

**To:** Jackson, Ryan[jackson.ryan@epa.gov]  
**From:** POLITICO Pro Energy  
**Sent:** Wed 5/31/2017 9:46:21 AM  
**Subject:** Morning Energy: Sizing up Trump's options as Paris decision looms — Former Trump official heads new carbon tax push — Fossil giants face shareholder climate challenges

By Anthony Adragna | 05/31/2017 05:43 AM EDT

*With help from Mary Lee, Esther Whieldon and Alex Guillén*

**CONFUSION AS TRUMP NEARS PARIS VERDICT:** Advisers to President Donald Trump have sent wildly diverging messages about whether the U.S. is open to remaining part of the international Paris climate change agreement, Pro's Andrew Restuccia [reports](#). Before last week's G-7 summit in Italy, U.S. officials seemed to suggest in private conversations with foreign diplomats that Trump would be willing to stick around, before backing away in the end and declining to endorse a joint statement backing the deal, two sources told Andrew. But the president has just a few real options. The issue has divided Trump's advisers, but administration officials on both sides are increasingly convinced that Trump will withdraw, though they stressed late Tuesday that the decision is not yet final. "I've stopped trying to figure it out," said one longtime climate negotiator.

**Options include:** remaining in the pact, even as Trump reverses most Obama-era climate policies; using the threat of leaving to extract concessions benefiting fossil fuel interests; attempting to renegotiate the agreement (though that's exceptionally unlikely to work) or doing nothing.

**U.N. chief: Forge ahead if U.S. leaves:** United Nations Secretary-General Antonio Guterres [urged](#) Trump to stick with the climate agreement but said the rest of the world must continue its implementation even if the planet's second-largest greenhouse gas emitter leaves. "The message is simple: The sustainability train has left the station. Get on board or get left behind," Guterres said, adding he would hold a 2019 meeting to look at the deal's implementation. "Climate action is gathering momentum not just because it is a necessity but also because it presents an opportunity — to forge a peaceful and sustainable future on a healthy planet," he said.

**The White House is trying to sell** Trump's approach on issues like Paris — which has aggravated close European allies — as an attempt to strengthen close relationships further by holding frank conversations, POLITICO's Nahal Toosi [reports](#). And there are signs European officials are already preparing for what it considers a worst-case climate scenario, looking increasingly to Canada and China as partners on the issue.

**Last-minute push:** Citizens for Responsible Energy Solutions Forum released a [TV ad](#) today urging Trump to stick with the Paris agreement but renegotiate a "better deal" for the U.S. It cites the support of ten major CEOs, including JP Morgan's Jamie Dimon, Disney's Bob Iger, GE's Jeffrey Immelt and CitiGroup's Michael Corbat.

**EYEBROWS UP:** EPA Administrator Scott Pruitt will no longer be traveling to the [2017 Kentucky Association of Manufacturers Conference & Trade Show](#) today as originally planned,

a spokeswoman for the conference tells ME. That comes on the heels of his highly-publicized meeting with Trump Tuesday on the future of the Paris accord.

**WELCOME TO WEDNESDAY!** I'm your host Anthony Adragna, and Optony's Jonathan Whelan was first to pick out "Pork Barrel John" Langley as the congressman who resigned for illegally selling alcohol during Prohibition. For today: How many non-voting members are there in the House? Send your tips, energy gossip and comments to [aadragna@politico.com](mailto:aadragna@politico.com), or follow us on Twitter [@AnthonyAdragna](https://twitter.com/AnthonyAdragna), [@Morning\\_Energy](https://twitter.com/Morning_Energy), and [@POLITICOPro](https://twitter.com/POLITICOPro).

**SCOOP — FORMER TRUMP 'SHERPA' LEADS NEW CARBON TAX COALITION:** A former member of Trump's transition team is pushing a carbon tax as a conservative solution to climate change. The Alliance for Market Solutions launched today with the goal of reshaping how Republicans approach the issue, says Alex Flint, the group's new executive director. Flint previously served as a "Sherpa" to help smooth the confirmation of Trump's Interior Department nominee, and before that he was senior vice president of governmental affairs at Nuclear Energy Institute. The mission of the Alliance for Market Solutions is "to see carbon regulations repealed, a carbon tax implemented that offsets other taxes ... and policies that appeal to the next generation of Republican voters — that's our goal," he told ME. The new alliance — armed with an Ernst & Young study written by AEI economist Alex Brill — says a revenue-neutral carbon tax would boost the economy. The E&Y study finds the tax - when using its revenues to finance a reduction in the corporate income tax rate — could increase GDP in the long-run by as much as 2.1 percent.

**The players:** The board of directors includes Chairman Jeffrey Williams, former investment banker at Morgan Stanley. And advisers include former FERC Commissioner Vicky Bailey, Former Florida Sen. Mel Martinez and John Rowe, chairman emeritus of Exelon.

