

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: POLITICO Pro Energy
Sent: Wed 10/4/2017 9:45:44 AM
Subject: Morning Energy, presented by Chevron: Pruitt's flight, meeting habits raise eyebrows — Four EPA nominees get hearings today — Bishop sends broad letter on Zinke's travel habits

By Anthony Adragna | 10/04/2017 05:43 AM EDT

With help from Alex Guillén, Eric Wolff, Darius Dixon and Ben Lefebvre

SCRUTINY MOUNTS OF PRUITT'S HABITS: Critics of EPA Administrator Scott Pruitt increasingly see a chief who avoids contact with the broader public and distrusts even his own agency's career staff, opting instead for meetings with like-minded industry and political leaders that could prove useful in a future political run, Pro's Emily Holden and Alex Guillén [report](#). The Trump administration doesn't consider Pruitt's \$58,000 in charter and military flight expenses to be as troubling as former HHS Secretary Tom Price's and now consider the controversy resolved after Price's [resignation](#) last week, one administration official said.

Environmentalists and other critics say Pruitt's spending is at best tone-deaf given agency budget reductions and at worst speaks to paranoia. Christine Todd Whitman, a Republican who ran EPA during President George W. Bush's first term, said she recalls taking chartered planes only while visiting remote areas of Alaska that were otherwise inaccessible. "Most people have to wait in line for a long time for planes," Whitman said. "The fact that you just turn around and order a private plane ... that starts to look really problematic. It's a lot of money." The agency said the flights were all cleared by ethics officials and say Pruitt's unprecedented around-the-clock security protection is necessary given increased threats.

Others point to who he met with as especially revealing. An analysis of Pruitt's broader schedule shows he's met most often with oil and gas executives, followed by agriculture and farming interests. And the former Oklahoma attorney general has paid especially close attention to his home state. Of at least 30 meetings or speaking engagements Pruitt had with oil and gas executives or trade groups, seven appear to have connections to Oklahoma. He's also spoken at events or held calls with right-wing policy groups that spend little of their time on environmental issues, such as the Family Research Council, Council for National Policy, State Policy Network and Federalist Society.

PRUITT LIEUTENANTS HOP ONTO HOTSEAT: Sparks are guaranteed to fly as Senate Environment and Public Works Committee hears from four EPA nominees and an NRC candidate today. Expect Democrats to pay close attention to William Wehrum, the EPA air nominee, and his long history as an industry attorney, the same issue that kept him from this post in the pre-nuclear option George W. Bush era. Since leaving EPA a decade ago, Wehrum's [client list](#) is a who's who of industry groups, including the American Petroleum Institute, American Fuel & Petrochemical Manufacturers and the Utility Air Regulatory Group. Wehrum just last week helped industry groups challenge OSHA's silica rule in court — though the judges [indicated](#) they weren't buying his arguments that the agency had failed to prove new health benefits.

Heavy focus expected on Dourson: The other nominee likely to face heat is Michael Dourson, nominee for EPA chemicals and pesticides chief. The job will be vital as EPA works to implement the reformed Toxic Substances Control Act. Critics were also incensed when Pruitt earlier this year rejected agency scientists' suggestion to ban the pesticide chlorpyrifos. Dourson's work as an independent toxicologist often concluded that safe levels of various chemicals and pesticides were significantly higher than the findings of government and university scientists. Dourson is also the author of a series of self-described "science-Bible stories."

Also slated to attend: Matt Leopold, the nominee for EPA general counsel, and David Ross, the pick to run EPA's water office. Leopold is a Florida lawyer who was previously the Florida Department of Environmental Protection's general counsel. Ross heads the Wisconsin Department of Justice's Environmental Protection Unit and previously helped challenge the Obama administration's WOTUS rule, which EPA is working to repeal and replace. Joining the EPA nominees is Democrat Jeff Baran, who is up for renomination to the NRC through 2023.

If you go: Chairman John Barrasso will gavel in the hearing at 10 a.m. in Dirksen 406.

WHAT ABOUT THE BOSS?: Pruitt himself hasn't been to an EPW hearing since he was confirmed in February, and the committee's top Democrat Tom Carper is out of patience. "It's almost nine months into the administration and we're still waiting for the head of EPA to come in and defend the administration's budget for EPA, which is appalling," Carper told ME.

The House Energy and Commerce Committee has never heard from Pruitt in a public hearing, though it is traditional for the EPA boss to testify there at least once a year. Illinois Republican John Shimkus, who chairs the E&C environment subcommittee, says a visit is overdue, especially in light of the heightened scrutiny of his spending. Shimkus said he thinks Cabinet officials should fly commercial, just like members of Congress do. "We're also stewards of taxpayers' dollars and these agencies, we're asking them to do more with less," Shimkus told ME Tuesday. "It probably would have been better had he come earlier than later."

WELCOME TO WEDNESDAY! I'm your host Anthony Adragna, and the Joyce Foundation's Ed Miller first identified Rep. Fred Grandy, aka Gopher from *The Love Boat*, as the Iowa congressman. For today: Who did Nancy Pelosi succeed when she first won election to Congress in 1987? 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).

ADMINISTRATION PICKS ARMY CORPS CHIEF: Trump announced late Tuesday his choice of R.D. James to lead the Army Corps of Engineers. He's previously served on the Mississippi River Commission where he's provided water resources advice to several administrations and Congress. James has also served as president of the Southern Cotton Ginners Association. Among other responsibilities, James would have a major role as the Trump administration revamps the Waters of the U.S. regulation. An April report made it sound like James was lukewarm on taking the post: "I'm a country boy, and I can't imagine living up there, but, if chosen, I will, and I will do my very best."

TRUMP STRIKES HARSH TONE IN PUERTO RICO: Visiting the devastated island of Puerto Rico Tuesday, President Donald Trump warned the island's millions of residents — many of whom have been told not to expect electricity or potable drinking water for months — they had "thrown our budget a little out of whack because we've spent a lot of money on Puerto Rico" and avoided a "real catastrophe" like Hurricane Katrina. As POLITICO's Matthew Nussbaum and Nolan D. McCaskill [note](#), Trump maintained his boasts about a wildly successful response effort that hasn't matched the reality of the hurricane-ravaged island.

At a stop later in the day Trump insisted residents didn't need flashlights (it's unclear what he meant) even though 95 percent of the island lacks electricity. "The power grid, honestly, was devastated before the hurricanes even hit. And then the hurricanes hit and they wiped them out," Trump said, as he repeatedly seemed to blame the island for its poor infrastructure and financial situation. Joining him on the trip were Pruitt and Energy Secretary Rick Perry.

POLITICO's Burgess Everett and Seung Min Kim [report](#) the administration will today ask for \$13 billion in hurricane recovery funding, \$16 billion in flood insurance relief and more than \$500 million for wildfires with congressional consideration likely in mid- to late-October.

BISHOP PROBES YEARS OF NON-COMMERCIAL TRAVEL: House Natural Resources Chairman [Rob Bishop](#) and Rep. [Bruce Westerman](#) sent a [letter](#) to Interior Secretary Ryan Zinke Tuesday asking for all records of non-commercial travel by the Interior secretary since the start of the Obama administration, as well as copies of department policies on the matter. "When partisan opportunists conflate diligent conformance to scandal, no one wins," they wrote. "Let's get all facts on the table, ensure taxpayers are protected and proceed with the peoples' business."

More questions raised for Zinke: A group of 26 House Democrats, led by [Nanette Barragan](#) and [Don Beyer](#), asked Zinke in a Tuesday [letter](#) to immediately disclose all details of his use of charter aircraft.

Zinke doesn't plan to repay the government for his charter flights, the Associated Press [reports](#).

