

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: POLITICO Pro Energy
Sent: Fri 9/15/2017 9:43:03 AM
Subject: Morning Energy: Unfilled vacancies still worry GOP senators — Trump, Scott still doubt climate change post-hurricanes — EPA to reconsider coal ash regulation

By Anthony Adragna | 09/15/2017 05:41 AM EDT

With help from Alex Guillén

GOP STILL ANXIOUS OVER AGENCY VACANCIES: President Donald Trump's administration has been more active in recent weeks in formally nominating people to host of vacant energy and environmental posts throughout the federal government, but members of his party still aren't satisfied with the pace. In conversations with 10 GOP senators, most said there were still numerous vacancies hampering the president's ability to implement his agenda. Here's what a couple of them had to say:

— **John Barrasso, EPW chairman:** "The pace has picked up, and I'm encouraged by that. I still am looking forward to getting the nominations for the Bureau of Land Management, Fish & Wildlife [and] of course the National Park Service. So there are still some critical ones out there that need to come forward."

— **Shelly Moore Capito, another EPW member:** "I still think we have too many vacancies."

— **Jerry Moran, also on EPW,** said there are too many instances where senators can't find the right person at an agency because they haven't been nominated. "I'm pleased to see any movement, which we're seeing from the White House, in the nominations and I hope we can — without objections from Democrats — take up those nominations as they arrive."

— **Lisa Murkowski, Energy chairwoman,** cautioned that while the pace of names had increased recently, "we've got to get them through the whole process."

Carper raises concerns: EPW ranking member Tom Carper said in a statement EPA Administrator Scott Pruitt "must follow through with the answers he assured us he would provide during his own confirmation hearing before we move forward with additional nominees" after meeting with four nominees slated to have confirmation hearings next week. But Barrasso told ME "we're going to continue" to process nominations regardless of those concerns.

HAPPY MIDWAY POINT OF SEPTEMBER! I'm your host Anthony Adragna, and Meguire Whitney's Elizabeth K. Whitney was first to identify James K. Polk as our only speaker to ever become president. For today: What's the only current state where both senators share the same first name? 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).

TRUMP SHRUGS OFF CLIMATE LINK TO HURRICANES: After visiting Florida on Thursday, Trump told reporters aboard Air Force One he saw no link between climate change and Hurricanes Harvey and Irma, which devastated much of the southern U.S., Pro's Emily

Holden reports. "We did have two horrific storms, epic storms," he said. "But if you go back into the '30s and '40s, and you go back into the Teens, you'll see storms that were very similar and even bigger, OK?"

Scott too: Even after twice touring the storm-ravaged Florida Keys this week, Florida Gov. Rick Scott still won't say if he believes man-made climate change is real, POLITICO Florida's Marc Caputo reports. "Clearly our environment changes all the time, and whether that's cycles we're going through or whether that's man-made, I wouldn't be able to tell you which one it is," the governor (and Trump's preferred Florida Senate candidate) said.

Two Superfund sites need work: EPA officials have now examined 30 of the 90 affected Superfund sites in Florida and concluded two of them in Jacksonville — Fairfax Wood Treating and U.S. Naval Air Station Cecil Field — require follow up work due to flooding in the area.

ANOTHER EPA RULE RECONSIDERED: Pruitt has granted separate petitions of AES Puerto Rico and the Utility Solid Waste Activities Group to reconsider aspects of the agency's 2015 coal ash regulation, Pro's Alex Guillén reports. USWAG asked that pending deadlines be pushed back and called for the rule to be changed in the wake of a December 2016 law changing the enforcement scheme, while AES' petition centered on how utilities could store the residue from coal-fired power generation on site. "In light of EPA's new statutory authority, it is important that we give the existing rule a hard look and consider improvements that may help states tailor their permit programs to the needs of their states, in a way that provides greater regulatory certainty, while also ensuring that human health and the environment remain protected," Pruitt said in a statement, referring to provisions in last year's water infrastructure law.

Environmentalists bashed the decision to reopen the rule, which took almost six years to develop, as endangering human health and the environment. "This decision is a galling giveaway to industrial polluters, even by this Administration's standards of pandering to industry at the expense of the public," Earthjustice attorney Lisa Evans said in a statement. They vowed to fight moves to undermine the regulation, though Pruitt's EPA is likely to ask a federal appeals court case with oral arguments currently scheduled for Oct. 17 be put on hold while it reconsiders the rule.

