Message

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To: Gray, David [gray.david@epa.gov]
Subject: POLITICO's Morning Energy, presented by Faraday Grid: Georgia on the mind — Interior drops casino roadblock — NOAA: 'Unprecedented' flood season ahead

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MORNINGENERGY

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With help from Darius Dixon and Alex Guillén

Editor's Note: This edition of Morning Energy is published weekdays at 10 a.m. POLITICO Pro Energy subscribers hold exclusive early access to the newsletter each morning at 6 a.m. To learn more about POLITICO Pro's comprehensive policy intelligence coverage, policy tools and services, click here.

QUICK FIX

— **The over-budget and behind-schedule Vogtle nuclear project** is expected to officially gets its financial lifeline from the Trump administration today when Energy Secretary Rick Perry travels to Georgia.

— **The Interior Department has dropped** its opposition to a new tribal casino in Connecticut that is at the center of a lawsuit surrounding former Secretary Ryan Zinke.

— **While the Midwest responds to historic flooding**, the National Oceanic and Atmospheric Administration predicts "unprecedented" flooding across the U.S. in the months ahead.

** **A message from Faraday Grid:** In every era of human history, innovation has continuously simplified our lives and the systems that power our world. Faraday Grid has reimagined and reinvented the energy system, to help achieve our vision of sustainable prosperity for everyone. Join us on our journey - RSVP to our D.C. launch on March 28th. **

HAPPY FRIDAY! I'm your host, Kelsey Tamborrino. Thursday's trivia question appears to have stumped you all. There are four current senators born to American parents abroad: Michael Bennet, Tammy Duckworth, Ted Cruz and Chris Van Hollen . For today, a bit of geography: Identify the countries whose names begin with the letter O, Y or Q — there's only one for each. Send your tips, energy gossip and comments to ktamborrino@politico.com. Follow us on Twitter @kelseytam, @Morning_Energy and @POLITICOPro.

DRIVING THE DAY

PERRY'S GOT MONEY ON HIS MIND: Perry is expected to announce a massive injection of federal support into Georgia Power's troubled Vogtle nuclear project in a visit today alongside Gov. Brian Kemp.

The Energy secretary is set to formally issue an additional $3.7 billion in Energy Department loan guarantees to the Southern Co. subsidiary and its partners, Bloomberg reported, citing two people familiar with the matter. The conditional commitment is set to expire March 31. That money would be on top of $8.3 billion in federal loan guarantees the project has already received. The partners have already borrowed against most of those funds, but after Vogtle's lead contractor, Westinghouse Electric, filed for bankruptcy protection and bailed out of the project in 2017, Southern couldn't unlock the additional federal financing until DOE approved a new agreement.

The Trump administration has vocally supported the country's nuclear plants, but the Vogtle reactor is the last of a dying breed of giant multibillion-dollar reactor projects. It barely survived a revolt from some of the plant's co-owners over its soaring costs.

The lineup: Perry will visit the Vogtle Units 3 and 4 this morning and speak at around 8:30 a.m. He will be joined by Agriculture Secretary Sonny Perdue, who supported the project as Georgia governor, and Reps. Rick Allen and Buddy Carter.

Southern Co. CEO Tom Fanning, Georgia Power President Paul Bowers and North America's Building Trades Unions President Sean McGarvey will also attend.

BY THE NUMBERS: Electricity generation from U.S. nuclear power plants totaled 807.1 million megawatt-hours last year, according to preliminary data from the Energy Information Administration. That's slightly more than the previous peak of 807.0 million MWh set in 2010 and was achieved despite the closure of several plants in recent years.

EIA cited the combination of added capacity through uprates and shorter refueling and maintenance cycles as reasons for the growth. The agency also noted that it still expects nuclear output to decline in the near future despite the 2.2 GW of additional power Vogtle Units 3 and 4 are expected to supply.

WORD FROM THE AGENCIES

INTERIOR APPROVES CASINO AT CENTER OF ZINKE LAWSUIT: The Bureau of Indian Affairs approved a proposal from the Mashantucket Pequot tribe to open an off-reservation casino in partnership with the Mohegan tribe, according to a notice to be published in today's Federal Register. The move effectively nullifies a lawsuit that alleged former Secretary Ryan Zinke kept the project on ice for more than a year because of improper political pressure, POLITICO's Nick Juliano reports .

WHITE HOUSE TAKES ANOTHER OFFSHORE APPROACH: The Trump administration is quietly moving ahead with a plan that could weaken a 1972 federal law allowing states to slow or even stop offshore development in federal waters, the Los Angeles Times reports. Amid bipartisan backlash to the administration's draft five-year drilling plan, NOAA published a notice earlier this month that asked for ways to "streamline" the Coastal Zone Management Act.

That law gives coastal states the right to review federal activities like permitting for consistency with the state's coastal management programs. NOAA cannot change the law but could change how it is enforced. The Trump administration appears to be considering limits to the scope of states' review powers, among other changes.

