

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: POLITICO Pro Energy
Sent: Thur 11/2/2017 9:42:22 AM
Subject: Morning Energy: First skirmish of latest ANWR kicks off — FERC's Powelson talks grid resiliency proposal — EPW schedules Wheeler, White confirmation hearing

By Anthony Adragna | 11/02/2017 05:40 AM EDT

With help from Tim Starks

KICKSTARTING ANWR OF WORDS: Senate Energy Chairman [Lisa Murkowski](#) launches the latest push to open the Arctic National Wildlife Refuge to oil and gas drilling today with a mega three-panel hearing on the topic. Tasked with raising \$1 billion over the next decade through budgetary instructions, Murkowski's panel is expected to move forward quickly with legislation that would remove restrictions on drilling in ANWR or other currently off-limits areas.

Who's testifying? The first panel includes Alaskans Sen. [Dan Sullivan](#), Gov. Bill Walker and Rep. [Don Young](#). After that, lawmakers will hear from Lt. Gov. Byron Mallott; Greg Sheehan, acting director of the Fish & Wildlife Service and two other Alaskan officials. And the third panel includes various other interested groups, ranging from representatives of the Wilderness Society to the Arctic Slope Regional Corporation. "I want to make sure that the debate finally catches up with the technology and the high standards that exist in Alaska," Sullivan said, adding critics of ANWR drilling have been using the same "stale, old talking points" for 40 years.

What will opponents say? Led by ranking member [Maria Cantwell](#), critics of ANWR drilling are likely to argue the low price of oil makes raising \$1 billion from opening the area unlikely and that the industry has been lukewarm about Arctic exploration. "They're in a hurry for something that the industry hasn't been excited about," she told reporters. "In 50 years, she and I — even though we've worked together as good colleagues — are going to be dead and the only thing that's going to matter is whether we've preserved a place as unique as this." Sullivan, for his part, scoffs at the idea there isn't interest in drilling: "There's plenty of interest. I know that." Cantwell asked Interior Secretary Ryan Zinke in [a letter](#) Wednesday to clarify his position on ANWR drilling. She said a markup of legislation is expected next week.

What about the House? The House Natural Resources Committee, which faces the same \$1 billion revenue instructions as its Senate counterpart, is also likely to look at ANWR, Chairman [Rob Bishop](#) told ME. "ANWR by itself could give us the revenue numbers that we need," he said. "Whether we do anything more than that, I don't know." As a side note, ME saw Bishop and Ways and Means Chairman [Kevin Brady](#) energetically chatting at length on the floor during votes Wednesday.

WE'RE LEAPING INTO THURSDAY! I'm your host Anthony Adragna, and Strategies 360's Matt Gall identified Sens. [Debbie Stabenow](#) and [James Lankford](#), as well as Rep. [Joe Kennedy](#), as Congress' red heads. For today (a stretch question): There are eight current senators who served as attorneys general in their states. Name them. Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](#),

[@Morning_Energy](#), and [@POLITICOPro](#).

HE'S GOT THE... POWELSON: Rob Powelson, who joined FERC this summer, said the country's at an "inflection point" for the future of the electricity markets, and called for patience as his agency works through Energy Secretary Rick Perry's controversial grid proposal on top of other tough discussions about state energy policies. "There are a lot of moving parts to this conversation. I don't mind that there's a little bit of impatience," he tells Pro's Darius Dixon in [an interview](#). "This is an issue that has been elevated in the conversation of energy policy. I've been very direct in my position in support for markets."

States' rights guy? Powelson said it's not his job to stand in the way of states seeking to address carbon through mechanisms like the Regional Greenhouse Gas Initiative and California's cap and trade model. "If states want to want to value carbon, they should be able to do it," he said. "States have said, 'Look, in lieu of a hard price on carbon on the national level, there are mechanisms for valuing it.' And it's not my job to tell those states you can't do that."

Blame for 'polar vortex': He chaired the Pennsylvania utility commission during Hurricane Sandy in 2012 and the 2014 "polar vortex," but Powelson isn't buying DOE's line questioning the reliability of natural gas during that cold snap. "There were enough sins in there that everybody had some responsibility," he said.