NUCLEAR WASTE BILL ON ICE — FOR NOW: Shimkus said plans to bring a [committee-passed](#) nuclear waste package, [H.R. 3053 \(115\)](#), to the House floor are on hold for now as Nevada lawmakers, some of the most vocal opponents of the measure, deal with Sunday's massacre. "In light of the tragedy, there's no desire to move quickly," he said.

BISHOP: SILENCER CONTROVERSY 'SILLY': Delaying a broad sportsmen's package over language loosening gun silencer restrictions amid the response to the Las Vegas tragedy would be silly, Bishop told reporters. As your ME host [reports](#), Bishop added: "If that's a hang-up, that's sad that that's a hang-up." GOP sources have previously indicated the SHARE Act, [H.R. 3668 \(115\)](#), likely won't come to the floor anytime soon after the shooting that killed 59 people and injured hundreds others.

COAL, NUCLEAR CAUTIOUSLY BACK PERRY'S PLAN: Representatives of the coal and nuclear industries offered qualified support before a House Energy and Commerce subcommittee for Perry's plan to extend their plants a lifeline through FERC, Pro's Darius Dixon [reports](#).

Nuclear Energy Institute CEO Maria Korsnick voiced support for an extended public comment period while Paul Bailey, who heads the American Coalition for Clean Coal Electricity, said he'd back the proposal if forced to answer yes or no with "a huge caveat [that] we're still looking at it."

Lotsa wiggle room: FERC General Counsel James Danly told Senate lawmakers Tuesday the commission intends to act on DOE's resiliency pricing rulemaking proposal within the 60 days outlined by Perry, but he left plenty of room to tease out what that might look like, Pro's Darius Dixon [reports](#).

Not giving up: Three new groups — the Energy Storage Association, the American Biogas Council, and the Business Council for Sustainable Energy — have [linked arms](#) with the other 11 energy groups asking DOE and FERC to slow down. The groups were spooked by FERC's decision on Monday to take comments on DOE's proposal even before the rulemaking was published but it's unclear how the processes will mesh. They have asked FERC to respond by Friday to their request for an extended comment period and technical conference.

**** A message from Chevron:** Advanced technology is helping us find safer ways to deliver energy. We're piloting a program that uses drones to monitor tanks and pipelines. Watch the video: <http://politi.co/2xO60oe> **

GREENS PLAN SUIT OVER MISSED OZONE DEADLINE: A group of 10 environmental groups said Tuesday they [plan to sue](#) Pruitt after he missed a deadline to decide which parts of the U.S. do or do not meet the 2015 ozone standard, Pro's Alex Guillén [reports](#). In response, an agency spokesman told ME: "The agency is continuing to work closely with the states to work through the designations process for the 2015 ozone standard."

SEIA GOES TO THE WHITE HOUSE: The Solar Energy Industries Association has a meeting today at the White House with presidential aides and staff from DOE, USTR and other cabinet agencies, Abigail Ross Hopper from the Solar Energy Industries Association said Tuesday. SEIA is trying to ward off tariffs on imported solar panels that will ultimately be decided by the president. The group would not specify who they'd be meeting with. "We are speaking with all of those folks who have a seat at the table and will help advise the president what the right decision is," Hopper said. "This is a conversation about American jobs, American blue collar jobs from many of the states that voted for our president."

LET'S GET TOGETHER, ROYALLY: Interior convenes the initial meeting of its new Royalty Policy Commission today. Counselor to the Secretary for Energy Policy Vincent DeVito will chair the commission, which he said will help with "looking at financial elements [at Interior] that have not been looked at in quite some time." The department [caught flak](#) earlier this year for stacking the commission with industry representatives but failing to fill slots reserved for public interest groups. NGOs said they will provide public comments, however, with The Wilderness Society set to ask Interior to increase royalty rates for oil and gas developed on public land from the current 12.5 percent. "Remarkably, for oil and gas, this rate has not changed since the 1920s," TWS said in [prepared remarks](#) seen by ME.

MORE JOBS AT MANCHIN FROM BLANKENSHIP: Former West Virginia coal executive Don Blankenship released [an ad](#) Tuesday attempting to link Sen. [Joe Manchin](#) to both the Benghazi consulate attack and the deaths at Upper Big Branch Mine, Campaign Pro's Kevin Robillard [reports](#). The spot, airing on state television, provocatively asks: "Does Manchin have blood on his hands?" Blankenship, who served a year in prison for conspiring to violate mine safety standards, has previously mused about challenging Manchin for his Senate seat as a Republican.

MURRAY JOBS SUIT REACHES SUPREME COURT: Coal producer Murray Energy [asked](#) the Supreme Court Tuesday to conclude Section 321(a) of the Clean Air Act requires EPA to produce a detailed study of its effects on coal jobs, Pro's Alex Guillén [reports](#). A federal appeals court said that study represents a discretionary duty after a district court judge originally called it a mandatory one. But keep your expectations in check: It'll likely take the administration months to respond and there's no guarantee SCOTUS will ultimately hear the appeal.

AHEAD OF THE CLASS: Solar energy capacity in 2016 was 4,500 percent higher than the government thought it would be 10 years earlier, and wind supply is 350 percent above projections, the Natural Resources Defense Council finds in [a report](#) out Tuesday. "When you look at how clean energy development has exploded beyond official government projections from just 10 years ago, it offers hope that its potential will continue to far surpass expectations and we'll meet our U.S. climate goals," Amanda Levin, co-author of the report, said.

CEI SUES FOR PARIS DOCUMENTS: The Competitive Enterprise Institute filed [a lawsuit](#) Tuesday seeking emails and text messages concerning the communications of three former Obama-era State Department officials in the lead up to the Paris climate agreement being reached. In particular, the lawsuit seeks records related to Todd Stern and Sue Biniaz's communications with officials at NRDC and the World Wildlife Fund.

LAWSUIT FILED OVER ADVISORY BOARD RECORDS: The Center for Biological Diversity filed a lawsuit Tuesday seeking NOAA records concerning its decision to end a federal climate change advisory panel — Advisory Committee for the Sustained National Climate Assessment — over the summer. Copy of the filing [here](#).

MOVERS, SHAKERS: State Energy & Environmental Impact Center at NYU School of Law, which aims to help state attorneys general fight Trump environmental rollbacks, today announced the additions of **Elizabeth Klein** as deputy director and **Chris Moyer** as communications director. Klein was most recently Interior's associate deputy secretary under the Obama administration and Moyer was most recently deputy communications director for California Attorney General Xavier Becerra.

Former FERC Commissioner Colette Honorable has joined the Bipartisan Policy Center as a senior fellow.

QUICK HITS

— EPA Asks Drillers and Miners for Advice on Regulating Them. [Bloomberg](#).

- Pipeline wins federal OK to carry hazardous liquids across Kentucky. [Lexington Herald-Leader](#).
- Former DEP official tapped to lead EPA regional office. [State Impact](#).
- 'The new OPEC bromance': How Saudi Arabia and Russia are bonding over oil. [CNBC](#).
- Coal-state lawmakers introduce bill to shore up pensions for miners. [Washington Examiner](#).
- Miles of Algae Covering Lake Erie. [New York Times](#).

HAPPENING TODAY

9:00 a.m. — Rob Bishop addresses Heritage Foundation on Antiquities Act, Heritage Foundation, 214 Massachusetts Ave. NE

9:30 a.m. — Natural Gas Supply Association holds its winter outlook media briefing for 2017-2018, RSVP: hinson.peters@ngsa.org

10:00 a.m. — Full committee [markup](#) on various bills, House Natural Resources Committee, Longworth 1334

10:00 a.m. — Senate Environment and Public Works Committee holds [hearing](#) on various EPA, NRC nominees, Dirksen 406

10:00 a.m. — "[Air Quality Impacts of Wildfires: Perspectives of Key Stakeholders](#)," House Energy and Commerce Environment Subcommittee, Rayburn 2123

12:45 p.m. — House Natural Resources Chairman Rob Bishop holds a press call to discuss emergency response efforts in hurricane-impacted U.S. Territories, RSVP: molly.block@mail.house.gov

2:00 p.m. — House Natural Resources Subcommittee on Indian, Insular and Alaska Native Affairs holds legislative [hearing](#) on three bills, Longworth 1334

3:00 p.m. — House Natural Resources Committee holds members forum to discuss rescue and recovery in Puerto Rico and the U.S. Virgin Islands, location: TBD

3:00 p.m. — Senate HELP Committee holds [hearing](#) on mine safety nominee, Dirksen 430

THAT'S ALL FOR ME!

