's drivers."

**BLM SEEKS COMMENT ON ALASKA PROSPECT:** The Bureau of Land Management announced Tuesday it is taking comment until Sept. 6 on scoping for an environmental impact statement for the Willow oil and gas prospect within the Bear Tooth Unit of Alaska's National Petroleum Reserve. ConocoPhillips Alaska initiated discussions with the agency regarding the potential development of the prospect, BLM said, which is located within federal leases held by ConocoPhillips.

**The proposed project includes** the construction of a central processing facility, roadways, an infrastructure pad, drill pads with up to 50 wells on each, an airstrip, pipelines, and a gravel mine on the BLM-managed lands within the reserve, which makes up 23 million acres. Already environmentalists are targeting the project's potential adverse effects. "It will scar the land, harm wildlife and worsen climate change," said Kristen Monsell, senior attorney at the Center for Biological Diversity, in a statement.

**POWER BACK FOR MOST:** The Puerto Rico Electric Power Authority said this week that just 25 customers — or .002 percent — remain without electricity in the aftermath of Hurricane Maria, which first hit the island 11 months ago. That number is out of the close to 1.4 million customers who initially lost power from the hurricane.

**CLIMATE SUMMIT IN SIGHTS:** The Peoples Climate Movement will host a press conference in San Francisco today announcing its "Rise for Climate, Jobs and Justice" day of action on Sept. 8 — one week before the Global Climate Action Summit takes place in the city. Today's press conference will involve a street mural drawn in real-time by artists using materials from areas affected by the California wildfires.

**MAIL CALL! NUCLEAR REACTIONS:** Four senators are expressing concern over a draft proposed rule to decommission nuclear power plants. In a letter to Nuclear Regulatory Commission Chairwoman Kristine Svinicki, the lawmakers question the rule's changes to environmental considerations and financial protection requirements, among other issues, and write that the proposal would make it easier for nuclear power plants to be exempt from safety, security and emergency planning regulations. The letter was signed by Sens. Ed Markey , Bernie Sanders, Kirsten Gillibrand and Kamala Harris.

**QUICK HITS**

— "Trump tariffs could nix savings that car buyers might see from environmental rollbacks," McClatchy.

— "Official: Pennsylvania 'clearly behind' in pollution goals," The Associated Press.

— "Florida gutted water quality monitoring — as killer algae increased," Tampa Bay Times.

— "Welcome to the 'Man Camps' of West Texas," Bloomberg.

— "Oil pipeline inspection industry 'going wrong' as surveys fail to prevent spills," Climate Home News.

**HAPPENING TODAY**

8:30 a.m. — American Legislative Exchange Council annual meeting, New Orleans.

7 p.m. — The Politics and Prose Bookstore discussion on "We're Doomed. Now What?: Essays on War and Climate Change," 5015 Connecticut Avenue NW.

**THAT'S ALL FOR ME!**

*To view online*:
https://subscriber.politicopro.com/newsletters/morning-energy/2018/08/trump-wildfire-tweets-renew-spending-fight-309001

**Stories from POLITICO Pro**

**Trump wildfire tweets spark bewilderment about California water** Back

By Annie Snider, Carla Marinucci and Jeremy B. White | 08/06/2018 03:10 PM EDT

OAKLAND, Calif. — Californians are stunned at President Donald's Trump's latest tweets on the state's catastrophic wildfires — and his insistence that the state is burning because leaders are letting too much fresh water flow into the Pacific Ocean.

Trump tweeted Monday that California "Governor Jerry Brown must allow the Free Flow of the vast amounts of water coming from the North and foolishly being diverted into the Pacific Ocean. Can be used for fires, farming and everything else. Think of California with plenty of Water - Nice! Fast Federal govt. approvals."