MINING INDUSTRY HEADED TO TRUMP HOTEL: The National Mining Association confirmed to ME a report in The Intercept that it will host its private conference next month at the Trump International Hotel in Washington. "We evaluated information from five different venues and this was the only venue able to accommodate a group of our size and our meeting requirements on our desired dates," a spokeswoman said. Interior Secretary Ryan Zinke is slated to address the group at the hotel.

SCIENCE PANEL WANTS FACE-TO-FACE WITH PRUITT: EPA's Science Advisory Board, the influential group of scientists who weigh in on key science issues, have invited Administrator Scott Pruitt to a meeting "to share your vision of the SAB's ongoing role in providing scientific advice and to hear about your priorities for the Environmental Protection Agency," according to a letter sent this week. The meeting will "allow for a dialog on how best

the SAB can work to ensure the highest quality science supports Agency's policies and decisions," wrote SAB Chair Peter Thorne. It's not unusual for administrators to appear before the SAB on occasion; Gina McCarthy, for example, spoke to SAB in April 2016.

Elephant in the room: EPA is currently taking public comment on [132 nominees](#) for SAB. It has 48 slots, with 15 opening up at the end of the month. The current SAB is dominated by academics, but also has members from state agencies, private companies and environmental groups. Comments are due Sept. 28.

GOTTA START SOMEWHERE: The White House Council on Environmental Quality took the first step Thursday toward implementing Trump's August executive order aimed at speeding the environmental reviews of infrastructure projects with the release of a work plan, Pro's Emily Holden [reports](#). Among the steps to come: Work with other groups to create a framework for the "One Federal Decision" process, coordination to identify high-priority projects and the issuance of guidance to speed the NEPA process.

LET'S GET TOGETHER? Murkowski told reporters Trump had invited her over for lunch last Friday, but she had to bow out due to a commitment in Alaska. She viewed the invite, though, as a sign that their relationship could be productive in the aftermath of her vote against health care legislation. (She wasn't sure if it was a solo invite.) "I don't think there's a sourness," she said. "If there were, I don't think he would continue to be engaging."

PERDUE STICKING WITH CLOVIS: Agriculture Secretary Sonny Perdue voiced his enthusiastic support for Sam Clovis' nomination to be USDA's top scientist hours after Senate Agriculture Chairman [Pat Roberts](#) suggested he would leave the [fate](#) of the controversial pick to the administration, Pro Agriculture's Helena Bottemiller Evich [reports](#). "President Trump made a good choice in nominating Dr. Sam Clovis and he has my full support," Perdue said. Clovis has raised eyebrows for his climate skepticism and lack of scientific background, among other issues.

NEW YORK OPPOSES SOLAR TRADE PETITION: With just a week to go until the International Trade Commission votes on whether to slap imported solar products with steep tariffs, New York state [added its voice](#) to those opposing the petitions of Suniva and SolarWorld Americas Inc. "If the relief requested by the Petitioners were to be ultimately granted, New York State's residential, small commercial, and industrial-scale PV projects would all substantially contract or disappear," Richard Kauffman, the state's energy czar, wrote. "Rather than grow to 12,000 jobs by 2021, the industry would be able to support just half the number of jobs it supports today."

UTAH GOVERNOR: ZINKE INDICATED MONUMENT DOWNSIZING: Utah Gov. Gary Herbert [told local reporters](#) Thursday that Zinke had indicated to him that Grand Staircase-Escalante National Monument was an "abuse of the Antiquities Act" and said he thought it should be carved up "into smaller monuments — two or three." In addition, Herbert said the "indication" on Bears Ears National Monument is it will be shrunk down. The Trump administration has not said when it plans to release Zinke's recommendations publicly, though rumblings are it could come as soon as today.

ICYMI: Democrats and taxpayer advocates are concerned industry has an outsized role on the 20-member advisory committee named by Zinke to review royalty rates that oil, natural gas and coal companies pay for access to federal land and water, Pro's Ben Lefebvre [reports](#). The group includes five energy company representatives and six others members who hail from energy-friendly, GOP-led local governments, but critics say it lacks adequate public interest group or Democratic representation.