**** A message from Chevron:** Advanced technology is helping us find better and safer ways to deliver energy to America. We're piloting a program that uses drones, HD imaging, and thermal mapping capabilities to monitor Chevron wells, tanks, and miles of pipeline. Watch the video:

<http://politi.co/2xO60oe> **

To view online:

<https://www.politicopro.com/tipsheets/morning-energy/2017/10/pruitts-flight-meeting-habits-raise-eyebrows-024898>

Stories from POLITICO Pro

Pruitt critics see political motives in flights and meetings [Back](#)

By Emily Holden and Alex Guillén | 10/03/2017 07:02 PM EDT

EPA Administrator Scott Pruitt is facing growing political blowback about his taxpayer-funded spending and meetings with industry allies, with critics seizing on his expensive flights, \$25,000 soundproof phone booth and 18-person security detail just days after lavish travel costs brought down former HHS Secretary Tom Price.

The travel expenses drawing the most scrutiny for Pruitt — \$58,000 at last count — don't come close to the more than \$1 million that taxpayers had spent to fly Price on private and government planes since May. But to his detractors, the EPA chief's spending on charter and government flights, eavesdropper protection and round-the-clock security point to an administrator who avoids contact with the broader public and distrusts even his own agency's career staff.

Instead, according to multiple interviews and POLITICO's review of agency travel records, Pruitt spends much of his time meeting with like-minded industry and political leaders — the kind of people who could back him in a future political campaign — but meets relatively seldom with environment and public health groups that oppose President Donald Trump's policies.

Pruitt, who spent six years as Oklahoma's elected attorney general, is already facing an EPA [inspector general investigation](#) for taking at least 10 [commercial flights](#) in March, April and May to his home state, where he is widely seen as a [potential candidate](#) for U.S. senator in 2020. Since then, he's been back to Oklahoma several times, including to meet with oil and gas companies and state political leaders and participate in media interviews, according to his published schedule.

Agency records released in the past week show that he has also spent tens-of-thousands of dollars on four private or government flights, including more than \$36,000 to travel on an Air Force plane from Cincinnati to New York in June. House Democrats have asked the inspector general to review those as well. Senate Judiciary Chairman [Chuck Grassley](#) (R-Iowa) also cited some of Pruitt's travels last week in a letter urging Trump to rein in Cabinet spending.

The White House has taken note of the negative news coverage surrounding Pruitt's travels but doesn't consider his expenses to be as troubling as Price's, one administration official told POLITICO on Tuesday. Administration officials have said they consider the travel-expense controversy to have been resolved by Price's departure, which was quickly followed by an [order](#) requiring Cabinet officials to get chief of staff John Kelly's approval for almost any trips on

chartered or government planes.

But environmentalists and other critics say the records raise questions about Pruitt's priorities.

Pruitt "has traveled extensively and spent an inordinate amount of time in Oklahoma, which begs the question of whether or not he's laying the groundwork for a campaign," said Tiernan Sittenfeld, senior vice president of government affairs at the League of Conservation Voters.

Pruitt's staff has defended all his trips, and has said the four non-commercial flights were approved by ethics officials and were necessary for him to make it to key meetings.

But Christine Todd Whitman, a Republican who ran EPA during President George W. Bush's first term, said she recalls taking chartered planes only while visiting remote areas of Alaska that were otherwise inaccessible.

"Most people have to wait in line for a long time for planes," Whitman said. "The fact that you just turn around and order a private plane ... that starts to look really problematic. It's a lot of money."

Whitman said Pruitt's other expenses are troubling, too. The agency already had a secure enclosure where people can talk and use the phone protected from eavesdropping — but, as *The Washington Post* [reported last week](#), EPA is spending nearly \$25,000 to install a customized private phone booth that is outfitted against eavesdropping inside his office at DC's Federal Triangle.

Whitman said she "can't imagine what the reasoning is behind this, except the paranoia."

One current EPA employee, who requested anonymity to discuss internal agency affairs without authorization, told POLITICO that it's difficult for anyone outside Pruitt's office to hear someone speaking inside. A few hand-picked administrative staffers work outside the office's thick wooden doors, and beyond that are several unoccupied rooms, which are also guarded by security.

And Whitman said EPA administrators typically haven't needed the around-the-clock protection that Pruitt is demanding. "The problem that I have with it is not that he's getting the security details but that it's at the same time they're cutting the budget of the agency," she said.

Pruitt's aides say he needs his security detail, which is far bigger than what any previous administrator had, to guard him against increased threats. On one of his trips, the agency decided that his security needs warranted chartering a private flight so that Pruitt wouldn't have to fly commercial without a bodyguard or wait for a delayed plane.

His guards were initially drawn away from other duties in EPA's enforcement office until the agency made an exception to a hiring freeze to bring on more officers.

Eric Schaeffer, executive director of the Environmental Integrity Project and a former director of

civil enforcement at EPA, called Pruitt's travel habits "arrogant" and "tone-deaf."

"What would Republicans have done if Gina McCarthy had done this?" Schaeffer said, referring to former President Barack Obama's second-term EPA chief. "They would have gone ape. And now they're not concerned."

Penn State climate researcher Michael Mann, a frequent critic of Trump's and Pruitt's environmental policies, said via email Monday that "ethical violations demand that Pruitt step down."

"And by ethical violations, I don't just mean his abuse of the public trust through frivolous personal use of government-funded private plane trips," Mann added. "I also mean the manner in which he has betrayed the citizens he is supposed to represent by endangering them through the dismantling of environmental protections built up over decades, under Democratic and Republican administrations."

Critics say they are most upset because Pruitt's spending comes amid potential budget cuts. He has indicated, for example, that he wants to end payments to Justice Department lawyers who force polluters to pay to clean up Superfund sites, The New York Times reported last week.

They say his travel records are just as telling in showing whom he chooses to meet with as EPA administrator.

His four non-commercial flights included a trip to visit with Oklahoma farmers, meetings with Republican officials in North Dakota and a tour to criticize a Colorado environmental project mishandled by the Obama administration.

In July, he flew in an Interior Department plane from Tulsa to Guymon, Okla., where he met with farmers as part of a tour highlighting his effort to withdraw an Obama administration water rule. Pruitt and his aides then continued in the plane to visit state officials in Oklahoma City. The total cost for both legs was \$14,434.50.

EPA declined to provide a more detailed schedule or a list of business leaders who were present. Spokesman Jahan Wilcox provided local news clips that report 90 farmers and ranchers from Oklahoma, Texas and Kansas attended.

In August, Pruitt toured the site of the Gold King Mine spill, a 2015 mining-waste disaster caused by EPA and its contractors, for a visit in which he said the Obama administration had "failed those who counted on them." He got there via a plane that EPA had chartered from Denver to Durango, Colo., at a cost of more than \$5,000.

The agency says Pruitt had initially traveled on a commercial flight to Denver, only to learn that his planned connection to Durango would be delayed by several hours. Individual seats were available on other commercial planes but didn't have enough space for Pruitt's bodyguard or other staff, the agency said.

In a third trip, Pruitt had lunch with North Dakota Republicans — Gov. Doug Burgum, Sen. [John Hoeven](#) and Rep. [Kevin Cramer](#) — in Fargo. He and two staffers then flew with the governor on his state plane to meet farmers and tour an energy research center that studies ways to keep the state's struggling coal industry alive. The ride cost EPA \$2,144.40, according to [The Washington Post](#). A spokesman said Pruitt needed to fly with Burgum to keep up with the governor's schedule. Driving between the two cities would have taken about an hour and a half.