**GOVS CAUTION ZINKE ON SAGE GROUSE PLANS:** A bipartisan pair of governors are warning Interior Secretary Ryan Zinke about some major changes he is considering to managing sage grouse populations in the West. Govs. Matthew Mead (R-Wyo.) and John Hickenlooper (D-Colo.) said they are "concerned" that replacing the Obama administration's approach, which was based on protecting habitat, with one based on hitting population targets for the birds "is not the right decision." When Zinke previewed some of his sage grouse plans in March, he said he was confident states would be able to hit a population target. The governors also cautioned against major changes to BLM land-use plans that were amended to address sage grouse. "Wholesale changes to the land use plans are likely not necessary at this time," wrote the governors, who co-chair the state-led Sage Grouse Task Force, in a Friday letter obtained by ME. Mead and Hickenlooper urged Zinke to work with them before making any changes.

**Zinke could issue a secretarial order** on sage grouse management as early as this week, directing BLM to review existing plans to identify burdens they place on resource development, among other steps, a source tracking the process tells ME. Interior spokeswoman Heather Swift in a text message said that was "not accurate" but declined to elaborate further.

**CLIMATE SHOWDOWN TODAY IN TEXAS:** Shareholders descend on Texas today for the annual meetings of Exxon Mobil and Chevron, and activist investors intend to force votes on a

host of climate change-related proposals. Perhaps the most-watched [resolution](#) would force Exxon to publish annual reports examining how its business would be affected by global efforts to address climate change, including the scenario limiting temperature increases to 2 degrees Celsius. A similar resolution received backing from more than 38 percent of Exxon shareholders last year — at the time a record — but it's thought to be close to securing majority support despite opposition from the company itself, which argues it already releases sufficient information in that area. Another proposal, from As You Sow, calls for the company to publish an annual report on "actions beyond regulatory requirements" to minimize methane emissions, especially leakage, from its operations. It's the first meeting since Darren Woods took over as Exxon CEO from now-Secretary of State Rex Tillerson. A full list of items under consideration is available [here](#).

**While most attention (and [protests](#))** are being directed Exxon, Chevron is expected to have its own climate confrontations at its annual meeting today. Investors opted to [withdraw](#) a climate "stress test" resolution similar to the one Exxon faces earlier this month, but are expected to vote on [another](#) calling for a report on "the feasibility of altering the company's energy mix by separating or selling off its highest carbon-risk assets." A full itinerary for their meeting is available [here](#).

**The votes are part of a broader trend** of fossil fuel companies facing increased pressure over whether they are prepared to deal with climate change. Earlier in May, 67 percent of investors in Occidental Petroleum backed a resolution calling for the company to annually analyze and disclose its risks associated with climate change, a first for a U.S. oil and gas company. That move came despite the company's board opposing the measure.

**TRUMP EPA 'MAY' SOON TAKE ACTION ON CLEAN POWER PLAN:** EPA played coy Tuesday in a court filing about its ongoing review of the Clean Power Plan, saying in the brief [status report](#) to the D.C. Circuit Court of Appeals that it "may" soon propose something. "EPA continues to review the Rule, as required under the Executive Order, and may be prepared to begin the interagency review process of a resulting proposed regulatory action in the near future," the filing said. "We will update the Court as EPA takes further steps." The D.C. Circuit's 60-day hold is up in about a month, and the court is currently [weighing](#) whether to extend that hold indefinitely or simply send the CPP back to EPA. In a separate filing, EPA said [basically the same thing](#) about its review of the 111(b) rule for future power plants, which unlike the CPP remains in effect.

**INTERIOR OFFICIAL KEPT AGRICULTURE STOCKS:** Aurelia Skipwith, Zinke's [hire](#) for deputy assistant secretary for fish, wildlife and parks, has kept between \$50,001 and \$100,000 in stocks in the agricultural consulting firm she founded, AVC Global, according to a [public financial disclosure report](#) obtained by ME. She also has between \$1,001 and \$15,000 in stocks with agriculture company Monsanto.

**ZINKE'S ALASKA TOUR ROLLS ON:** Zinke is in Anchorage, Alaska again today where he'll deliver remarks at the Alaska Oil and Gas Association [annual conference](#) at the Dena'ina Convention Center around 12:15 p.m. He'll then tour the Arctic Valley Nike Site Summit, a Cold War-era missile site.

**In conjunction with his trip**, the Wilderness Society is releasing a short, two-page chapter of a broader forthcoming report highlighting what it says are the unacceptable risks posed by drilling in the Arctic Refuge.