That tweet — on the heels of a Sunday tweet that referenced California's "bad environmental laws" as a cause of the state's current raging wildfires — drew an immediate reaction from veteran California GOP strategist Rob Stutzman, who responded via Twitter: "This is nuts" and also "low water IQ." Stutzman has advised former Gov. Arnold Schwarzenegger and a host of national and state GOP candidates.

Trump's comments may be referencing an unrelated dispute between Brown's administration and California Republicans over how much of the state's water can be diverted to Southern California farms and cities and how much must be allowed to flow naturally to benefit endangered and threatened fish species.

Wildfires around California have killed nine people, but firefighters have not raised concerns about the available water supplies.

"The notion that somehow more water would be mitigating or better in fighting these fires is just mind-boggling," Stutzman told POLITICO on Monday. "I don't watch 'Fox & Friends,' but it would seem that someone has put the idea in his head. It doesn't even show an elementary understanding of water policy."

Fox & Friends had aired a segment about the California fires nearly five hours before Trump's Monday tweet but didn't discuss water issues as part of the segment.

Stutzman called the president's recent tweets on California fires and water policy "frightening," saying that "water has nothing to do with why these places are tinder boxes. It's very exasperating. ... It's a statement from the president that shows no understanding of hydrology."

He said he would advise Brown, a Democrat, to "not take the bait" and react to such uninformed views.

Indeed, Evan Westrup, the spokesman for Brown, told POLITICO that "this does not merit a response." But he also added via email: "It's a sad state of affairs when journalism is reduced to chasing the uninformed, unsupervised tweets of the president."

Some Democrats seized on the latest tweet. Rhys Williams, spokesman for Democratic gubernatorial candidate Gavin Newsom, tweeted: "Has anybody seen the baby's pacifier? He dropped it again."

In a purely political sense, Trump's tweets reflected his alignment with California Republicans who have long complained that the state unfairly prioritizes environmental uses for water over the state's sprawling agricultural industry. Putting "fish over farms" is a popular formulation that has been invoked by Trump allies from California's agricultural heartland, such as Reps. Devin Nunes and Kevin McCarthy.

"Forests should be managed properly and water should be allowed for farmers to grow food to feed people," Nunes wrote on Twitter in response to Trump's Sunday tweet, cheering the president "for bringing much needed attention to our flawed environmental policies!"

Trump has courted the Republican-leaning Farm Bureau heavily. California's water wars are a huge issue for the group. Trump addressed the annual Farm Bureau convention in January, becoming the first president in more than two decades to do so. He also raised the issue during a campaign stop in Fresno in 2016.

But experts who make their living studying California's water system reacted for the second consecutive day with a communal groan of exasperation. Peter Gleick of the Pacific Institute, one of the state's foremost experts on how the state manages its water, issued a tweet calling Trump's latest missive "nuts" after labeling the president's initial tweet "gobbledygook bullsh--."

In an email to POLITICO, Gleick noted that the water that flows from California's rivers into the ocean is what remains after cities and farms take their gulp — and that those flows are critical to shoring up ecosystems that, in some parts of the state, are teetering on the brink of collapse.

"Trump's tweets last night and today show a profound misunderstanding about water, fires, California environmental policy, and of course, climate change," Gleick said, adding that the "idea that somehow state water policies are leading to a shortage of water for fighting the fires is too stupid to rebut."

Stutzman said that even more potentially damaging is that the president's Twitter pronouncement is "even somewhat offensive, given that he's trying to make a point on the backs of these fires."

He noted the president on Twitter to date has shown "no sympathy" and expressed no personal concern for the 18 active and raging blazes around the state, which have to date been responsible for the destruction of more than 1,000 homes and billions of dollars in damage.

Ironically, Stutzman said, Trump has stepped on what could have been his own positive message to California — that the White House "has been quick to approve funds and the emergency declarations have come without any complications."

In July, the State Water Resources Control Board proposed major changes to the state's water allocations, preserving more for ailing fish populations. The changes are slated for a vote later this month. That announcement drew the ire of the state's agricultural groups, and state Republicans have turned to their allies in Congress, who have voted to block federal funding related to the allocation plan.