EPA TOP LAWYER NOMINEE REPRESENTED BASF, FORD, UTILITY: Matt Leopold, President Donald Trump's nominee for EPA general counsel, has represented several regulated companies in recent years, including a leading chemical manufacturer, automaker and utility, according to a [financial disclosure posted](#) by the National Law Journal. Leopold has been an attorney at the Tallahassee-based Carlton Fields since 2015, and his client roster, according to the disclosure, included chemical giant BASF, automaker Ford Motor Company and utility Florida Power & Light. Leopold also listed analysis firm Resource Environmental Solutions; Comanco Environmental Corporation, which builds containment systems; and sand miner Edgar Minerals. He was previously general counsel for the Florida Department of Environmental Protection. Leopold and other EPA nominees will get a hearing Wednesday.

WOTUS-LINKED JUDGE ADVANCES: North Dakota District Judge Ralph Erickson, who gained national attention (at least among energy watchers) when he placed the Obama administration's waters of the U.S. regulation on ice back in 2015, saw his nomination to 8th U.S. Circuit Court of Appeals advance through the Senate Judiciary Committee on Thursday. The vote was 20-0. Democrat [Heidi Heitkamp](#) praised the action as "[great news](#)" following the hearing.

REPORT: RAPID ACTION NEEDED TO ADDRESS CLIMATE CHANGE: Limiting global temperature increases to less than 2 degrees Celsius cannot be done by reducing carbon dioxide emissions alone and additional action must be taken by 2020, according to a [report and peer-reviewed paper](#) out late Thursday from 33 climate policy experts. Policymakers must also drastically reduce short-lived super climate pollutants, such as HFCs and methane, by 2020 and undertake atmospheric carbon extraction. "Scientists have many ideas about how to reduce emissions, but they all agree on the urgency of strong and decisive action to remove carbon from the economy," California Gov. Jerry Brown said in a statement about the study.

MAIL CALL! WHAT'S THE DEAL WITH THOSE EPA CUTS? Six EPW Democrats, led by Carper, asked EPA in a Thursday [letter](#) to provide additional information on its intended workforce reductions. They expressed concern that implementing the Trump's administration already proposed cuts and "further White House direction to plan for additional longer term down-sizing would damage EPA's ability to carry out its Congressionally-mandated mission to protect public health and the environment."

DEMOCRATS FIGHT WOTUS REPEAL: Twenty-one members of the Senate Democratic caucus, led by [Ben Cardin](#) and Carper, urged Pruitt and the Army Corps of Engineers in a [letter](#) released Thursday to reconsider plans to scrap the Obama administration's Waters of the U.S. regulation. "For an administration to change the definition of what constitutes a water of the

United States almost immediately upon entering office creates more, not less, regulatory uncertainty," they wrote. "We need stability and certainty for our constituents to be safe and our economy to grow."

LAWSUIT CHALLENGES EFFICIENCY ROLLBACK: Democracy Forward, representing the Natural Resources Defense Council, filed a [lawsuit](#) Thursday challenging the Trump administration's decision to stay two provisions of a January air conditioning efficiency rule. The lawsuit argues the rule had already gone into effect when DOE issued the stay and that the agency failed to adequately explain its decision.

GROUP SLAMS TRUMP'S CHEMICALS NOMINEE: The Environmental Working Group released a report today arguing Michael Dourson, Trump's nominee to run EPA's chemicals division, has "consistently fought to weaken proposals to protect our families from dangerous chemicals, including chemicals linked to cancer, brain damage and reproductive harm." Read it [here](#).

MORE SUPPORT FOR NORTHAM IN VIRGINIA: A broad array of liberal groups, including the Tom Steyer-backed Next Gen America and the Virginia League of Conservation Voters PAC, are joining forces in a \$2 million campaign to boost Democratic Lt. Gov. Ralph Northam for governor, Pro Campaign's Kevin Robillard [reports](#). The digital ads, which begin running this week through the election, aim to reach and turn out more than 1.2 million voters.