**CLIMATE HAWK McCAIN REEMERGES?** Sen. John McCain delivered his strongest comments on climate change in years during an appearance Tuesday in Australia, urging Trump to stick with the Paris agreement. "I would like to see us ... either accept the agreements as were made by the Obama administration or suggest modifications which would make it palatable for us and acceptable to us to join," McCain said, according to The Guardian. "If we don't address this issue, I am very much afraid about what the world is going to look like for our children and grandchildren." The former presidential candidate added that "one of the great tragedies of our lives is the Great Barrier Reef dying [and] the environmental consequences of that."

**MAIL CALL! REPS: TREAD CAREFULLY WITH NAFTA RENEGOTIATION:** Nearly 60 House members are urging U.S. Trade Representative Robert Lighthizer to be aware of potentially disruptive energy sector impacts while renegotiating NAFTA. "We ask that you consider the importance of maintaining and where feasible upgrading, policies regarding the free flow of raw and refined products from oil and natural gas, the absence of tariffs on energy products, protections for U.S. intellectual property, as well as access to Canadian and Mexican markets," the lawmakers, led by Tom Reed (R-N.Y.) and Terri Sewell (D-Ala.), wrote in a letter Tuesday. ME notes it's pretty darn unusual to have Bobby Rush (D-Ill.) and Louie Gohmert (R-Texas) on the same letter.

**HERE'S AN IDEA:** Rep. Tom Graves (R-Ga.) proposed throwing all the appropriations bills together this year and passing the massive omnibus before August recess during a closed-door GOP meeting last week, Pro's Budget & Appropriations Brief's Sarah Ferris and Jennifer Scholtes report. "It's a Herculean task," Graves said, adding that fellow appropriators have promised to work weekends. But a reality check: House lawmakers haven't passed all 12 bills on time in more than a decade — let alone a month early.

**HOUSE ENERGY COALITION OUTLINES TAX REFORM WISH LIST:** The 50-Democrat House Sustainable Energy and Environment Coalition, in a recent letter, urged House Ways and Means leadership to curb tax breaks for the oil and gas industry but extend or expand a myriad of clean energy tax incentives as part of the committee's overall tax reform efforts. In addition to wanting a carbon tax, the coalition asks for extended tax credits for a number of small technologies left out of a 2015 deal, expansion of the investment tax credit to include stand-alone energy storage and an exception for offshore wind to the planned phase out of the ITC.

**MOVERS, SHAKERS:** Jenner & Block has formed an energy practice with the addition of three former top FERC officials. Suedeen Kelly, a former commissioner, will co-chair the practice as a partner along with Randy Mehrberg. Max J. Minzner, former general counsel with the agency, also joins as partner. And Jeffery S. Dennis, former director of FERC Division of Policy Development, joins as special counsel.

**Steve Wackowski** has been named as Zinke's senior advisor for Alaska affairs. Wackowski

managed Sen. [Lisa Murkowski](#)'s latest reelection campaign, was press secretary for Sen. Ted Stevens and has experience tracking and mapping polar bear den locations for oil and gas companies on Alaska's North Slope. Wackowski is a Major in the Air Force Reserve and his new position will be based in Anchorage.

**Jeff Kerridge** has been appointed senior vice president of business development for AECOM within its nuclear and environment division; he has 31 years of experience within the nuclear energy industry, including stints with the Department of Energy and the United Kingdom's Ministry of Defense.

**Frank Benenati** is starting a new job in Chicago at United Airlines as director of corporate communications. He previously served as the director of public affairs for the EPA and also was as a White House spokesperson and assistant press secretary (h/t Playbook).

**INSANE VIDEO:** CBS News posted crazy video of an underground water main exploding in Kiev, Ukraine. Watch it [here](#).

## QUICK HITS

— Head of Pueblo County commissioners says Lamborn should "stay out" of EPA's Colorado Springs stormwater lawsuit. [Denver Post](#).

— Climate change could make cities 8C hotter - scientists. [The Guardian](#).

— PSEG shuts down its last coal plants: 'It's just economics'. [Philly.com](#).

— British Columbia political alliance vows to block pipeline expansion. [Reuters](#).

— Why higher oil prices might not mean more U.S. drilling. [Bloomberg](#).

— Lawsuit alleges EPA failed to protect Shenandoah River. [WHSV](#).

— Energy Dept. Faces Resistance in Effort to Recover Money From Spain's Abengoa. [Wall Street Journal](#).