BERNHARDT SIGNS ORDER ON OUTDOOR REC: Acting Interior Secretary David Bernhardt signed a secretarial order Thursday directing the Bureau of Land Management to consider outdoor recreation when weighing public lands transactions, which DOI said was previously not required under the Federal Land Policy and Management Act of 1976. The order "requires that before the BLM exchanges or disposes of any land, they must first consider what impact the disposal or exchange of land will have on public access," Bernhardt said in a statement.

The move comes ahead of Bernhardt's confirmation hearing next week. The Interior secretary nominee will testify March 28 before the Senate Energy and Natural Resources Committee, which held its own hearing earlier this month on improving access and permitting for outdoor recreation.

Speaking of: Former Interior employees sent a letter Thursday to ENR Chairman Lisa Murkowski and ranking member Joe Manchin opposing Bernhardt's nomination.

CHEMICALS BOARD TO INVESTIGATE: The U.S. Chemical Safety Board said Thursday it will investigate the fire at the Intercontinental Terminals Company in Deer Park, Texas. Investigators are planning to begin interviews next week and be on site for several days.

NOAA PREDICTS 'UNPRECEDENTED' FLOODING: NOAA released its spring outlook Thursday, predicting that 25 states face potential for major or moderate flooding through May. The majority of the U.S. is "favored" to see above-average precipitation this spring, NOAA said, increasing the risk of flooding. "This is shaping up to be a potentially unprecedented flood season, with more than 200 million people at risk for flooding in their communities," said Ed Clark, director of NOAA's National Water Center in Tuscaloosa, Ala.

NOAA's estimates come as Midwestern states are already reeling from recent flooding and snowmelt. President Donald Trump on Thursday approved a disaster declaration for Nebraska, where flood damage is estimated to cost more than $1.3 billion.

IN THE COURTS

JUDGE REJECTS EPA ADVISORY COMMITTEE CHALLENGE: A federal judge rejected a challenge to former EPA Administrator Scott Pruitt's ban on scientists who received agency grants from serving on its advisory committees. Judge William Pauley of the U.S. District Court for Southern New York tossed out the lawsuit brought by the Natural Resources Defense Council, ruling that the environmental group did not have standing to sue EPA over

the directive because it could not show any harm would be imminent. Pauley therefore never even reached the merits of Pruitt's directive.

GREENS ALLEGE DECADES-LONG VIOLATIONS: The NRDC, Environmental Justice Health Alliance for Chemical Policy Reform, and Clean Water Action sued EPA on Thursday for allegedly violating requirements under the Clean Water Act. The lawsuit was filed in the Southern District of New York and argues the agency failed to pass regulations that were mandated under 1990 revisions to the Clean Water Act requiring chemical facilities to develop spill prevention and response plans. That law required the regulations to be issued by August 1992, according to the lawsuit. Read the complaint.

KEEP IT BRIEF: Democratic senators, former Obama administration officials and attorneys general have filed briefs with the U.S. Court of Appeals for the 9th Circuit this week supporting an appeal by San Francisco and Oakland, Calif., in their case seeking to hold major oil companies accountable for contributing to climate change. A federal judge previously threw out the case, arguing courts are not the proper venue to address a global problem.

One brief was filed by Democratic Sens. Sheldon Whitehouse, Dianne Feinstein, Richard Blumenthal, Mazie Hirono, Ed Markey and Kamala Harris; one by 10 states and the District of Columbia led by California AG Xavier Becerra; and one brief from former EPA Administrator Gina McCarthy, former Secretary of State John Kerry and several other officials.

MOVERS AND SHAKERS

— **Eli Nachmany** is now detailed to the White House Office of American Innovation working on higher education reform, according to a White House official. He most recently was a speechwriter at Interior. (H/t Playbook PM)

— **Anthony Hobley**, CEO of Carbon Tracker, will step down and join the organization's advisory board as co-chair in April.

THE GRID

— "Trump has a plan to preserve benefits for oil drillers in future," Bloomberg.

— "Last customers being reconnected to Puerto Rico power grid," Associated Press.

— "Butte to have consent decree by August, says EPA ," Montana Standard.

— "Bernie Sanders 2020 presidential campaign pledges to offset 'all carbon emissions,'" Burlington Free Press.

— "Canadian CO2 removal firm secures finance to expand," Reuters.

— "The U.S. is losing the nuclear energy export race to China and Russia. Here's the Trump team's plan to turn the tide," CNBC.

THAT'S ALL FOR ME!

CORRECTION: *The March 21 edition of Morning Energy misidentified the lawmaker who is co-sponsoring a companion bill in the House on PFAS. It is Rep. Mike Turner.*

** **A message from Faraday Grid:** We need an electricity grid that can power the future. Imagine the grid as a platform for smart cities, electric vehicles and domestic prosumers competing as suppliers of energy. The grid as an endless platform for innovation. The Internet of Energy - decentralized control and permissionless innovation. That is our mission. Join us on our journey - RSVP to our D.C. launch event on March 28th. **

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