The flight with the biggest price tag, \$36,068.50, was on an Air Force plane from Cincinnati to New York's John F. Kennedy International Airport on June 7. Pruitt then flew on to Rome, on what Wilcox described as a scheduled commercial flight, where he arrived several days early for a meeting with foreign environment ministers. Wilcox said Pruitt had to find a way to New York after the president invited him at the last minute to Cincinnati to promote infrastructure development.

EPA spokespeople have said they explored all other options for the Rome trip, although they did not comment on why Pruitt couldn't have flown commercially from Cincinnati to another U.S. international hub and then to Italy.

Trump's event with Pruitt was set to conclude by 2:10 p.m., according to the president's schedule. Pruitt's public schedule for the following day, June 8, didn't show any public meetings until 1 p.m., at the U.S. Embassy, and 2 p.m., with a business roundtable — which could have left time for even a lengthy international flight. Travel sites show that on a typical Wednesday, multiple options from Cincinnati to Rome would fit the time window and cost around \$3,000 per person when purchased last-minute.

On June 9, Pruitt met with officials from the Catholic Church and attended a judicial roundtable. Not until June 10 and 11 did he meet with foreign ministers, before leaving the high-profile event early to make it back for a Cabinet meeting at the White House on the morning of June 12, according to his [schedule](#). During the trip, EPA tweeted pictures of Pruitt rolling pasta and eating prosciutto with Italian environment minister Gian Luca Galletti, which critics were quick to highlight when he left ahead of schedule.

A POLITICO analysis of Pruitt's broader schedule, as shown in EPA records, demonstrate he's spent much of his time meeting with key industries, including ones back home. He's met most often with oil and gas executives, followed by agriculture and farming.

Of at least 30 meetings or speaking engagements Pruitt had with oil and gas executives or trade groups, seven appear to have connections to Oklahoma. He's spent time with executives of companies whose employees donated at least \$37,000 for his 2014 campaign to be Oklahoma attorney general, according to state campaign finance records.

For example, Pruitt met in March with representatives from Oklahoma Gas & Electric, whose executives were a major source of cash for his 2014 reelection campaign. Pruitt has also had face-to-face sit-downs with John Minge, the head of BP America, Duke Energy's Lynn Good and the boards of the National Mining Association, the American Coalition for Clean Coal Electricity, the American Petroleum Institute and American Fuel & Petrochemical Manufacturers.

Pruitt spends far more time with industry and political leaders than with environmental advocates, according to two months of calendars released under public records requests and another six months of far less detailed schedules that the agency has published.

EPA maintains a list of environmental or public health groups the agency has met with, but they do not appear officially on Pruitt's schedule.

The EPA chief has also spoken at events or held calls with right-wing policy groups that spend little of their time on environmental issues. For example, he had a call in May with the Family Research Council, a conservative group that lobbies against abortion rights and believes homosexuality is "unnatural" but has never filed comments on EPA proceedings.

In the same month, he had a speaking engagement with the Council for National Policy, which advocates for limited government and "Judeo-Christian values," and was on a call with the State Policy Network, an umbrella group for state-level conservative think tanks.

He continues to appear at events for the Federalist Society, a group that advocates for an originalist interpretation of the Constitution and has become an established gatekeeper for conservatives seeking judicial posts.

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Price resigns from HHS after facing fire for travel [Back](#)

By Dan Diamond, Rachana Pradhan and Adriel Bettelheim | 09/29/2017 04:40 PM EDT

HHS Secretary Tom Price resigned Friday in the face of multiple federal inquiries and growing criticism of his use of private and government planes for travel, at a cost to taxpayers of more than \$1 million since May.

The White House said the former seven-term Georgia congressman, 63, offered his resignation earlier in the day and that President Donald Trump had accepted it.

Price becomes the first Trump administration Cabinet secretary to step down. The White House said Trump asked Deputy Assistant Health Secretary Don Wright to serve as acting secretary of the agency, which has an annual budget \$1.15 trillion and includes the Medicare and Medicaid programs, as well as the FDA, NIH and CDC.

As late as Thursday, Price said he believed he had the president's support. But the tumult surrounding his travel became another distraction for an administration already reeling from the defeat of repeated Senate efforts to repeal Obamacare and criticism for its hurricane relief efforts in Puerto Rico.

Price ran afoul of Trump in part because his actions seemed to symbolize everything the president had inveighed against on the campaign trail by vowing to "drain the swamp." The fallout extended to the entire Cabinet Friday night when the White House announced that chief of staff John Kelly must approve almost all travel on "government-owned, rented, leased, or chartered aircraft."

Price, in his resignation letter, expressed regret that "recent events" distracted from efforts to overhaul the health care system. "In order for you to move forward without further disruption, I am officially tendering my resignation as the Secretary of Health and Human Services effective 11:59 PM on Friday," he wrote.

Senate Democrats quickly served notice they were preparing for a potential confirmation fight over Price's successor, saying the next HHS secretary must not undermine Obamacare. Under Price, the department cut the law's enrollment period in half and slashed advertising and outreach for the enrollment period starting in November.

"The next HHS secretary must follow the law when it comes to the Affordable Care Act instead of trying to sabotage it," said Senate Minority Leader Chuck Schumer.

"Tom Price's replacement needs to be focused on implementing the law as written by Congress and keeping the president's promise to bring down the high cost of prescription drugs," Senate Finance ranking Democrat Ron Wyden of Oregon said in a statement.

House Speaker Paul Ryan, a close ally, praised Price as a dedicated public servant. "His vision and hard work were vital to the House's success passing our health care legislation," Ryan said in a statement.

POLITICO revealed that Price flew at least 26 times on private aircraft at a cost of hundreds of thousands of dollars, a sharp break with his predecessors' practice. Many of Price's flights were between major cities that offered inexpensive alternatives on commercial airlines, including Nashville, Philadelphia and San Diego.

On some of those trips, Price, an orthopedic surgeon, mixed official business with leisure. He took a government-funded private jet in August to get to St. Simons Island, an exclusive Georgia resort where he and his wife own land, a day and a half before he addressed a medical conference he and his wife have long attended. In June, HHS chartered a private jet to fly Price to Nashville, where he owns a condominium and where his son resides. Price toured a medicine dispensary, spoke to a local health summit organized by a friend and had lunch with his son, an HHS official confirmed.

Price also used military aircraft for multi-national trips to Africa, Europe and Asia, at a cost of more than \$500,000 to taxpayers. The White House said it had approved those trips but not the private jets within the United States.

Price tried to defuse the controversy by promising on Thursday to reimburse the government for

the approximately \$52,000 cost of his own seat on his domestic trips. But that wasn't enough to tamp down the scandal, which had infuriated the president and prompted a bipartisan inquiry from the House Oversight Committee and separate calls for accountability from lawmakers including Republican Sen. Chuck Grassley. The inspector general of Price's own agency is reviewing if Price complied with federal travel regulations.

The White House put Cabinet officials on notice Friday that it would crack down on use of private planes, telling them chief of staff John Kelly must approve almost all travel on "government-owned, rented, leased, or chartered aircraft."

Mick Mulvaney, director of the Office of Management and Budget, sent out the memo soon after Price's resignation was made public, reminding department and agency heads that, by regulation, "Government-owned, rented, leased, or chartered aircraft should not be used for travel by Government employees except with specific justification."

The issue of Cabinet members' travel has already extended beyond Price: POLITICO reported Interior Secretary Ryan Zinke and his aides took several flights on private or military aircraft, including a \$12,000 charter plane to take him to events in his hometown in Montana and private flights in the Caribbean. Zinke dismissed the furor as a "little B.S." during a Friday appearance at the Heritage Foundation.