## HAPPENING TODAY

3:30 p.m. — NAFTA [Conversation](#) with Secretary Wilbur Ross and Jack Gerard, Bipartisan Policy Center, 1225 Eye Street NW, Suite 1000

5:30 p.m. — Women's Council on Energy and the Environment May [Happy Hour](#), Penn Commons, 700 6th Street, NW

## THAT'S ALL FOR ME!

*To view online:*

<https://www.politicopro.com/tipsheets/morning-energy/2017/05/few-clear-options-as-trumps-paris-decision-looms-023067>

## Stories from POLITICO Pro

### Trump's climate conundrum nears a verdict [Back](#)

By Andrew Restuccia | 05/30/2017 07:24 PM EDT

Donald Trump's advisers have sent wildly different messages to U.S. allies about the president's willingness to remain in the Paris climate agreement — adding to the confusion as he appears set to render a verdict this week.

Shortly before the G-7 summit in Italy last week, U.S. officials had private conversations with foreign diplomats that seemed to suggest Trump was open to staying in the landmark 2015 pact, two people briefed on the discussions told POLITICO. But then, to their frustration, the U.S. backed away, instead becoming the lone holdout from a declaration expressing "strong commitment" to the agreement.

The administration's public statements have been no less mixed. National Economic Council Director Gary Cohn, who supports staying in the agreement, [told reporters](#) last week that Trump's "views are evolving." But allies of EPA chief Scott Pruitt, who wants the U.S. to leave, [made it known](#) that Trump privately agrees with them. Administration officials on both sides of the issue are increasingly convinced that he will withdraw, though they stressed late Tuesday that the decision is not yet final.

For all the mystery, though, Trump has only a few main options for dealing with the non-binding climate deal, one of former President Barack Obama's proudest diplomatic achievements.

He can stick with the deal, while unwinding most of Obama's climate policies and pledges for reducing greenhouse gas pollution. He can use the threat of leaving to push other countries for concessions that benefit U.S. fossil fuels. He can even try to renegotiate the agreement — highly implausible, given that nearly 200 governments took part in crafting it.

Or he can do nothing.

This is POLITICO's breakdown of the possibilities:

#### **Withdraw**

Trump vowed during the presidential campaign to "cancel" the Paris agreement, portraying it as a threat to U.S. jobs and energy production, and conservatives are convinced he'll make good on that promise.

Pruitt and White House chief strategist Steve Bannon have emerged in recent months as the administration's biggest opponents of the Paris agreement, and both men have made their case

for withdrawal directly to Trump.

Pruitt and Trump discussed the issue again on Tuesday, a possible indication that he's preparing to withdraw. Sources confirmed that Trump indicated in recent conversations with Pruitt that he was leaning toward pulling out of the agreement, as Axios reported last weekend.

But the climate discussions at the G-7, paired with a lobbying campaign from Pope Francis and other leaders, could have changed Trump's mind. Other U.S. officials were convinced as recently as last week that Trump would remain in Paris.

Others are just uncertain. "I've stopped trying to figure it out," said one longtime climate negotiator.

A withdrawal would strain U.S. relations with countries in Europe and elsewhere, and it could destabilize the foundation of the Paris deal. Such considerations have helped persuade even Trump's secretary of state, Rex Tillerson, to support staying — as well as GOP lawmakers like North Dakota Rep. [Kevin Cramer](#), an energy adviser to the the president.

If Trump decides to pull out, though, the text of the deal would prevent a U.S. exit from formally taking effect until at least Nov. 4, 2020 — a little over two months before the end of his first term. But Trump's public disavowal of the pact would certainly have an immediate impact on the global effort to tackle climate change.

In addition, Trump would have one speedier option for pulling out: He could withdraw the U.S. from the 1992 United Nations Framework Convention on Climate Change, the treaty that undergirds the entire regime of international climate negotiations. According to the Paris text: "Any party that withdraws from the convention shall be considered as also having withdrawn from this agreement."

### **Remain, but win concessions**

Administration officials who support remaining in the agreement have been working for months to try to flesh out a middle ground.

One option that has won support from some the White House aides: weakening Obama's pledges for cutting U.S. carbon emissions, and persuading world leaders to offer greater support for technologies to reduce pollution from fossil fuels like coal.

The first part is entirely within Trump's power: Obama's pledges were nonbinding, and the current administration would be free to substitute its own, less-ambitious promises if it chooses to — even as Trump seeks to undo Obama's domestic climate regulations and slash EPA's budget. Winning concessions from other countries would require some high-stakes dealmaking, however.

Before the summit in Italy, U.S. officials discussed those options with representatives from other G-7 countries, in conversations that gave diplomats hope that the Trump was open to staying in

the agreement if he could be reassured the U.S. has flexibility, according to two people briefed on the issue. But the U.S. ultimately backed away from pro-Paris language in the G-7's closing joint communique, breaking with the six other countries that participated in the meeting.

Energy Secretary Rick Perry attempted a similar gambit during an April meeting of G-7 energy ministers in April. But the other countries rebuffed his attempt to place stronger pro-coal, pro-nuclear language into a proposed joint statement on energy policy, which wound up being scuttled.