*—Rebecca Morin contributed to this report.*

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**API sees staff departures as new chief settles in** Back

By Ben Lefebvre and Marianne LeVine | 08/07/2018 06:04 PM EDT

The American Petroleum Institute, the oil and gas industry's top trade association, is losing several staffers as its new chief executive settles in, according to sources and social media.

At least six API officials, including one of its top lobbyists, have left in recent months, an association spokesman confirmed. Additional senior officials are expected to leave in the coming weeks, according to two other sources familiar with the moves.

The departures come as Mike Sommers, a former chief of staff to then-House Speaker John Boehner, formally takes over API from former president and chief executive Jack Gerard. The industry is negotiating a host of issues with Congress and the White House, including a new offshore drilling plan, renewable fuel standards and steel tariffs.

API's former senior director of federal affairs Khary Cauthen has left to become vice president of federal affairs at LNG supplier Cheniere, according to a Cheniere spokesperson. Former API policy adviser Heidi Keller joined oil company BP as associate director in July, according to her LinkedIn account. Former API Senior Director for External Mobilization Deryck Spooner joined e-cigarette company JUUL Labs, according to a JUUL spokesman. Tyra Metoyer, who worked in API's Houston office, also decamped for JUUL in July, according to her LinkedIn profile.

Former Chief Financial Officer John Robertson left in June, according his LinkedIn page. Vice President of Global Industry Services Lisa Salley has also left the association, the API spokesperson confirmed. Their current activities are unknown.

The former API staffers did not immediately reply to requests for comment sent via social media.

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**Business executives come back to Trump a year after Charlottesville** Back

By Andrew Restuccia, Christopher Cadelago and Stephanie Murray | 08/07/2018 01:52 PM EDT

Business executives who distanced themselves from President Donald Trump a year ago in the wake of the deadly clashes in Charlottesville are back to finding common cause with the administration.

The guest list for a Tuesday night dinner at the president's Bedminster, New Jersey, country club includes 15 top executives of some of the country's largest companies. Of the guests, one publicly resigned from a Trump outside advisory council after the president's refusal to condemn white supremacists and neo-Nazis. And two others were reportedly close to stepping down from another advisory council before Trump abruptly dissolved the councils himself amid the backlash.

The dinner offers Trump a high-profile opportunity to show his critics that at least some in the business community have set aside their previous criticism of him.

"They feel that they can associate with [Trump] now because his policies have been such an amazing success," said Stephen Moore, an economic adviser to Trump during the 2016 presidential campaign.

Moore added that he was surprised the president, infamous for blocking those he believes have betrayed him, invited some executives back into the fold: "I don't understand why President Trump would invite anyone who ran for the high grass when there was the first signs of trouble."

One of the attendees slated to attend Tuesday's dinner, Johnson & Johnson CEO Alex Gorsky, released a statement last year criticizing Trump and announcing his decision to step down from Trump's advisory council on manufacturing.

Though Gorsky had initially insisted he would remain on the council, he changed his mind after Trump gave a press conference at Trump Tower in which he drew an equivalence between white supremacists and the protesters who rallied in Charlottesville against their racist views. "[T]he president's remarks yesterday — equating those who are motivated by race-based hate with those who stand up against hatred — were unacceptable," Gorsky said in the statement at the time. A Johnson & Johnson spokesperson did not immediately respond to a request for comment about why Gorsky decided to attend the Bedminster dinner.

At least two other attendees - PepsiCo CEO Indra Nooyi and Ernst & Young CEO Mark Weinberger - were reportedly weighing stepping down from a separate outside policy advisory group before the president announced that he was disbanding the councils.

Several Trump loyalists are also among the invitees to the dinner, including Continental Resources CEO Harold Hamm, Red Apple Group CEO John Catsimatidis and LeFrak CEO Richard LeFrak. Hamm, a vocal defender of Trump who has advised him on energy policy, donated $25,000 in May to a legal defense fund created for the benefit of White House aides.