Price's wife, Betty, accompanied him on the military flights, while other members of the secretary's delegation flew commercially to Europe.

HHS spokeswoman Charmaine Yoest said Price reimbursed the agency for his wife's travel, but declined to elaborate.

White House officials have grouched about Price's frequent travels, with one senior White House official saying the HHS secretary was "nowhere to be found" as they mounted a last-ditch unsuccessful push to repeal Obamacare.

Congressional Democrats attacked Price for advocating spending cuts to the health agencies he oversaw and health care programs while spending taxpayer dollars on private jets. "There could not be a clearer statement of the Trump administration's priorities," Sen. Maggie Hassan (D-N.H.) said. Key Democrats overseeing health issues in Congress had formally requested that HHS's inspector general review Price's travel practices.

In June, Price defended a proposed fiscal 2018 budget for HHS that included a \$663,000 cut to the agency's \$4.9 million annual spending on travel, or roughly 15 percent. "The budgeting process is an exercise in reforming our federal programs to make sure they actually work — so they do their job and use tax dollars wisely," Price told the Senate Finance Committee on June 8.

Ethical questions dogged Price even before questions about his travel arose. During his Senate confirmation hearing to helm HHS, Price faced pointed questions about his personal investments in health care companies during his time in Congress. Democrats called on government ethics officials to investigate Price's health care stock trades, following reports that he got a sweetheart

deal from a biotech company and invested in Zimmer Biomet, a medical device-maker, just days before writing legislation that would have eased regulations on the sector.

The Senate confirmed Price by a 52-47 margin in February after he maintained full Republican support.

Price carved out a reputation as a staunch fiscal conservative during his decade-plus tenure in the House of Representatives. He generally supported reducing government spending on health care while shifting more of the financial burden onto individuals. Like most conservatives, he's supported privatizing Medicare so that seniors would receive fixed dollar amounts to buy coverage and limiting federal Medicaid spending to give states a lump sum, or block grant, and more control over how they could use it.

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Trump expected to pick Bush EPA official turned industry lawyer for agency's air office

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By Alex Guillén | 07/24/2017 10:03 AM EDT

President Donald Trump is expected to nominate Bill Wehrum, a former George W. Bush-era EPA official, to run the agency's powerful air office, according to two sources outside the administration familiar with the plans.

While Wehrum would bring critical knowledge of EPA's workings and environmental law, he also represents several high-profile industry groups in lawsuits challenging numerous Obama-era EPA regulations, meaning he may face recusal and conflict issues similar to EPA Administrator Scott Pruitt.

Wehrum served as acting assistant administrator for the Office of Air and Radiation from 2005 to 2007. Bush pulled Wehrum's formal nomination to that post after Democrats blocked him as too industry-friendly, though the new simple majority threshold on nominees likely will prevent that from happening again. Wehrum spent 2001-2005 as counsel to Jeff Holmstead, Bush's first air administrator. Holmstead [emerged](#) last month as a possible Trump pick to be EPA deputy administrator, though coal lobbyist Andrew Wheeler remains the frontrunner for that job.

In a 2013 [interview](#) with Law360, Wehrum said that despite the Supreme Court's 2007 ruling that said EPA has the authority to regulate greenhouse gases, he believes "Congress never intended the EPA to address an issue such as climate change under the Clean Air Act."

He also called for lengthening the review cycle for National Ambient Air Quality Standards beyond five years — House Republicans recently passed a bill that would stretch that to ten years — and said the Obama administration tried to shift power away from the states and toward

EPA, comments since echoed by Pruitt.

And in a 2015 Wall Street Journal [editorial](#), Wehrum said the EPA-caused Gold King mine spill highlighted how the agency "often criminalizes actions that are nothing more than accidents, many far less damaging to the environment than the Animas River disaster." That spill fouled Colorado's Animas River and downstream areas for several weeks before water quality [returned to normal](#) and the river was reopened to recreational activities.

Wehrum pointed to the 2014 chemical spill that fouled drinking water for hundreds of thousands of West Virginia residents, which led to an EPA investigation and the company's bankruptcy, as an example of "unjust" treatment.

For the last decade Wehrum has been a partner at the high-powered D.C. law firm Hunton & Williams, where he currently represents high-profile clients, including two leading oil and gas industry lobbying groups, in a number of ongoing lawsuits against EPA.

Wehrum represents the American Petroleum Institute in a challenge to EPA's methane rule for new oil and gas wells, as well as the separate legal battle over EPA Administrator Scott Pruitt's decision to stay that rule while under review, where API has defended Pruitt's stay.

He also represents either API or American Fuel & Petrochemical Manufacturers, a refinery sector group, in lawsuits over a 2015 rule limiting pollution from oil refineries; a "[regional consistency](#)" rule that governs how court rulings apply to nationwide EPA regulations; and permitting rules for Indian lands.

He represents the Utility Air Regulatory Group, a coalition that challenges EPA air regulations, in a legal challenge over an Obama-era rule meant to decrease explosions at chemical plants and other facilities. Pruitt has put that rule on hold while it is under review.

Wehrum helped the Gas Processors Association challenge two greenhouse gas reporting rules. He took an EPA boiler regulation to court on behalf of a coalition of industry groups, including the American Chemistry Council, the National Association of Manufacturers and the American Forest & Paper Association. He is challenging an EPA emissions rule for brick manufacturers on behalf of an industry group. And he represented construction interests in various lawsuits against the Labor Department, including an ongoing challenge to the Occupational Safety and Health Administration's 2016 silica exposure rule.

Wehrum did not immediately reply to a request for comment on Monday. EPA and White House spokespeople did not immediately respond to a request for comment.

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EPA nominee's case against OSHA rule draws skepticism from judges [Back](#)

By Alex Guillén | 09/26/2017 12:24 PM EDT

Federal judges seemed skeptical today of arguments made by William Wehrum, President Donald Trump's pick to head EPA's air office, against the Occupational Safety and Health Administration's silica rule.

Wehrum, an attorney at Hunton & Williams, argued on behalf of various industry groups that OSHA had not proven that lowering the silica standard would provide any significant health benefits.

"OSHA had a thumb on the scale" because it had already decided to lower the standard and had "lost objectivity," Wehrum told a three-judge panel at the D.C. Circuit Court of Appeals.

Judge David S. Tatel called Wehrum's comment "curious" and pointed to reams of data and studies OSHA used to justify the new standard.

Chief Judge Merrick Garland noted that there are some legitimate disagreements among scientists about silica's health effects — but he said the law says the regulation in such situations

should lean in favor of caution. "There's supposed to be a thumb on the scale in terms of safety," Garland said.

"We believe that skepticism is well warranted," Wehrum replied.

A Justice Department attorney defending the rule faced light questioning from the judges about OSHA's methodologies and called Wehrum's arguments about uncertainty in epidemiology "flimsy."

As air administrator, Wehrum would be charged with implementing or writing new versions of a number of health-based standards, including the 2015 ozone rule. EPA officials last week noted that Wehrum can argue against the OSHA rule since it is not an EPA regulation and is unrelated to his nomination.

WHAT'S NEXT: The D.C. Circuit will weigh Wehrum's argument along with arguments made by other attorneys on technological, economic and union issues with the silica rule. Wehrum's nomination hearing was postponed last week and has not yet been rescheduled.

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Trump brings harsh edge to Puerto Rico trip [Back](#)

By Nolan D. McCaskill and Matthew Nussbaum | 10/03/2017 05:03 AM EDT

President Donald Trump brought a jarring tone to Puerto Rico as he toured the hurricane devastation Tuesday, appearing to blame the U.S. territory for having "thrown our budget a little out of whack" and complimenting officials for sustaining only 16 deaths, compared with the much higher human toll of Hurricane Katrina.