If Trump decides to remain in the agreement, he'd probably cast the decision as a sign of his dealmaking prowess, and a wholesale repudiation of Obama's climate pledge.

But it comes with political risks: Conservative groups would probably bash Trump if he decides to stay in the Paris deal, even if many people who voted for him probably don't view the issue as a top priority.

### **Renegotiate the agreement — but that's unlikely**

Some in Trump's orbit have urged the president to renegotiate the agreement, an option that is seen as all but impossible among international climate negotiators.

The 2015 Paris talks were the culmination of years of preparations, and it's unlikely that Trump could convince negotiators from nearly 200 nations to reopen the underlying text.

Some closely tracking the issue suspect that "renegotiate" is just shorthand for ensuring that the U.S. gets a better deal in future discussions arising from Paris. That could be accomplished through bilateral and multilateral negotiations with individual countries, or by influencing the discussions at subsequent climate conferences over how to implement the agreement.

### **Do nothing**

Trump could also delay a decision for months or even years, avoiding the political fallout of withdrawing or remaining.

Instead of issuing a firm verdict this week, the president could announce he'll tentatively remain in the agreement, but continue to review his options and reserve the right to withdraw at a future date.

Some who follow the issue think that could be his most politically savvy option.

"What good does it do to announce your intention to leave 2½ years early?" asked one longtime climate negotiator. "You've given up all your leverage."

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## **White House to Europe: Trump picks on you because he likes you** [Back](#)

By Nahal Toosi | 05/30/2017 06:37 PM EDT

President Donald Trump may be aggravating Germany, France and other U.S. allies in Europe with his tirades and qualms about trade imbalances, NATO spending and the Paris climate change deal.

But the White House is casting Trump's approach as one designed to strengthen the U.S.-European relationship — not kill it.

After all, Trump aides insist, real friends tell each other hard truths.

Trump "views not just Germany but the rest of Europe as an important American ally," White House press secretary Sean Spicer said Tuesday, adding that the Republican president's demands during his first official visit to Europe last week that other NATO countries spend more on defense were "getting results."

"That is a good thing for them, it's a good thing for NATO, and it's a good thing for America," Spicer said.

To others, however, the Europe-U.S. tensions over defense spending, trade deals and climate change are real, growing and could ultimately lead to shifts in alliances if Trump does not temper his tone. European leaders, some of whom face elections at home, do not want voters to see them as weak next to Trump.

While it's unlikely the United States and Europe would flat-out abandon each other, smaller rifts could be exploited by rivals such as Russia, lead to new partnerships with emerging forces such as China, or threaten cooperation on joint endeavors such as stabilizing Afghanistan.

"Europeans really are asking themselves, 'How can we try and proceed and construct a positive way forward with someone who won't even meet us halfway?'" said Julianne Smith, who advised former Vice President Joe Biden on national security. "Sure, there's not going to be a total break in the relationship. But it could really inhibit cooperation at the highest levels, and that's where the toughest problems get solved."

During meetings in Europe last week, Trump devoted much of his public remarks to chiding NATO members he insists are freeloading on the United States by not meeting their commitment to spend at least 2 percent of their GDP on defense. Trump did not directly endorse Article 5, the principle at the heart of NATO that says members will treat an attack on one as an attack on all. He also would not sign on to a statement committing the United States to honoring the Paris climate change agreement.

German Chancellor Angela Merkel, at a campaign event over the weekend ahead of elections

this fall, indicated that she no longer considered the United States a reliable ally.

"The times in which we could rely fully on others — they are somewhat over," said Merkel, strong comments from the highly influential but usually measured leader. On Tuesday, she told a closed-door meeting of her parliamentary group that while she remained committed to the trans-Atlantic alliance, she would not pretend there weren't substantive differences with Trump, especially on climate change.

German Foreign Minister Sigmar Gabriel was blunter. "The short-sighted policies of the American government stand against the interests of the European Union," Gabriel said Monday. "The West has become smaller; at least, it has become weaker."

Trump and his team were in no mood to walk anything back.

The president shot back Tuesday on Twitter: "We have a MASSIVE trade deficit with Germany, plus they pay FAR LESS than they should on NATO & military. Very bad for U.S. This will change."

In the past, Trump's aides have engaged in clean-up efforts after he clashed with foreign allies, but there was no confirmation of such behind-the-scenes work this time. A Pentagon spokesman said he was unaware of any outreach by Defense Secretary James Mattis to European counterparts, while the State Department refused to say whether Secretary of State Rex Tillerson had had any conversations.

Spicer used Tuesday's daily White House press briefing to insist that the Trump administration is fully committed to NATO and other European alliances but that it would not back down on its demands.

"During his conversations at NATO and at the G-7, the president reaffirmed the need to deepen and improve our trans-Atlantic relationship," Spicer insisted.