GREENS, SPORTSMEN TEAM UP: The Congressional Sportsmen's Foundation and the National Wildlife Federation have signed a memorandum of understanding in hopes of advancing wildlife conservation and access to public lands.

MOVER, SHAKER: Tracy Stone-Manning is the new associate vice president for public lands at the National Wildlife Federation. She was previously Montana Gov. Steve Bullock's chief-of-staff and before that his director of the Department of Environmental Quality.

Doug Little, an Arizona Corporation Commissioner, has accepted the position of deputy assistant secretary for intergovernmental and external affairs at DOE. "I have enjoyed serving Arizona and look forward to this tremendous opportunity to influence energy policy at the national level," he said in a statement. First elected in 2014 (more on that [here](#)), Little served as chairman of the commission last year and also joined the board of directors for the National Association of Regulatory Utility Commissioners. He starts Oct. 2.

QUICK HITS

— EPA won't release benzene levels collected post-Harvey; private tests show elevated levels. [Texas Tribune](#).

— Mexico court temporarily blocks higher ethanol in gasoline -activist. [Reuters](#).

— EPA Will Let Houston Lab's Lease Expire In 2020, Agency Says. [TPM](#).

- How to make \$240,000 in 6 months by being friends with Rick Perry. [Think Progress](#).
- Pennsylvania coal production up by 20 percent from 2016. [Tribune-Review](#).
- North Korea conflict could cripple these oil and chemical facilities. [CNBC](#).
- Floating Tar, Dead Fish: Oil Spill Threatens Greek Beaches. [New York Times](#).

HAPPENING TODAY

12:00 p.m. — "[Battery Storage and the Power Sector](#)," National Capital Area Chapter of the United States Association for Energy Economics, Carmine's, 425 7th St NW

THAT'S ALL FOR ME!

To view online:

<https://www.politicopro.com/tipsheets/morning-energy/2017/09/unfilled-vacancies-still-worry-gop-senators-024607>

Stories from POLITICO Pro

Trump on climate change: 'We've had bigger storms' [Back](#)

By Emily Holden | 09/14/2017 04:36 PM EDT

President Donald Trump on Thursday discounted any link between climate change and the intense hurricanes that ravaged Florida and the Gulf Coast while talking to reporters aboard Air Force One on his return from storm-stricken Fort Myers and Naples

"We've had bigger storms than this," Trump said when asked if the highly destructive Hurricane Harvey and record-breaking Hurricane Irma were changing his views of climate change.

Trump said storms from the 1910s, 1930s and 1940s were worse.

Members of Trump's cabinet have [repeatedly said](#) that now is not the time to talk about climate change, which is predicted to make hurricanes more intense, increase rainfall totals and put coastal communities at higher risk to storm surges as sea levels rise.

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Trump pushes Rick Scott to run for Senate during Irma recovery visit [Back](#)

By Nolan D. McCaskill | 09/14/2017 11:39 AM EDT

President Donald Trump traveled to southwest Florida with a message for the people of Fort Myers, who are recovering from Hurricane Irma: Rick Scott for Senate.

Trump, first lady Melania Trump and Vice President Mike Pence flew to Florida on Thursday morning to visit Fort Myers and Naples, two Gulf Coast cities that Irma tore through earlier this week.

Trump acknowledged the devastation in brief remarks he delivered in Fort Myers ahead of a briefing from state and local officials.

"We're gonna see some more of it now, unfortunately," he lamented.

"I have to say that your governor — where is our governor here? Rick Scott," Trump said, pausing for applause of the Republican governor. "The job he's done is incredible, and I guess I've been very lucky because, you know, you have a great governor in Texas; you have a great governor in Florida. The job that Rick has done is being talked about all over."

Trump offered more praise of Scott, who he has continued to nudge to challenge incumbent Democratic Sen. Bill Nelson in 2018, taking advantage of Thursday's backdrop of a recovering city.

"I just, again, I have to say that — what do I know? But I hope this man right here, Rick Scott, runs for the Senate," Trump said.

Scott has publicly said he is weighing a Senate run, but he has insisted that he feels little pressure to make an early decision. And Trump is unsure whether the governor ultimately will run.