"I hate to tell you, Puerto Rico, but you've thrown our budget a little out of whack because we've spent a lot of money on Puerto Rico," Trump said as he met with local officials from the island, which declared a form of bankruptcy in May. "And that's fine."

The president also appeared to boast that the death toll in Puerto Rico pales in comparison to the more than 1,800 fatalities that followed Katrina in 2005.

"We saved a lot of lives," said Trump, who added that "every death is a horror" and broached what he called "a real catastrophe" in Katrina.

"Sixteen people versus in the thousands," the president said, overstating Katrina's death toll.

"You can be very proud of all of your people, all of our people working together," he told Gov. Ricardo Rosselló. "Sixteen versus literally thousands of people. You can be very proud. Everybody around this table and everybody watching can really be very proud of what's taken place in Puerto Rico."

A Rosselló spokesman said Tuesday night that the death toll had more than doubled, to 34, news agencies reported.

Trump landed in Puerto Rico on Tuesday after spending much of the past week boasting about a wildly successful response effort that hasn't matched the reality of the hurricane-ravaged island — and after picking a fight over the weekend with San Juan's mayor and other "political motivated ingrates" who have questioned the robustness of the federal response.

The visit came as he's attempting to be soother-in-chief for the nation after a shooting in Las Vegas left at least 59 dead on Sunday night — the first time he's had to navigate two disasters of national scope that are politically perilous for any president, but especially one prone to off-the-cuff riffs.

The Puerto Rico stop marks only the start of emotionally charged travels for Trump this week. On Wednesday, he is scheduled to travel to Las Vegas to meet with the families of victims of Sunday's massacre.

Trump struck a somber and unifying tone Monday when discussing the attack in Las Vegas. But on Tuesday, he traded the scripted and controlled setting of the Diplomatic Room for a storm-ravaged island where more than half of the residents remain without access to drinking water and only 5 percent of the island has electricity.

Throughout the day, he boasted about his administration's response and appeared to repeatedly blame Puerto Rico for its poor infrastructure and financial situation before Hurricane Maria ripped through and left a humanitarian crisis in its wake.

Early on Tuesday, Trump extended praise to his officials and to Rosselló, Puerto Rico's Democratic governor. And he asked the island territory's Republican non-voting congresswoman, Jenniffer González-Colón, to repeat past accolades of the administration's response for the television cameras.

"He's not even from my party, and he started right at the beginning appreciating what we did," Trump said of Rosselló. "Right from the beginning this governor did not play politics. He didn't play it at all. He was saying it like it was, and he was giving us the highest grades. And on behalf of our country, I wanna thank you."

Trump, however, sought to have the plaudits reciprocated, noting that he watched González-Colón say "such nice things about all of the people that have worked so hard" the other day and asking her to repeat her compliments.

"Jenniffer, do you think you can say a little bit [of] what you said about us today?" Trump asked. "And it's not about me. It's about these incredible people, from the military to FEMA to first responders. I mean, I've never seen people working so hard in my life. Perhaps you could say, congresswoman?"

Cameras captured the president engaging in a conversation with a hurricane victim, asking

multiple questions and commending public officials in closing, but also telling another group of victims impacted by the storm to "have a good time."

The pool of reporters accompanying the president described a pair of basketball-related exchanges. Trump asked a teenager whether he played basketball and was going to the NBA. After handing out bags of rice at a church, Trump began tossing paper towels into the crowd — mimicking the motions of a jump shot.

In later remarks Tuesday — as the president handed out flashlights — Trump insisted Puerto Ricans don't need flashlights, though much of the territory is still without power, as he acknowledged to reporters just minutes prior.

"The power grid, honestly, was devastated before the hurricanes even hit. And then the hurricanes hit and they wiped them out," Trump said. "A lot of generators have been already brought to the island. Most of the hospitals are open — or at least partially open. But most of them now are open. And, again, the job that's been done here is really nothing short of a miracle. It's been incredible."

Trump has courted controversy by blasting on Twitter the "poor leadership ability" of Puerto Rican officials, who he said "want everything to be done for them." Trump had also said the island's leaders "are not able to get their workers to help," and he accused Carmen Yulín Cruz, the Democratic mayor of San Juan — who repeatedly slammed the Trump administration's response to Hurricane Maria — of trying to score partisan political points by criticizing him.

"We have done a great job with the almost impossible situation in Puerto Rico. Outside of the Fake News or politically motivated ingrates," Trump tweeted on Sunday.

All the while, he's kept up an upbeat tone about the response. He told reporters in the Oval Office on Monday that it's "amazing what's been done in a very short period of time." He added: "There's never been a piece of land that we've known that was so devastated."

Other officials have echoed his attitude. "The federal government is doing everything within our powers and capabilities to first focus on the life-sustaining and life-saving measures as well as on the rebuilding process," press secretary Sarah Huckabee Sanders told reporters on Monday.

But Trump's comments on Tuesday at times distracted from his administration's response efforts, with Cruz, the San Juan mayor, freshly criticizing the president for his comments about Puerto Rico's impact on the U.S. budget.

"It goes to prove the lack of sensibility," she told CNN in an interview.

Colin Wilhelm contributed to this report.

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White House seeking \$29 billion more in disaster assistance [Back](#)

By Burgess Everett and Seung Min Kim | 10/03/2017 08:54 PM EDT

The Trump administration is expected to request about \$29 billion in disaster assistance on Wednesday, according to three sources familiar with the matter.

The administration is expected to ask Congress to deliver nearly \$13 billion in funding for recovery from hurricanes that struck Puerto Rico and other parts of the United States, \$16 billion in flood insurance relief, and more than \$500 million for wildfires, the source said. Congress is expected to consider the package in mid- to late-October.

The figures were first reported by the Associated Press. The nearly \$13 billion in FEMA funding is estimated to last through Dec. 31, one source said, although the government has been spending disaster money more quickly than expected because of the recent spate of hurricanes.

Congress previously approved more than \$15 billion in disaster assistance for hurricanes in Texas and Florida in September.

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Nuclear waste bill clears House committee with bipartisan backing [Back](#)

By Darius Dixon | 06/28/2017 12:05 PM EDT

The House Energy and Commerce Committee approved nuclear waste reform legislation this morning on a bipartisan 49-4 vote, facing only a handful of Democratic holdouts.

The bill, H.R. 3053, sponsored by E&C Environment Subcommittee Chairman [John Shimkus](#), would make the first changes in 30 years to the Nuclear Waste Policy Act, which names Yucca Mountain as the nation's sole waste repository.

The committee agreed to a compromise [manager's amendment](#) that would let DOE open one interim storage facility while regulators continue to work on a permanent repository. That eliminated most of the [Democratic objections](#) to a draft version of the bill that would have barred such work until the Nuclear Regulatory Commission issued a decision on Yucca Mountain.

Yucca Mountain supporters have been concerned that a storage site would take the pressure off of approving a repository. Meanwhile, lawmakers have been anxious to move the waste building up at defunct nuclear power plants in their states.

Another [bipartisan amendment](#), also approved on a voice vote, removed the bill's original language impacting Nevada's water rights and air permitting. The amendment would also increase Yucca's capacity from 70,000 metric tons to 110,000 metric tons.

The bill also authorizes payments to host states and limits work on any defense waste-only repository.

New Jersey Rep. [Frank Pallone](#), the top Democrat on E&C, said that the bill was "a delicate and difficult negotiation, but I believe we have arrived at a very good compromise."

WHAT'S NEXT: Shimkus has said he expects the bill to get a vote by the full House before the August recess, but GOP leaders have not yet scheduled floor time for the bill.

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Bishop: 'Silly' to delay sportsmen's package over silencer provision [Back](#)

By Anthony Adragna | 10/03/2017 02:26 PM EDT

House Natural Resources Chairman [Rob Bishop](#) told reporters today it would be "silly" to remove provisions in a broad sportsmen's package, [H.R. 3668 \(115\)](#), loosening restrictions on purchasing gun silencers even after the nation's worst shooting massacre in modern history.