Another administration spokesman, Michael Short, put it this way: "The good thing about strong alliances, like the one we have with Germany, is that you can have frank discussions."

Trump's predecessors, Republican and Democratic, also voiced frustration that so few NATO members meet the commitment to spend at least 2 percent of GDP on defense. But those presidents couched their criticisms in reassurances of America's commitment to NATO, including promises that it would aid any NATO member that was attacked.

Trump's failure to take that two-pronged approach is why so many Europeans are alarmed, said Charles Kupchan, who served as senior director for European affairs on the staff of the National Security Council in the Obama administration.

"This is the real Trump, this is where he's landed, and I think that's the message that Europeans have come away with," Kupchan said.

A State Department official said that Trump's departure from past administrations' approaches deeply concerned U.S. diplomats but that, so far, they are taking comfort in the fact that it's not much more than rhetoric.

However, if Trump decides to abandon the Paris climate agreement or to reverse the U.S. diplomatic opening to Cuba brought about by former President Barack Obama, many European officials would be furious, the State Department official said. Both decisions could come in the next few days.

On climate, there are signs that Europe is preparing for what it considers a worst-case scenario. European officials have for months looked to Canada and China as partners on climate change, increasingly aware that the United States is no longer fully in their corner on the issue, EU sources told POLITICO.

Trump's critics have already accused him of emboldening China, saying his decision to yank the United States out of the massive trade deal known as the Trans-Pacific Partnership will allow China to take the lead on trade in the Asia-Pacific region.

The political climate in Europe is playing into how closely leaders align with or distance themselves from Trump.

British Prime Minister Theresa May, who is overseeing her country's plans to leave the European Union, has tried to get close to Trump, to the point where she's been accused of not doing enough to push him to stick to the Paris climate deal.

In Germany, where Merkel is running for re-election, no party wants to be seen as soft on Trump, who is widely disliked by Germans. The Merkel-Trump divide isn't unprecedented. The relationship between Merkel's predecessor, Gerhard Schröder, and then-President George W. Bush essentially broke down over Berlin's refusal to back the 2003 U.S. invasion of Iraq.

Newly minted French President Emmanuel Macron, free of the burdens of campaigning, has made several moves that indicate he won't kowtow to Trump. In Brussels, Belgium, last week, he shook Trump's hand with such a strong grip that the U.S. president's knuckles turned white. Macron later declared the handshake was "not innocent" and symbolized his unwillingness to make concessions.

During another encounter, Macron walked toward Trump but swerved at the last minute to greet Merkel first; later he published a photo of the mingling G-7 leaders that noticeably did not include Trump.

But Macron aides say their new leader's ultimate goal is to draw the American president in, not push him away. "The greater the distance is, the more you have to go toward the other ... sulkers don't win," a senior aide to Macron said, adding that the French president wants "to remind Trump that he is part of the future of Europe."

*Andrew Restuccia, Matthew Nussbaum, Jacqueline Klimas, Nicolas Vinocur and Matthew*

*Karnitschnig contributed to this story.*

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## **Trump's 'sherpas' lay confirmation groundwork** [Back](#)

By Andrew Restuccia and Nancy Cook | 12/09/2016 10:00 AM EDT

Donald Trump's transition operation has assembled a team of advisers to help his Cabinet nominees get confirmed — a signal the president-elect is taking no chances even though most of his picks are expected to easily clear the Republican-controlled Senate.

Often called "sherpas" after the expert Himalayan climbers that help tourists scale Mount Everest, the guides are part advance team, part coaches, part crisis managers, working closely with nominees to set up meetings with senators, answer questions from key committees and prepare for confirmation hearings.

The previously unreported team of sherpas underscores Trump's emphasis on personnel, which is the primary focus for his top advisers even as transition staff in Washington [warn](#) their policy proposals are being largely ignored.

The sherpas must have strong relationships on Capitol Hill, said Kenneth Duberstein, Ronald Reagan's former chief of staff and a sherpa to several past Supreme Court and Cabinet nominees.

"You need to have knowledge of the confirmation process, knowledge of the hot-button issues of the various senators involved in the committees of jurisdiction and you have to make sure that you have good connections with the staff," he said.

He added that they shouldn't focus simply on winning over Republicans.

"You need certainly to understand that while you have the majority in the Senate, you need to figure out where the other votes are," he said. "If you can come out of the committee not just on a partisan vote, that buttresses the nominee significantly."