Oh, and hey Congress: Powelson called for people to be patient as he and Chairman Neil Chatterjee learn the ins and outs of their new roles, but he subtly jabbed Congress for its inaction on two other FERC nominations. "If I could stress one thing, I need everybody in this town to remain calm, understand that the FERC is working hard around these issues," he told Darius. "[But] it'd be nice to have two other colleagues to be part of this conversation."

TWO MORE GET EPW HEARING: The Senate Environment and Public Works Committee plans to hold a hearing Nov. 8 on the nominations of Kathleen Hartnett White to run the White House Council on Environmental Quality and Andrew Wheeler's bid to be EPA deputy administrator, your ME host [reports](#). That comes as Pro's Alex Guillén [got his hands](#) on White's [financial disclosure form](#) which shows she owns four oil leases but appears to give away most of the income from them.

TWO HURRICANE HEARINGS ON TAP TODAY: The House Transportation Committee gets top billing for hurricane-related hearings today as it [convenes](#) top officials from FEMA, the Coast Guard, the Army Corp of Engineers and EPA to discuss "initial lessons learned from the 2017 hurricanes, and identify key challenges and obstacles that may remain in the way of recovery." Lawmakers from affected communities in Florida, Texas, the U.S. Virgin Islands and Puerto Rico will also appear.

Meanwhile, the House Energy and Commerce Energy Subcommittee [meets](#) at the same time with Army Corps, Energy, GAO, state and industry officials to discuss energy infrastructure response and recovery efforts. Look for questions about the \$300 million Whitefish Energy contract, the slow Puerto Rico recovery and ongoing disaster relief funding requests to dominate the discussion. ME would also look for lawmakers from both parties to discuss the need for

increased consideration of infrastructure resiliency when building (without mention of climate change among Republicans).

More questions for FEMA: Bipartisan House Energy and Commerce leaders sent a [letter](#) to FEMA Director Brock Long seeking information about what role his agency has played in repairing the Puerto Rican grid to date. "It would appear that the Agency, until now, was not involved in one of the most significant decisions in the effort to rebuild Puerto Rico's electrical grid," they write. "Efforts by the governor of Puerto Rico and PREPA to cancel the contract with Whitefish underscored the need for federal leadership and strategic coordination of the effort to restore Puerto Rico's electric system."

Today: Senior House Democrats, including Minority Leader [Nancy Pelosi](#) and Minority Whip [Steny Hoyer](#), hold an event "in solidarity with the people of Puerto Rico and the U.S. Virgin Islands" on the House East Front Steps at 10 a.m.

Key meetings: Gov. Ricardo Rosselló's rather eclectic set of meetings in Washington on Wednesday included Rep. [Sean Patrick Maloney](#), Sens. [Roger Wicker](#), [Orrin Hatch](#) and [Tom Carper](#), Bishop and acting Homeland Security Chief Elaine Duke.

PICTURE THIS SCENE: While riding in a bus up a mountainside over the weekend in Puerto Rico, Bishop took a "very positive" call from Trump about national monuments. Though he said Trump provided few specific details, Bishop said the president vowed to announce his final decision on whether to shrink a host of national monuments "very soon" and spoke positively about Interior Secretary Ryan Zinke's recommendations. And, Bishop said, Trump "basically agreed with us that [the Antiquities Act] has been abused and needs modification."

Oregonians fault report: Sens. [Ron Wyden](#) and [Jeff Merkley](#) sent White House Chief of Staff John Kelly a [letter](#) expressing concern about "numerous factual errors" in Zinke's report that they worry contributed to recommended diminished protections for the Cascade-Siskiyou National Monument.

Won't prejudge Whitefish cancellation: It's too soon to know whether Puerto Rico's decision to pull the plug on Whitefish Energy's \$300 million contract to rebuild the island's grid was the right call or not, Bishop told ME. "There's still strange things about it, but there has to be some reasons they did it in the first place," he said. "Procedure is obviously pretty bad because there were so many questions and transparency was not there. But whether ultimately, I don't have enough information [yet]." Natural Resources intends to continue looking into the matter.

ME TOO! Sen. [Jeff Flake](#) has also placed a hold on Bill Northey's nomination for a USDA undersecretary post in an effort to land a White House meeting over the Renewable Fuel Standard, his office says.