"The suppressor part actually helps people," he said. "To remove it, you're not helping anybody out. That would be silly to do that."

He added: "If that's a hang up, that's sad that that's a hang up."

GOP sources previously [told POLITICO](#) the Las Vegas shooting would derail consideration of the Sportsmen's Heritage and Recreational Enhancement Act at least in the short term.

Bishop said he'd been told by leadership the legislation would get a floor vote "soon," but said he'd never been given a specific date. But the Utah Republican said he hadn't spoken to them about the matter this week.

"To get a floor vote for things, I would strip naked if I had to," he said.

WHAT'S NEXT: Republican sources have previously indicated the SHARE Act is unlikely to get a floor vote in the near future.

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Coal, nuclear industry leaders cautiously supportive of DOE proposal [Back](#)

By Darius Dixon | 10/03/2017 05:38 PM EDT

Coal and nuclear power industry representatives offered qualified endorsements today of the Energy Department's proposed regulation that offer their plants an economic lifeline.

Many experts are [already confused](#) about DOE's proposal to FERC, and a strange-bedfellows coalition of energy groups, including oil and renewables trade associations, has asked regulators to [slow down](#).

Testifying before a House Energy and Commerce subcommittee, Nuclear Energy Institute CEO Maria Korsnick said she'd support having another 30 days to comment on the Energy Secretary Rick Perry's plan to FERC, which gave regulators just 60 days to finalize the rule or issue an interim final rule. She said the proposal is "a good baseline but additional conversations need to be had through the rulemaking process."

Paul Bailey, who heads the American Coalition for Clean Coal Electricity, demurred when asked how long FERC should collect comments, stressing that the work "needs to be done very, very quickly." Bailey said he'd back the proposal if he was only given a yes-or-no option, but he added there was "a huge caveat [that] we're still looking at it."

Rep. [Fred Upton](#) (R-Mich.) noted that FERC often allows 180 days to comment on complex proposals.

Meanwhile, Marty Durbin, an executive with the American Petroleum Institute, which has criticized the proposal, said it was "totally inconsistent" with the grid study DOE issued in August.

John Moore, of the Natural Resources Defense Council, said he would toss the proposal "in the trash can because I don't think it meets the minimum standards of due process and the Administrative Procedures Act."

WHAT'S NEXT: FERC has asked for comments on the proposal to be submitted by Oct. 23 and for reply comments by Nov. 7. DOE has not yet published its proposal in the Federal Register, which will kick off the 60-day countdown clock.

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Official: FERC will take 'appropriate action' on DOE pricing rule within 60 days [Back](#)

By Darius Dixon | 10/03/2017 04:22 PM EDT

FERC intends to act on the Energy Department's resiliency pricing rulemaking proposal within the 60 days Energy Secretary Rick Perry directed last week, FERC General Counsel James Danly told lawmakers this afternoon. But his comments left plenty of room for interpretation.

"Right now, the commission is internally reviewing the notice of proposed rulemaking that was put forward by the secretary," Danly told members of a Senate Energy and Natural Resources subcommittee, while noting that FERC has already requested comments on the proposal.

"We're reviewing the options that are available and we are in the process of building the record by soliciting these comments and reply comments," he said. "Once they're assembled, we're going to review them and take the appropriate action within the 60-day timeframe established by the NOPR."

The law that Perry is using to initiate the rulemaking at FERC directs regulators to take "final action" within a reasonable timeframe, but it's unclear what FERC might consider a final action. Similarly, Danly's phrase "appropriate action" could represent a number decisions by FERC.

WHAT'S NEXT: FERC has asked for comments on the proposal to be submitted by Oct. 23 and for reply comments by Nov. 7. DOE has also not yet published its proposal in the Federal Register, which will kick off the 60-day countdown clock.

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Greens will sue Pruitt over missed ozone deadline [Back](#)

By Alex Guillén | 10/03/2017 05:13 PM EDT

Ten environmental groups say they plan to sue EPA Administrator Scott Pruitt for missing the Oct. 1 deadline to decide which parts of the U.S. do or do not meet the 2015 ozone standard, a critical step toward implementing the rule and curbing pollution.

"It's an outrage that Scott Pruitt just willfully ignored his legal and moral obligation to keep American communities safe from dangerous air pollution that sends children to the hospital," Matthew Gravatt of the Sierra Club said in a statement.

Pruitt earlier this year announced plans to delay the designations by one year, citing trouble with data collection from states. Following lawsuits from green groups and Democratic attorneys general, EPA reversed course and said Pruitt would work to meet the deadline. But the deadline passed this week without any word from EPA on any designations.

The underlying 2015 standard is itself under review at EPA, along with a host of other Obama-

era regulations. EPA in recent weeks also sent for White House review what appears to be a proposal setting new thresholds for which areas would have to take action to improve their air quality.

EPA on Monday had no comment on when the agency plans to issue the designations.

Groups suing include the Sierra Club, Natural Resources Defense Council, American Lung Association and National Parks Conservation Association.

WHAT'S NEXT: The Clean Air Act requires anyone suing EPA over a missed deadline to give the agency at least 60 days' notice. The lawsuit could be filed as soon as early December.

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Taxpayer advocate, Democrats see industry tilt on Zinke's royalties panel [Back](#)

By Ben Lefebvre | 09/14/2017 03:33 PM EDT

Interior Secretary Ryan Zinke has pledged to increase energy revenue from federal lands, but congressional Democrats and public watchdogs are worried the agency is putting key policy decisions about royalties in the hands of the industry.

Interior officials have said increasing drilling on federal lands would help fulfill President Donald Trump's promise to "usher in a golden age of energy dominance" — and help restore the agency's coffers back to levels seen a decade ago, when they were bolstered by oil prices that flirted with \$150 a barrel.

Now, with oil prices under \$50 a barrel, the portion of Interior's budget from those revenues has dropped to \$6.2 billion, one-quarter of where it was in during the heady market of 2008.

"I will be looking at revenue," Zinke told senators during a June budget hearing, pointing to the federal income from natural gas, oil and wind. "If you're going to operate on public land, then the public should have a say, because we are all stewards of our public lands. We want to make sure we have a fair return. That return should be transparent."

But public interest groups and Democrats say the 20-member advisory committee Zinke named to review royalty rates that oil, natural gas and coal companies pay for access to federal land and water is stocked with industry-linked members.

The committee includes five energy company representatives and six others members who hail from energy-friendly, GOP-led local governments. Critics say it lacks representatives from public interest groups or Democrats who might question whether the public is getting a fair deal from new drilling.

"We should be exploring better royalty structures," Sen. Tom Udall (D-N.M), whose state is the fifth largest oil producer in the country, said in an email. "But I'm skeptical that the royalty policy committee established by Secretary Zinke is structured to ask the most probing and balanced questions to benefit citizens." Udall plans to reintroduce his legislation, S. 2254 (108), next week that would institute royalties on gold, silver and other precious minerals currently excluded from generating royalties.

Ryan Alexander, president of public watchdog group Taxpayers for Common Sense, lauded Zinke's move to restart that commission as an opportunity to make sure taxpayers get a fair return for energy developed on public lands, but its make-up didn't give her confidence that would happen.

"There's a lot of people who know a lot of stuff on that committee," said Alexander, whose nomination to the committee was rejected by Interior. "But there isn't anyone who focuses on taxpayer interest. It is a definitely a concern that this is weighted toward the industry. We're going to be watching carefully."

Republicans have backed Zinke's exclusion of environmental and public interest groups.

"Many of these public interest groups have been driving this debate in court and so forth at the demise of our natural resource industry, and our economies and jobs in places like Montana," Sen. Steve Daines (R-Mont.) told POLITICO. "So it's time to change it up."