The sherpas who are already working with Trump's Cabinet picks, according to interviews with people close to the transition, include:

**Townsend McNitt**, a former George W. Bush Education Department official, is advising Betsy DeVos, Trump's pick for Education secretary;

**Alex Flint**, the former staff director of the Senate Energy and Natural Resources Committee and a former executive at the Nuclear Energy Institute, is advising Trump's yet-to-be-named Interior secretary pick. Flint has been spotted holding meetings with energy committee staff in recent

days, sources said;

**Drew Maloney**, vice president of global government affairs and public policy at the oil company Hess, is the sherpa for Andrew Puzder, who Trump is expected to tap as Labor secretary;

**Mary Waters**, who was an assistant secretary for congressional relations in George W. Bush's Agriculture Department is the sherpa for Steven Mnuchin, Trump's pick for Treasury secretary. Waters was spotted with Mnuchin in the Capitol this week;

**Earl Comstock**, a long-time former Senate Commerce Committee staffer, is the guide for Trump's choice for Commerce secretary, Wilbur Ross;

**Keith Appell**, a long-time conservative public relations executive, is leading the nomination process for Sen. Jeff Sessions, the pick for attorney general. Appell is a senior vice president at CRC Public Relations and also led the communication efforts for the coalition to confirm Supreme Court justices John Roberts and Samuel Alito;

**DJ Nordquist**, a well-known chief-of-staff and communications director in the economic studies program at the Brookings Institution, is helping Ben Carson through the confirmation process for secretary of Housing and Urban Development. She previously served as the assistant secretary for public affairs at HUD and as the deputy chief of staff at the FDIC;

**Cynthia Berry** —managing director at the Association Management Group, former staffer to former Sen. Jon Kyl of Arizona and Washington counsel for the American Medical Association — is acting as the guide for Rep. Tom Price (R-Ga.), Trump's choice to lead HHS.

A former Price staffer thought he would have little problem with his confirmation. "I imagine he'll experience an intense grilling from the other side on his policy positions, but I would not expect any issues to pop up in his vetting," the ex-staffer said. "He's a 'by-the-book' person."

The Trump transition team did not respond to a request for comment. The sherpas declined to comment or did not respond to requests for comment.

Former sherpas said one of the most important parts of the job is preparing for Senate confirmation hearings by setting up mock question-and-answer sessions, often called "murder boards."

"Lots of these nominees don't know D.C., or the senators they'll be in front of, or conversely, feel like they know everything already and so don't need to kiss the rings, or do any serious prep," said Trudy Vincent, the sherpa for Ken Salazar, who went on to become Obama's first Interior secretary.

Another big part of the job is anticipating and trying to get out ahead of Democrats' potential talking points about nominees — and then batting them down quickly.

Appell, for instance, sends out frequent emails to reporters titled the "Sessions Brief" that

highlight bright spots from Sessions' record, like his support from past drug czars, law enforcement officials and past attorneys general.

The Trump transition team is also eager, in the case of Sessions, to highlight his support among some in the African-American community as a way to combat past allegations of racism, according to a transition team member. Back in 1986, Session's bid for a federal judgeship was upended when an African-American assistant U.S. attorney, who worked for Sessions, told the Senate Judiciary Committee that Sessions had called him "boy" and had joked about the Ku Klux Klan.

Trump's lobbying ban, which requires that people working on the transition deregister as lobbyists, has limited the pool of sherpa candidates since many former Senate committee staffers are registered lobbyists.

"When you get a Cabinet secretary, you want someone who knows that committee to be introducing them to members," one Republican lobbyist said of the lobbying restrictions. "Tell me a legislative affairs guy who's going to sign up for that."

*Lorraine Woellert, Isaac Arnsdorf and Caitlin Emma contributed to this story.*

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**DOI to launch new sage grouse management plan** [Back](#)

By Jenny Hopkinson | 03/28/2017 01:46 PM EDT

The Interior Department is preparing to soon release a new plan for managing sage grouse in Western states, Secretary Ryan Zinke told ranchers today, adding that the measure will be state-focused and friendly to farmers.

"You'll be happy with the decision that comes with sage grouse," Zinke told the Public Lands Council's Legislative Conference in Washington, D.C., this afternoon.

"I think if you are a rancher, a traditional Western guy, you are going to see a lot more power with the states. ... We are going to manage on number, not on habitat," Zinke said.

In September 2015, the Obama administration released a sage grouse management plan to protect the species across its 11-state range. The plan came as part of a deal with ranchers, energy developers and other land owners to avoid the strict land-use restrictions that would have resulted from putting the bird on the Endangered Species List.

However, the plan is unpopular among ranchers and other Western interests because it gives a lot of power to the federal government to tell states how to manage the bird's habitat and measures

success on the maintenance of designated habitat zones as opposed to the size of the sage grouse population.

Zinke's plan will tell states how large the sage grouse population in their jurisdictions should be. He added that those numbers would take into account weather conditions, predators and other natural factors.

"I think the state is very capable of coming up with a plan that can meet those numbers," the secretary said.

