

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Morning Energy
Sent: Mon 7/17/2017 2:04:33 PM
Subject: POLITICO's Morning Energy, presented by Growth Energy: EPA alters how information's gathered — Slew of energy bills hit the House floor — EDF Action launches push against EPA cuts

By Anthony Adragna | 07/17/2017 10:00 AM EDT

With help from Darius Dixon

EPA WANTS TO ENFORCE SMARTER, NOT HARDER: In a move that former EPA officials worry could hamper enforcement of environmental rules, the agency's regional offices must now get approval from EPA headquarters before sending many types of requests for information to a company, Pro's Eric Wolff [reports](#). Regions have traditionally had autonomy in requesting information, but now many of those, especially ones applying to companies and facilities with no history of violations, will have to be reviewed in EPA's Washington headquarters under the policy established in the spring. "EPA is working to ... eliminating overly broad and unduly burdensome requests for information," EPA spokeswoman Amy Graham told Eric in a statement. "These changes will enable the agency to efficiently and consistently gather the information it needs to assure compliance with environmental laws."

It's a move long-sought by Sen. [Jim Inhofe](#), the former chair of the Environment and Public Works Committee whose past staffers are sprinkled throughout the agency. Inhofe has said he thinks the agency engages in too many "fishing expeditions."

Critics fear the policy is designed to curb enforcement of environmental laws. "A policy to aggregate all information requests for headquarters approval is more likely to diminish enforcement because you're going to end up with bottlenecks," said Doug Parker, EPA's former head of criminal enforcement and a 27-year veteran of the the agency. Headquarters staff will track information requests in a new database.

HEADED TO A HOUSE FLOOR NEAR YOU! House lawmakers are poised to take up a slew of energy-related measures this week after they clear the Rules Committee. First up is the Ozone Standards Implementation Act [H.R. 806 \(115\)](#), which would delay implementation of the stricter 2015 ozone standard through 2025 and lengthen the period of time between EPA's normal review of the standard from five years to 10. Rep. [Pete Olson's](#) bill gets its day before the Rules Committee today at 5 p.m.

Also on the agenda is a bill [H.R. 218 \(115\)](#) that would authorize the transfer of federal land to Alaska to build [the state's long-sought \(and contentious\) road](#) between the isolated southwestern Alaska village of King Cove and a neighboring community with an all-weather airport. There's also legislation [H.R. 2883 \(115\)](#) overhauling the presidential permitting process for electric, natural gas and oil projects that would shift the authority to review cross-border oil pipelines to FERC from the State Department. And there's a separate measure [H.R. 2910 \(115\)](#) aimed at streamlining approvals for interstate natural gas pipelines. The Rules Committee considers the bills Tuesday at 3 p.m.

WELCOME TO MONDAY! I'm your host Anthony Adragna, and State's Jennifer Schaming was first up to identify Holtsville, N.Y. as the holder of the nation's lowest zip code (00501). For today: What's the highest zip code in the U.S. and where is it? Send your tips, energy gossip and comments to 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).

GOTTA LOOK AT THE DATE: A draft version of the grid study sought by Energy Secretary Rick Perry says that renewable power doesn't threaten the power network's reliability, [Bloomberg](#) reported Friday evening. Perry called for the study in April, and has said he wanted to see if Washington's policies or federal tax policy were pushing baseload power generation - like coal-fired plants - in retirement prematurely. Renewable power advocates have feared that Perry would slant the report and use it to justify efforts to support coal plants. "The power system is more reliable today due to better planning, market discipline, and better operating rules and standards," the July draft says.

But a DOE spokeswoman said a draft of the study is outdated, and none of the phrases that [Bloomberg](#) cited were in the current version. Those draft findings are now under review by DOE leadership and the final product may come out as soon as this week.

MOVING MORE SPENDING PACKAGES: Congress takes another crack at advancing spending measures this week with the full House Appropriations Committee [marking up](#) its Interior and EPA package Tuesday at 10:30 a.m. Across the way, a Senate Appropriations subpanel [inks up](#) its Energy and Water package Tuesday at 2:30 p.m. ahead of full committee consideration Thursday at 10:30 a.m.

CAP AND TRADE'S CRUCIAL DAY IN CALI: Lawmakers in California are slated today to cast their votes on whether to extend California's cap and trade program through 2030. The Business Council for Sustainable Energy sent [a letter](#) Friday endorsing the extension and urging the legislature to "swiftly act" on the measure. But a number of major environmental advocates voiced opposition, arguing the measure gave too many concessions to the oil industry. "California can do better," Masada Disenhouse with 350.org said in a statement. "This plan has Big Oil's fingerprints all over it and doesn't do enough to protect vulnerable communities or to achieve California's ambitious targets for reducing carbon pollution." The Los Angeles Times has a good look at the state-of-play on the bill [here](#).

FORMER SUZUKI EMPLOYEE GUILTY OF MISLEADING EPA: Wayne Powell, a former Suzuki analyst, pled guilty to submitting false reports on vehicle emissions to EPA and therefore enabling thousands of violations of the Clean Air Act on model year 2012 motorcycles, DOJ [announced](#). He faces up to two years in prison and a maximum fine of \$250,000.

ZINKE VISITS ANOTHER MONUMENT: After taking two monuments off his review list, Interior Secretary Ryan Zinke [headed to](#) Oregon on a beautiful Saturday to look at the Cascade Siskiyou National Monument. He [hiked with BLM](#) employees and met with advocates of keeping the monument, [huddled with snowmobile industry peeps](#) and [talked with timber industry representatives](#). Energy and Commerce Committee Chairman Greg Walden [hosted](#). Both of the state's Democratic senators - [Ron Wyden](#) and [Jeff Merkley](#) - have staunchly opposed altering the

monument. On Sunday, Zinke's Twitter [feed](#) included posts about meeting with [Oregon Gov. Kate Brown](#) and references to his "[delish burrito](#)" for lunch.