FOREST MANAGEMENT EFFORT PASSES: House lawmakers cleared legislation on Wednesday that backers say will address fire-borrowing, streamline environmental review processes and minimize litigation related to the U.S. Forest Service and Bureau of Land Management. The vote was 232 to 188. Critics say the measure, [H.R. 2936 \(115\)](#), would

undermine endangered species protections and impede the ability of agencies to respond to wildfires.

Meanwhile, ten Senate Democrats asked [Trump](#) and [Senate leaders](#) to include funding for wildfire disaster response in the next disaster aid package.

CRAMER: TRUMP URGED SENATE RUN: North Dakota Rep. [Kevin Cramer](#) told a radio host Wednesday that Trump called him during dinner on Halloween and "strongly, strongly encouraged" him to run against Sen. [Heidi Heitkamp](#) next year. Cramer said he'd make a decision "after we get tax reform done." Clip, flagged by American Bridge, [here](#).

MAIL CALL! HOUSE LAWMAKERS HIT BACK ON RFS: Sixty-four House lawmakers, led by Republican [Bob Goodlatte](#) and Democrat [Peter Welch](#), slammed the RFS in [a letter](#) to Pruitt as "a well-intentioned but deeply flawed policy that has negatively impacted families and businesses" around the country. They urged EPA to factor in its "significant pitfalls and costs" in future regulatory actions.

UPTON: ENBRIDGE'S RESPONSE 'ABSOLUTELY UNACCEPTABLE': Rep. [Fred Upton](#) sent a [letter](#) to Enbridge Wednesday seeking documents and a meeting with a top official concerning when the company knew of damage to Line 5 pipeline under the Straits of Mackinac. "Although Enbridge has stated that the safety of the pipeline was not compromised by the loss in coating, it is absolutely unacceptable that the people of Michigan were kept in the dark about this issue for three years," he wrote.

WHATCHA GONNA DO? Nine Senate Democrats wrote Commerce Secretary Wilbur Ross on Wednesday [asking](#) for information on what the administration plans to do with two major climate change reports — the Climate Science Special Report and the final National Climate Assessment — expected to be released in the coming days.

TAKE A GLANCE! LET'S GET RESILIENT: Joint Economic Committee Democrats released a report Wednesday arguing the federal government must adapt how it rebuilds following natural disasters to be more resilient and that every dollar spent on disaster preparedness provides almost \$4 in future benefits. Take a glance [here](#).

NOT RIGHT AROUND THE CORNER: Southern Co. CEO Tom Fanning said Wednesday increased federal loan guarantees for the Vogtle nuclear power project in Georgia won't be finalized before next spring, Pro's Darius Dixon [reports](#). "Final issuance of the additional loan guarantee is subject to the satisfaction of a number of conditions and is not expected to occur prior to the end of the first quarter of 2018," Fanning said on the company's quarterly earnings call.

FORMER EPA OFFICIAL: PRUITT POSES 'DIRE AND FUNDAMENTAL' THREAT: Former EPA Deputy Administrator Bob Sussman argues in the [latest issue](#) of Environmental Law Reporter that Pruitt poses an existential threat to the agency. "EPA's ability to maintain core protections and respond to new threats—the bread and butter of EPA's mission—is rapidly eroding and may suffer irretrievable damage if Pruitt's policies continue," he wrote.

FERC HIT BY CYBERSECURITY ATTACK: The inspector general of FERC said that a "recent security incident involving [FERC's] unclassified cybersecurity program" pointed to the need to better implement certain cyber defenses, without providing specifics about the incident. "We are concerned that certain controls may not have been in place that could have potentially prevented the incident," the IG's office said. Read the report [here](#).

NOT PLEASED: Billionaire environmentalist Tom Steyer's \$10 million campaign to impeach Trump isn't sitting well with House Minority Leader [Nancy Pelosi](#) who reached out to tell him the effort is a distraction, POLITICO's Heather Caygle [reports](#). Other Democrats agree with her view that the party should focus on showing it can govern. "I certainly don't think that that's a helpful effort," Rep. Ro Khanna said of Steyer's campaign.