Another attendee, FedEx CEO Fred Smith, also has close ties to Trump, even though he has criticized Trump's trade policies. Smith was among the business executives who attended a "Pledge to America's Workers" event last month at the White House, where he received repeated shoutouts from Trump.

Boeing CEO Dennis Muilenburg, who will also attend the dinner, has also courted Trump since he took office and regularly speaks with the president.

Though Nooyi was among the executives who were angry about Trump's remarks about Charlottesville, she also has close ties to the White House. Ivanka Trump, Trump's daughter and adviser, called Nooyi a "mentor" to her in a tweet Tuesday morning amid news that Nooyi would step down as Pepsi's CEO.

International Paper CEO Mark Sutton, another of the participants scheduled to attend Tuesday's dinner, condemned the violence that took place in Charlottesville in a statement at the time, but said he was remaining on Trump's manufacturing council.

Other attendees scheduled to attend Tuesday's dinner include Fiat Chrysler CEO Michael Manley, Mastercard CEO Ajaypal Banga, Boston Beer Company chairman Jim Koch, Honeywell CEO Darius Adamczyk, Newsmax CEO Christopher Ruddy and DocuSign chairman Keith Krach.

The dinner comes during Trump's working vacation in Bedminster, which White House spokesman Hogan Gidley said Monday is taking place while the "White House undergoes needed renovations to the Oval Office and other areas in the West Wing."

White House aides have organized several meetings with the president throughout the week.

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**Trump allies back fund for aides' legal defense in Mueller probe** Back

By Kyle Cheney and Lorraine Woellert | 08/06/2018 01:54 PM EDT

A legal defense fund created for the benefit of White House aides has largely relied on contributions from a handful of President Donald Trump's longtime friends and political allies in the first five months of its existence.

Phillip Ruffin, a billionaire casino mogul who has worked with Trump and accompanied him to Moscow for the Miss Universe Pageant in 2013, contributed $50,000 in April, the documents show. Continental Resources, an oil shale company whose CEO, Harold Hamm, has advised Trump on policy, kicked in $25,000 in May.

The largest donation in the most recent quarter came from Geoffrey Palmer, a Los Angeles developer who has been a large political contributor of Trump's. He contributed $100,000 in late June.

The contributions are being collected by the Patriot Legal Expense Fund Trust, a vehicle established by Trump allies in February and managed by former New York GOP Congresswoman Nan Hayworth. It is designed to pay for legal fees for Trump aides who are roped into special counsel Robert Mueller's investigation of Russian interference in the 2016 presidential election. Aides to former President Bill Clinton had a similar arrangement for congressional and special counsel probes during his administration.

The only money raised in the fund's first quarter, which ended March 31, came from a Virginia-based consulting firm called ProActive Communications, which chipped in $22,000. The firm is owned by Mark Serrano, a onetime consultant to Trump's presidential campaign who is also the spokesman for the legal defense fund.

In all, the fund raised about $200,000 from February to the end of June. It released its required first- and second-quarter paperwork Monday, after watchdog groups filed complaints with the IRS that the fund had missed a July filing deadline.

"I expected to see millions of dollars raised already," said Craig Holman, a lobbyist with the nonprofit Public Citizen, which filed a complaint with the IRS. "Clearly, there has not yet been a comprehensive effort to raise funds and support the legal costs of administration officials."

Clinton's first fund, established in 1994 to help pay for his personal legal defense amid inquiries into a land deal and a sexual harassment lawsuit, raised more than $608,000 in the first six months of its existence. The Trump defense fund was designed to pay for his aides' expenses, not for the president's own legal fees.

The Republican National Committee also has been paying legal fees for Trump family members and others under investigation for activities related to the 2016 campaign.

Hayworth did not respond to requests for comment. A lawyer for the fund referred questions to Serrano, who also did not respond.