"I don't know what he's gonna do, but I know that at a certain point it ends for you, and we can't let it end," Trump said. "So I hope he runs for Senate. Who knows what he's gonna do?"

Thursday marks the second time the president has publicly asked Scott to run. In June, during an announcement about Cuba regulations in Miami, Trump urged the governor to challenge Nelson.

The president helicoptered to Naples later Thursday, flying low enough to see some of the flood damage throughout the region. Irma dropped more than a foot of rain in parts of South Florida over the weekend, and Naples was hit with the storm's strongest winds — which registered at up to 142 miles per hour, according to the National Weather Service.

He spoke to homeowners and handed out handshakes and hoagies to community members.

"They're too small," the president remarked as he yanked off his thin plastic gloves and resumed shaking hands.

He asked a buff man if he was "a workout guy" and encouraged him to "keep it up." And he questioned whether one woman who was holding a small dog was a biker, noting that "the bikers

love us."

The president also shook the hand of a man who asked where former President Barack Obama was the last time the area was hit with a hurricane. "On the golf course!" the man answered.

Trump asked if the man had voted for him. "Best vote of your life?" he wondered. He then turned to the press. "Don't report that," he said, smiling. "That's good news."

The president ended his trip the same way it began: with a tweet.

"Just left Florida for D.C.," Trump announced. "The people and spirit in THAT GREAT STATE is unbelievable. Damage horrific but will be better than ever!"

Marc Caputo and Kevin Robillard contributed to this report.

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Pruitt to reconsider parts of 2015 coal ash rule [Back](#)

By Alex Guillén | 09/14/2017 04:15 PM EDT

EPA will reconsider key portions of the 2015 coal ash rule, according to a [letter](#) from Administrator Scott Pruitt to industry officials released by Earthjustice.

Two petitions were filed in May by AES Puerto Rico and the Utility Solid Waste Activities Group, an umbrella group whose members include the Edison Electric Institute, National Rural Electric Cooperative Association, American Public Power Association and more than a hundred utilities and related companies.

Pruitt's letter does not specify which parts of the rule he plans to reconsider, but both USWAG and AES identified specific issues with the regulation.

[USWAG's petition](#) asked that pending deadlines be pushed back and called for the rule to be changed in the wake of a December 2016 law changing the enforcement scheme in order to accommodate new management options based on site-specific risk analyses rather than the original "burdensome, inflexible, and often impracticable requirements." USWAG also argued that various executive orders from President Donald Trump dealing with regulations justify cracking the rule open.

[AES' petition](#) focused on requirements for how power plants store their coal ash piles before they are moved off site to be disposed of or to make products such as concrete and wallboard.

Oral arguments at the D.C. Circuit Court of Appeals over the rule are currently scheduled for

Oct. 17, but EPA is likely to ask the case be put on hold while it reconsiders the rule.

WHAT'S NEXT: Pruitt will initiate a formal reconsideration process. Any actual changes to the rule will have to go through public comment and will be open to legal challenge.

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White House outlines plan for expediting environmental reviews [Back](#)

By Emily Holden | 09/14/2017 06:12 PM EDT

The White House took its [first step](#) toward speeding environmental reviews for infrastructure projects today, with the Council on Environmental Quality releasing a work plan in response to President Donald Trump's August executive order.

CEQ in a [fact sheet](#) called the current review and permitting process "fragmented, inefficient and predictable," saying "projects often involve numerous federal agencies, overlapping statutory requirements, and duplicative or redundant processes."

The Trump administration has attacked reviews under the National Environmental Policy Act for holding up projects. In a June speech at the Department of Transportation, Trump threw binders full of highway environmental reviews on the floor, calling them "nonsense."

CEQ said the median timeline for issuing environmental impact statements is four years, but some take more than 10 years. Trump's order directs agencies to try to complete reviews within two years, issue a single decision that represents all agencies and provide permits within 90 days.

CEQ said it will:

- work with the Office of Management and Budget and Federal Permitting Improvement Steering Council to create a framework for the "One Federal Decision" process laid out in Trump's order.
- coordinate with the Council, DOT and the Army Corps of Engineers to identify high-priority projects.
- review its own regulations on implementing NEPA.
- issue guidance to speed the NEPA process.
- form an interagency working group to review regulations that may bog down reviews and permitting.