EDF ADS HIT PRUITT! EDF Action is launching a million dollar ad campaign targeting House GOP lawmakers for not combating deep cuts to EPA's budget. Targets include: [Martha McSally](#), [Mike Coffman](#), [Jason Lewis](#), [Barbara Comstock](#), [David Valadao](#), [Mark Amodei](#), [Ann Wagner](#), [Mario Diaz-Balart](#), [Tom Rooney](#) and [Ken Calvert](#). Watch the ads [here](#) and [here](#).

WHO KNOWS! French President Emmanuel Macron told a French newspaper Sunday he thinks he may have swayed Trump into returning to the Paris accord in the months ahead, according to [Reuters](#). "(Trump) told me that he would try to find a solution in the coming months," Macron told Le Journal du Dimanche. "We spoke in detail about the things that could make him come back to the Paris accord." But Trump's Homeland Security Adviser Tom Bossert said the topic of climate change was not a major topic of conversation or awkward subject. "We didn't discuss any climate issues in the extended bilateral conversation that I attended," Bossert told reporters on Air Force One. "And the topic didn't chill or affect or any way come up verbally or through nonverbal cues in our conversations."

ILLINOIS JUDGE SIDES WITH NUCLEAR: The nuclear power industry racked up a legal win on Friday when a district court judge in Illinois [agreed to dismiss](#) a lawsuit against the state's zero-emissions credit program lawmakers passed last year. The program - estimated to cost consumers \$235 million a year over ten years - was created to prop up two money-losing nuclear plants Exelon Corp. threatened to close, which drew multifaceted challenges from consumers and non-nuclear electricity generators in the region. But District Judge Manish Shah said that it wasn't the judiciary's role to instruct state regulators how to tailor their program for state-federal balance, and left the matter in the hands of FERC, despite its lack of a leadership quorum. Shah noted that complaints about the program were filed with FERC several months ago but, in a footnote, stated "FERC's current paralysis does not change the structural limitations on judicial power." Given how big a threat other power generators view the program, expect this to go up to the 7th Circuit Court of Appeals.

**** A message from Growth Energy:** Americans deserve cleaner, more consistent fuel choices at the pump, and Growth Energy is leading efforts to make that a reality. The Consumer and Fuel Retailer Choice Act is a simple fix that will improve air quality, lower prices at the pump, and spur innovations in biofuels. [Learn more.](#) **

WHAT'S NEXT FOR METHANE RULE? After federal appeals judges placed a stay of EPA's methane rule back on for two weeks, the agency has a couple of options, Pro's Alex Guillén reports in [Energy Regulation Watch](#). It could seek a rehearing before the original three judges, though at least one judge would have to change their mind, or the agency could try for an en banc review, but that process takes a while.

Arguably more important is what the court's decision signals for other efforts to roll back Obama-era rules. Each case has slightly different legal arguments depending on the statute and how exactly the agency is going about a delay, but the D.C. Circuit's ruling is warning sign to Pruitt that he won't coast by in court challenges to their actions.

MAIL CALL! GROUP OUTLINE TAX REFORM PRIORITIES: The Hearth, Patio & Barbecue Association released Friday a brief letter to the Senate Finance Committee outlining their priorities as tax reform advances. Link [here](#).

REPORT: HOW TO ADJUST TO A BRAVE NEW GRID: Former FERC Commissioner Tony Clark is out with a [white paper](#) this morning with how suggestions for states in various electricity markets can adjust to new goals many states have including fuel diversity, security, green energy and job creation. "To the degree policy makers and elected officials have moved the goal posts, it is time to consider the rational pathways forward," the paper notes.

COMING TO TOWN! Members of the American Public Power Association's Policy Makers Council are in town today through Wednesday for meetings on Capitol Hill. Among the topics they'll discuss is maintaining access for public power companies to bonds, building partnerships for grid resiliency and upcoming changes to environmental regulations.

MOVER, SHAKER! William Murray joins R Street Institute as federal energy policy manager; he comes from RealClearPolitics, where he was editor of the site's energy page for two years.

LOOKING GOOD: The Senate Environment and Public Works Committee unveiled a snazzy new, website befitting the 21st century late last week. Take a glance [here](#).

QUICK HITS

- In Chile, Many Regard Climate Change As The Greatest External Threat. [NPR](#).
- How to Invest in Oil Without Taking a Risk. [Bloomberg](#).
- France must define possible scenarios to reduce nuclear: minister. [Reuters](#).
- From \$2 Billion to Zero: A Private-Equity Fund Goes Bust in the Oil Patch. [Wall Street Journal](#).
- In Montana, federal BLM drilling permit mandate sparks debate. [Billings Gazette](#).
- Is the most powerful lobbyist in Washington losing its grip? [Washington Post](#).

THAT'S ALL FOR ME!

**** A message from Growth Energy:** The Consumer and Fuel Retailer Choice Act is a simple fix to existing, outdated Reid Vapor Pressure (RVP) limits that will improve air quality, lower prices at the pump, and spur innovation and investment in new biofuel technologies while decreasing dependence on oil. Congress can fix this outdated regulation - helping consumers, retailers & the environment - and build a better future for clean energy by supporting S. 517. [Learn more about how Growth Energy is protecting fuel choices.](#) **

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