The Trump team's fund does not accept donations from lobbyists, and anyone giving at least $200 over a calendar year must have their donations disclosed.

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**Ocasio-Cortez and Sanders work to elect first Muslim governor** Back

By Daniel Strauss | 08/04/2018 06:42 AM EDT

Bernie Sanders and Alexandria Ocasio-Cortez are joining forces to elect an underdog but potentially history-making candidate on the ballot in Michigan next week: Abdul El-Sayed, a 33-year-old physician who would be the nation's first Muslim governor.

Sanders is spending the final weekend of the race in the state, and Ocasio-Cortez was there last week to campaign with El-Sayed ahead of Tuesday's Democratic primary. He also has a constellation of hard-left groups in his corner, including MoveOn.org, Justice Democrats and Our Revolution, the offshoot of Sanders' failed presidential campaign.

After a July lull in primary season, the race in Michigan represents the first opportunity for insurgent liberals to shove Democrats leftward since Ocasio-Cortez's upset victory over Rep. Joe Crowley (D-N.Y.) six weeks ago. Tuesday is also the first real test of the burgeoning alliance between Sanders and Ocasio-Cortez, who have also campaigned for two congressional candidates on the ballot next week in Kansas.

El-Sayed, a first-time candidate who's trailed in public polls, has emerged as a threat to the front-runner, former state Sen. Gretchen Whitmer. Whitmer is a favorite of most elected Democrats as well as organized labor and women's groups such as EMILY's List, which backs Democratic women who support abortion rights.

Every public poll of the primary has shown Whitmer leading El-Sayed and entrepreneur Shri Thanedar, a self-funder who has blanketed the airwaves with television ads but hasn't caught fire. But with Sanders parachuting into Michigan this weekend, El-Sayed backers and Sanders allies see a parallel in recent history.

"Bernie was written off" going into the 2016 presidential primary in Michigan, said Democratic strategist Julian Mulvey, whose firm worked for Sanders on that campaign. "I think Nate Silver predicted that Hillary Clinton had a 99 percent chance of winning in Michigan, and Bernie was able to pull it out. So the best thing you can do is have Bernie going in there to help try to close."

Attorney General Bill Schuette is the favorite to win the Republican primary and has been endorsed by President Donald Trump. Schuette has worked to distance himself from unpopular term-limited Gov. Rick Snyder, a Republican. The state is seen as a prime pickup opportunity for Democrats.

According to a Democrat close to her campaign, Whitmer's most recent internal polling showed her with a 16-point lead in the primary. She has raised more money than El-Sayed, and she has more institutional support: In addition to local politicians, unions and EMILY's List, Whitmer was just endorsed by Sen. Kirsten Gillibrand (D-N.Y.).

But El-Sayed, a former executive director of the Detroit Health Department and a public-health expert, has built a significant support base by presenting himself as a Sanders-aligned progressive alternative to the more mainstream Whitmer. Some of the same outside groups that backed Sanders in 2016 are behind El-Sayed, as are Rep. Ro Khanna (D-Calif.) and grass-roots favorites like Ocasio-Cortez and activist Michael Moore. El-Sayed has also received donations from Ben Affleck and received praise from the hosts of the liberal podcast Pod Save America.

Sanders endorsed the candidate only this week, even though El-Sayed had embraced the Vermont senator and many of his core issues, like a $15 minimum wage, single-payer health care and tuition-free college for families making less than $150,000 a year. Sanders is planning to appear at two El-Sayed rallies on Sunday, in Detroit and Ypsilanti.

"Abdul has run a campaign — win or lose — that speaks explicitly to the policies that Bernie talked about during the 2016 campaign and continues to talk about in the Senate," said Ari Rabin-Havt, a senior adviser to Sanders. "Abdul lines up so perfectly on these values that the endorsement is a testament to running a campaign based on that."