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## **Trump EPA urges court to keep climate rule lawsuit on hold [Back](#)**

By Alex Guillén | 05/15/2017 05:02 PM EDT

The Trump administration and the states and companies seeking to quash the Obama EPA's Clean Power Plan told a federal court Monday they want to keep the lawsuit over that landmark climate rule on hold indefinitely.

They argue a freeze would be preferable to a court decision to send the rule back to EPA without deciding on the whether the power plant carbon regulations violated the Clean Air Act. And they say that remanding the rule to the agency to review would just lead to headache-inducing quagmires for EPA and the court.

If the court remands the rule, its opponents might file new lawsuits to preserve their legal claims, while environmentalists could challenge any EPA attempt to set new compliance deadlines.

Keeping the case on hold would also allow EPA to finish its review of the rule more quickly because it would not have to divert resources to addressing those new legal issues, the administration added.

"These consequences can be — and manifestly should be — avoided by continuing to hold this litigation in abeyance," EPA wrote in its [brief](#).

EPA received back-up from the Clean Power Plan's opponents, who made similar arguments in their [own brief](#).

When the D.C. Circuit Court of Appeals [issued its 60-day stay last month](#), the judges asked all sides to weigh in on whether to keep the case on ice indefinitely — which could be a long time given the years that are likely needed to repeal the Clean Power Plan and resolve subsequent litigation — or send the rule back to EPA right now, without rendering a decision on its legality.

The rule's supporters, however, would prefer a third path.

Environmentalists, states that support the Clean Power Plan, clean energy groups and several utilities noted their first choice would actually be for the court to issue its ruling.

Those groups were likely buoyed by EPA's strong showing at oral arguments last year. After watching seven hours of arguments, many observers predicted EPA would prevail on most of the legal issues, though a win for the Clean Power Plan was not guaranteed.

Plus, green groups argue, there are several major legal questions the courts likely will need to answer at some point no matter what the Trump administration does now. That includes whether EPA can achieve emissions reductions through "fuel switching," also known as EPA's "beyond the fence line" approach. The court could also weigh in on the so-called 112 Exclusion, which the rule's challengers argued should prevent EPA from regulating in this manner, no matter the details.

But the court's order seeking opinions on remand versus abeyance indicate that the judges are no longer interested in issuing a ruling.

In that case, environmental groups argued, keeping the Supreme Court stay in place would "convert temporary enforcement relief pending judicial review into a long-term suspension of the Clean Power Plan, without any court having issued a decision on its legal merits and without following the administrative steps necessary to amend, suspend or withdraw a regulation."

Meanwhile, EPA and its challengers made similar arguments urging the court to maintain its hold on lawsuits over the Clean Power Plan's sister regulation that sets emissions limits for future power plants, also known as the 111(b) rule or the new source performance standard.

That case was on a slower judicial track than the CPP. All sides had completed briefing, but last month the Trump administration convinced the court to delay arguments.

Meanwhile, environmental groups, supportive states and pro-rule utilities said they would like to see this case continued through arguments and a decision by the court, but that in lieu of that they have no preference over remand versus abeyance.

Although the Clean Power Plan was stayed, the future plant rule has been in effect since it was released in 2015, and neither option would hurt its "effectiveness during any period of review by the new administration," environmentalists argued.

The court has no strict deadline to decide what to do. It has paused the lawsuits challenging both rules through June 27, but is under no obligation to act before then.

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**Zinke taps two women for senior posts at Interior** [Back](#)

By Esther Whieldon | 04/06/2017 12:16 PM EDT

Interior Secretary Ryan Zinke is appointing two women, including a President Donald Trump's beachhead team member, to official positions in his office.

Zinke will today name Katharine MacGregor as deputy assistant secretary for land and minerals management, an Interior spokesman told POLITICO. Zinke is also appointing Aurelia Skipwith, co-founder of agricultural consulting firm AVC Global, as deputy assistant secretary for fish, wildlife and parks.

MacGregor was a staffer on the House Natural Resources' Energy and Mineral Resources Subcommittee, where she worked on issues involving oil and gas development and royalties as well as offshore renewable energy development. She also previously served as a legislative director for former House Republican Majority Leader Eric Cantor and as a legislative assistant for former Republican Rep. Thelma Drake of Virginia.

Skipwith previously worked at the Bureau for Food Security at the United States Agency for International Development and is a former USDA research intern.

The White House has yet to nominate candidates for any of the top political positions at Interior or its nine bureaus, but Zinke appears to be moving ahead with appointing political staffers who do not require Senate confirmation.

Zinke in March appointed Mike Nedd as acting director of the Bureau of Land Management. Nedd had been assistant director for energy, minerals and realty management since 2007.

*Ben Lefebvre contributed to this article.*

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