Interior's royalty rates dictate the percentage of the proceeds from oil, gas or other energy produced from federal lands or waters that companies must share with the government. The new committee will "provide advice to the Secretary ... on the fair market value of and on the collection of revenues derived from, the development of energy and mineral resources on Federal and Indian lands," according to the charter Zinke approved in March.

Oil production on federal lands reached an all-time high of 580 million barrels in 2016 from the surge in offshore production, according to data from the Office of Natural Resources Revenue, an overall increase of 33 percent from 2008.

Even as oil production surged, oil revenues flowing to Interior dropped to \$2.8 billion, however, the lowest point since 2005, largely because of weak market prices. U.S. oil averaged \$43.29 per barrel last year, less than half the price in 2014.

Natural gas volumes have fallen by a a third since 2008, with most of the drop because of offshore drillers' shift to more profitable oil production. And coal production on federal land fell by a third between 2008 and 2016, following electric utilities' switching to cheaper natural gas.

Interior's decisions on royalties have a major impact on state budgets. In 2016, Wyoming received \$684 million from federal leases, nearly one-quarter of the state's \$3 billion budget that year, while New Mexico got \$386 million, about 6 percent of the state's total budget.

Interior lowered the minimum royalty payments for oil and gas produced from shallow-water areas of the Gulf of Mexico that it offered in a lease in August. But that cut failed to attract companies to the area, which is largely tapped out of oil and gas from years of development, and only 10 percent of the tracts up for auction were leased.

Interior has also rolled back an Obama-era rule on assessing the value of coal from federal lands that required mining companies to use the price they sold the coal at on the open market — not to affiliate companies they may have sold it to at a steep discount. Zinke's move did away with a rule that the department estimated would increase Interior's coal royalty revenues by up to \$85 million a year, but that coal companies complained was too burdensome.

Zinke's appointments to the committee include employees of ConocoPhillips, Anadarko Petroleum and the National Ocean industries Association, a trade group representing offshore drilling companies.

He also included Matthew Adams, vice president of taxation at Cloud Peak Energy, a Wyoming-based coal company that donated \$10,000 to Zinke's PAC in 2016. Cloud Peak paid the department \$80 million in royalties last year, according to government data.

Interior Department spokeswoman Heather Swift called the commission members "eminently qualified individuals," and added that Cloud Point Energy's donation to Zinke's PAC was "absolutely not" a factor in appointing a company representative the commission.

Another member of the committee is John Sweeney, an investor relations executive at VWR Corp., a Pennsylvania-based company that provides laboratory services to the pharmaceutical, biotech, industrial and healthcare industries.

Sweeney nominated himself to the commission and was appointed because of "his education and experience in business connecting investors with developers," Swift said. Sweeney did not reply to messages seeking comment.

Swift also pointed to the native American tribes on the commission as operating some renewable energy projects. Those tribes on the board are also heavily invested in oil, gas and coal projects. The Navajo Nation, whose president Russell Begaye is on the royalty commission, runs the largest coal-fired power plant in the western United States, and Begaye wrote an op-ed in March asking for government assistance to keep plant from shutting.

Zinke promised to appoint up to four members representing "academia and public interest" groups when he announced plans for the commission, and he has stressed the importance of public oversight on royalties.

But the sole slot that was allotted in the end for a representative for the public interest went to Daniel Rusz , a coal expert from energy industry consulting group Wood MacKenzie.

Interior's Swift initially said the choice came about because "no groups identifying themselves as public interest were nominated or self-nominated." She didn't address the rejection of the

Taxpayers for Common Sense nomination, but said the group was "still permitted to attend the public meetings and the public comments are taken into consideration in decision making processes."

The commission also doesn't include any local government representatives identified as Democrats or nominated by Democratic governors. No one from Colorado or California was appointed, despite those two states producing more energy resources from federal lands than Alaska or Texas.

Gov. Steve Bullock, the Democratic head of Zinke's home state of Montana, nominated a Montana Department of Natural Resources employee who helps manage 6.2 million acres in the state that received \$23 million in royalties from Interior in 2016, though that nominee was rejected. Interior did name a Montana representative as an alternate board member in case a sitting member drops out.

Instead, Interior appointed a Clinton Carter, Alabama's Republican state finance director. Alabama received \$1.9 million in royalties from the department in 2016.

The lack of public accountability advocates on the board threatens to undermine its purpose of helping Interior increase public revenue, House Natural Resources committee ranking member [Raul Grijalva](#) (D-Ariz.) said in a [letter](#) to Zinke.

Appointing a committee dominated by the fossil fuel industry with no public interest voices does not build "greater trust and transparency," Grijalva said in his letter, adding that the committee "should not be allowed to act as a fig leaf for actions designed solely to favor the interests of drilling and mining companies."

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Convicted coal exec attacks Manchin in new ad [Back](#)

By Kevin Robillard | 10/03/2017 04:15 PM EDT

Don Blankenship, a former energy executive convicted of a misdemeanor related to the deaths of 29 coal miners in West Virginia, is paying for an inflammatory new television ad attacking Democratic Sen. [Joe Manchin](#).

The [30-second ad](#), which is airing on broadcast television in the state, starts by talking about the deaths of four Americans at the U.S. consulate in Benghazi, Libya and then links it to the deaths at Upper Big Branch Mine, which Blankenship blames on the federal government. The ad repeatedly shows Manchin side-by-side with former President Barack Obama and Democratic presidential nominee Hillary Clinton, along with captions asking: "Does Manchin have blood on his hands?"

"In 2012, four Americans were killed by terrorists in Benghazi, Libya. Many say the Obama administration hid the Benghazi truth," a male narrator says. "The truth about more killed Americans has also been hidden. In 2010, 29 Americans were killed. None of them were an ambassador, none were CIA agents, none were killed by terrorists. They were coal miners who were killed when the U.S. government reduced their mines' airflow. President Trump must be told the truth about Obama's deadliest cover-up."

The ad is the latest in a series of amateurish spots Blankenship has paid for attacking Manchin and asserting federal officials are to blame for the deaths at Upper Big Branch. The United Mine Workers of America have blasted the ads as "desperate, low-life attempt to once again shift the blame for a decade of death, destruction and despair at Massey Energy while Blankenship was CEO."

Manchin is considered a slight favorite to win reelection in a state President Donald Trump won handily. Rep. [Evan Jenkins](#) and Attorney General Patrick Morissey are competing in the Republican primary to challenge Manchin in 2018. Blankenship has previously mused about running for the seat himself as a Republican.

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Murray asks Supreme Court to force EPA study of coal job losses [Back](#)

By Alex Guillén | 10/03/2017 03:21 PM EDT

Coal producer Murray Energy has [asked](#) the Supreme Court to force EPA to study how its regulations and other actions affect coal jobs.

A federal judge in West Virginia initially sided with Murray in ruling that Section 321(a) of the Clean Air Act required EPA to produce a separate, detailed study of its effects on coal jobs, despite EPA arguments that it did so on a rolling basis as it worked on each rule.

But just days before the July 1 deadline for EPA to cough up a study going back through 2009, the 4th Circuit Court of Appeals [ruled](#) that the study is a discretionary duty, not a mandatory one open to enforcement in the courts, thus freeing EPA from having to produce the study.

Last week, Murray appealed to the Supreme Court, arguing that the 4th Circuit's ruling "creates a substantial blind spot where EPA will be left to its own devices.

"An evaluation of the job losses that have occurred and those jobs that remain under threat because of EPA's decisions will be a powerful tool in helping EPA, Congress, the States, and Plaintiffs address and correct a policy that, up until now, has been far 'too narrow a policy and a cruel one at that for workers' in the coal industry," Murray wrote.

The case is *Murray Energy v. Pruitt*, 17-478.

WHAT'S NEXT: It will likely take months for the Trump administration to reply. If the Supreme Court agrees to hear the appeal — a major question — it likely will do so next spring or fall.

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