El-Sayed hasn't shied from his religion in the campaign, even as he's had to swat away rumors that he's a George Soros plant sympathetic to the Muslim Brotherhood. He's happily described the immigrant story of his father moving to the United States from Egypt and spending time with his stepmother, whose family history in Michigan goes back to before the Civil War.

But foremost, El-Sayed and his liberal supporters are betting that campaigning on a Sanders-style platform isn't just good politics in a primary: They're trying to prove that a candidate can tout these issues and win one of the three states that Trump flipped in 2016.

"Michigan is ground zero for the debate over how you win back power from Trump and Trumpism," said Ben Wikler, the Washington director of MoveOn.org, which is backing El-Sayed. "And Abdul El-Sayed is the living avatar of the idea that to defeat Trump you don't move right."

In addition to El-Sayed, Sanders and Ocasio-Cortez are backing two congressional candidates on the ballot Tuesday in Kansas. The two New York natives traveled last month to the state to stump with two candidates: Brent Welder, a former Sanders campaign staffer running for a battleground seat in the Kansas City suburbs, and James Thompson, a repeat, liberal challenger for a more solidly Republican seat.

Welder is running in a crowded, six-candidate Democratic primary for the right to take on Rep. Kevin Yoder (R-Kan.) in a district Clinton narrowly won in 2016. But in a sign that Republicans see Welder's ties to Sanders as a liability, a conservative group began running last-minute ads on Friday that appear designed to boost Welder in the Democratic primary, meddling that Welder's opponents decried, blaming Yoder and the GOP.

Back in Michigan, while El-Sayed is rallying with Sanders, Whitmer will be campaigning with prominent Michigan Democratic politicians, including Detroit Mayor Mike Duggan and Rep. Brenda Lawrence.

Whitmer's surrogates and supporters remain bullish about her chances but also are familiar with their state's history of upsets in gubernatorial races. Democrat Jennifer Granholm wasn't the front-runner when she ran for governor in 2002.

"There's polling data, but primaries are tough to poll," said former Gov. Jim Blanchard, a Whitmer supporter, adding that he still expects Whitmer to win.

EMILY's List President Stephanie Schriock painted the primary as an ultimately constructive argument about how to win a general election fight in a battleground state. The differences between Whitmer and El-Sayed, Schriock said, pale in comparison to the contrast between either of them and Schuette, the front-runner in the Republican primary.

"The values all these Democrats share is the same," Schriock said. "What we're having is a very active debate on how to get there. I'll take that. That's what we're talking about there. You've got Schuette on the other side, who wants to tear it all down."

El-Sayed echoed that sentiment on Friday, promising that Democrats will come together, despite the intraparty battle playing out in the final days before the primary.

"Four days out, things can get heated," El-Sayed tweeted Friday. "I admire [Whitmer and] the vigorous debate we share. While I deeply disagree on health care [and] corporate money in politics, I admire her work [and] commitment to serve. We will walk in lockstep, whoever wins, to a blue wave in November."

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**Chaotic day for Tesla shares amid Musk's tweeting** Back

By Patrick Temple-West | 08/07/2018 05:59 PM EDT

Trading in shares of electric vehicle maker Tesla Inc. was halted today after founder and CEO Elon Musk said on Twitter that his company could be taken private.

Musk stunned the stock market with a message from his personal Twitter account: "Am considering taking Tesla private at $420. Funding secured."

Tesla shares were at about $342 in morning trading. Shortly after 2 p.m., trading was halted on the Nasdaq market at $367.09, up 7 percent from the start of the day. When trading resumed, Tesla shares bid higher to close at $379.44.

Tesla's shares have been attacked by short-sellers this year, and Musk has taunted them on Twitter before.

"It is possible that he wants to hurt short sellers of Tesla now [and] he has been very vocal against them recently." analysts for Morningstar wrote today.

**WHAT'S NEXT:** In a blog posting on Tesla's website, Musk said no final decision has been made and he did not elaborate about funding for the deal.

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