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Roberts looks to Perdue, Trump to make call on Clovis' nomination [Back](#)

By Catherine Boudreau | 09/14/2017 01:27 PM EDT

Senate Agriculture Chairman [Pat Roberts](#) said today he is leaving the fate of controversial USDA nominee Sam Clovis up to Agriculture Secretary Sonny Perdue and President Donald Trump.

Roberts told reporters today the committee will move forward "expeditiously" with Clovis' nomination to be USDA's chief scientist if "that is the desire of the secretary and the president."

Roberts said the committee hasn't received all of Clovis' paperwork, which is why a confirmation hearing has not been scheduled.

The committee has a "few outstanding asks" for publications and other materials, spokeswoman Meghan Cline told POLITICO in an email.

Clovis, the nominee for USDA undersecretary for research, education and economics, has come under fire from Democrats and environmental groups over what his opponents say is a lack of scientific experience that is required for the job, as well as his skepticism on climate change and a series of controversial past statements — which include [racially charged comments](#) about progressives and former President Barack Obama, and about federal protections for the [LGBT community](#).

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Perdue: Clovis has 'my full support' [Back](#)

By Helena Bottemiller Evich | 09/14/2017 05:39 PM EDT

Agriculture Secretary Sonny Perdue said today that his support for USDA nominee Sam Clovis hasn't wavered.

"President Trump made a good choice in nominating Dr. Sam Clovis and he has my full support," Perdue said through a spokesperson. "I look forward to his hearing, so the committee has the opportunity to get to know him personally."

The comment comes hours after Senate Agriculture Chairman [Pat Roberts](#) suggested he is

leaving the fate of the controversial nominee for USDA undersecretary for research, education and economics up to Perdue and President Donald Trump. Roberts told reporters today that the committee will move forward "expeditiously" with Clovis' nomination to be USDA's chief scientist if "that is the desire of the secretary and the president."

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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 to 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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Liberal groups pour \$2M into Virginia governor digital ads [Back](#)

By Kevin Robillard | 09/14/2017 10:00 AM EDT

A slew of liberal groups are teaming up for a \$2 million digital ad buy aiming to drive Virginia voters to the polls in November and back Democratic Lt. Gov. Ralph Northam for governor.

Planned Parenthood Votes and Planned Parenthood Virginia PAC, the Tom Steyer-backed Next Gen America, Priorities USA Action and the Virginia League of Conservation Voters PAC are all contributing hundreds of thousands of dollars to the effort, which will begin this week and run until Election Day. The ads will aim to reach and turn out more than 1.2 million voters.

"When it comes to women's health in Virginia, everything is on the line, which is why we are doubling down to elect progressive champion Ralph Northam," said Deirdre Schifeling, the executive director of Planned Parenthood Votes. "We are pushing boundaries with the most coordinated and innovative digital program we've seen on this scale. This cutting edge digital program in Virginia will set a new precedent for coordinated investment and execution of a digital media program to reach, persuade and mobilize voters in a statewide race."

Planned Parenthood's ads, the first to be released, [tout Northam](#) as a "true champion for women's health" who will fight to expand Medicaid and [attack](#) Republican gubernatorial candidate Ed

Gillespie for saying he would like "to see abortion be banned."

The groups are touting the buy as an unprecedented effort from liberal groups to coordinate their digital spending. The groups are sharing data and working together to develop messaging, voter contact timelines and dividing targeted audiences.

Democrats have often worked together to coordinate their television and mail efforts, but digital efforts have sometimes been more scattershot.

Priorities, which was the main super PAC backing Democratic presidential nominee Hillary Clinton in 2016, hopes to replicate the effort in other states with competitive races in 2018.

"For years, Democrats have worked together on TV advertising and field, but fallen behind on digital advertising. Progressives can and must work together if we are going to make electoral gains in 2017, 2018 and beyond, and this first-of-its-kind coordinated digital effort is going to provide us a blueprint moving forward," said Patrick McHugh, executive director of Priorities USA Action. "Working closely together will allow us to efficiently deliver complimentary messages using the same data and targeting to ensure we're all working toward the same shared goal without duplicating or competing efforts."

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