TAKE A GLANCE: The U.S. Chamber's Global Energy Institute released a [series of videos](#) showcasing the energy industry's response to the recent string of hurricanes.

QUICK HITS

- First coal bankruptcy of Trump era. [CNN Money](#).
- New testimony alleges Gov. Snyder lied under oath about lead in Flint water. [WXYZ Detroit](#).
- Trump pick Sam Clovis blasted schools for 'indoctrinating' students with ideas like 'environmentalism' and 'racism.' [CNN](#).
- Sweden Pays for Trump Whistle-Blower to Attend UN Climate Talks. [Bloomberg](#).
- East Chicago residents file lawsuit over contamination. [Chicago Tribune](#).
- West Virginia again approves Mountain Valley Pipeline. [AP](#).
- Top Chamber of Commerce regulatory official to retire. [Axios](#).

HAPPENING TODAY

9:00 a.m. — "[Coastal Restoration: Will we know it when we see it?](#)" Abt Associates, Newseum, 555 Pennsylvania Ave NW

9:30 a.m. — "[Full Committee Hearing to Receive Testimony on the Potential for Oil and Gas Exploration in the 1002 Area](#)," Senate Energy and Natural Resources Committee, Dirksen 366

10:00 a.m. — "[The 2017 Hurricane Season: A Review of Emergency Response and Energy Infrastructure Recovery Efforts](#)," House Energy and Commerce Energy Subcommittee, Rayburn 2123

10:00 a.m. — "[Emergency Response and Recovery: Central Takeaways from the Unprecedented](#)

2017 Hurricane Season," House Transportation and Infrastructure Committee, Rayburn 2167

10:00 a.m. — Legislative hearing on trio of water bills, House Natural Resources Water, Power and Oceans Subcommittee, Longworth 1324

6:00 p.m. — Senator Sheldon Whitehouse speaks at American University on environmental policy, Atrium, School of International Service, American University, 3400 Nebraska Ave. NW.

7:00 p.m. — Sen. Al Franken keynotes "Our Country, Our Courts" event, Newseum Knight Conference Center, 555 Pennsylvania Ave. NW

THAT'S ALL FOR ME!

To view online:

<https://www.politicopro.com/tipsheets/morning-energy/2017/11/first-skirmish-of-latest-anwr-kicks-off-025343>

Stories from POLITICO Pro

POLITICO Pro Q&A: FERC Commissioner Rob Powelson [Back](#)

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A Republican with a more than eight-year tenure as a Pennsylvania energy regulator, Powelson made headlines recently for saying that he didn't join FERC "to go blow up the markets" after Energy Secretary Rick Perry unveiled a controversial grid proposal aimed at propping up coal-fired and nuclear generation.

His five years as chairman of the state commission included Hurricane Sandy in 2012, and the 2014 "polar vortex" — an event Perry often cites to justify his proposed rule. But where the Energy Department's plan chides the reliability of natural gas during that cold snap, Powelson said "there were enough sins in there that everybody had some responsibility" and that grid operators are adapting to the "new normals of weather."

We're at an "inflection point" for the future of the electricity markets, Powelson told POLITICO in a recent interview. He said he wouldn't stand in the way of states that want to do more to address climate change — "If states want to want to value carbon, they should be able to do it" — but he urged patience from everyone waiting for FERC action on pricing reform and state policies.

This interview has been edited for length and clarity.

Your home state is a big chunk of the PJM market. But last week Pennsylvania's state

legislature approved a resolution supporting the DOE proposal while the utility regulator called the plan "unwieldy, untimely and impractical."

As I often said in my prior life: God forbid the legislature has to make a decision that the PUCs have to make — raise rates, fine companies, revoke licenses. That's why you have independent agencies like FERC and state public utilities commissions that have to do economic regulation and safety regulation.

I think there are forces at play that wanted to put that marker out. When you peel it back, I think now back in Pennsylvania, as of Friday, there's 500 trillion cubic feet of natural gas under the ground. If you're the Marcellus Shale Coalition, you're like "What happened to us in this discussion?"

The legislature put a marker down ... but at the end of the day, the resolution is not binding. It's not an act of law.

Pennsylvania is among the states that may consider out-of-market policies to help nuclear. So, what keeps you up at night more — addressing state subsidies or the pricing issues?

I'm a states' rights advocate, but there are two things that drive what we do here. There's the Federal Power Act, and there's the Natural Gas Act. FERC Order 888 created this wholesale construct in the market. In the mid-2000s, probably 26 or so states ... did [renewable portfolio standards]. Republican states, Democratic states — those RPSs have driven strong investments in renewables. ... Pennsylvania, and other states, are [asking], "Do we embed in the RPS a nuclear standard?" Some are doing that after the fact.

And then there are some who have said these RPSs have caused a distortion in the market as we get to grid parity and we get more scale of renewables and the impact that that's having. ... These state policies obviously drove an outcome. Today, an unintended consequence is that some people say these states have not valued nuclear.

There are a lot of moving parts. To FERC's credit, we look at the markets and how they're functioning and how we value things like resiliency, and how we keep markets functioning. That's what I'm looking at. This is an inflection point. No doubt about it.

For you, is anything other plant retirements driving market policy changes?

If there is a deep concern about grid resiliency, and we can use events like the polar vortex, the recent hurricanes, and we can use events like derechos — these new weather events, the new normals of weather. The RTOs are saying, "Look, the velocity of these storms and the impact they have on the generation fleet, we think, yeah, we should do a deeper dive and value resilient resources." On the flip side to that is you've had states that have looked at things like microgrids, and they're doing grid resiliency.

The polar vortex was alarming in the sense you had a 24 percent forced outage rate. There were enough sins in there that everybody had some responsibility. But then you go to the next year,

February of 2015, on another very bad cold snap there wasn't a 24 percent forced outage rate and the system performed. Right after 2014, PJM put forth the construct of capacity performance. And, by the way, we're not 100 percent into the capacity performance [process]. We have another auction of capacity performance results and then we're fully into a fully integrated CP. I personally want to see where we stand there. That's a longer term view. I want to see how capacity performance is working and ... how it deals with reliability.

Why isn't there an agreed upon set of facts around the polar vortex?

Capacity performance was a direct outcry of the polar vortex. ... I was told, as chairman, that capacity performance would provide the needed uplift compensation metrics to deal with these types of events going forward — meaning that these baseload resources will be adequately compensated by this.

In your mind, has that turned out to be true?

I'm still waiting. When we get to 100 percent, I think we'll have a story to tell.

You've crossed paths with Perry a couple of times since the proposal came out. Have you made your views clear to him?

To his credit, he's looking at this issue in terms of — as the head of DOE — reliability, resiliency. He's looking at the sustainability of these markets.

There are a lot of moving parts to this conversation. I don't mind that there's a little bit of impatience. Chairman [Neil] Chatterjee and I are the new FERC guys. I get it. This is an issue that has been elevated in the conversation of energy policy. I've been very direct in my position in support for markets.

Commissioner Cheryl LaFleur has often talked about the "doors" to how that conflicts with states gets resolved: planned re-regulation, unplanned re-regulation, litigation and/or some kind of harmonization.

The state policy changes are ongoing with us. ... Personally, I'd like to see us get our hands around that conversation. If states want to want to value carbon, they should be able to do it. They've done it with things like the [Regional Greenhouse Gas Initiative]. California has a cap and trade model. States have said, "Look, in lieu of a hard price on carbon on the national level, there are mechanisms for valuing it." And it's not my job to tell those states you can't do that.

Is it FERC's job to tell them they should do that?

I don't think so. What we're saying is that if you're going to design constructs, you better make sure they adhere to certain market principles. Trying to answer your question, yes, post-technical conference, there's a genuine commitment to handle the state piece. There are a couple of options, but I'll be straight up with you, I can't get into where they would go.

FERC's authority over the RTOs is fairly absolute. Can you see any scenario where FERC overrides the RTOs and the states to impose something akin to what Perry has proposed?

I think we'd be hard-pressed to not engage stakeholders like our states and our RTOs, independent market monitors.

Is there a chance FERC expands the footprint of the DOE proposal to include areas outside of PJM, New York and New England?

I've thought about it. I don't have any preconceived outcome. Most people would say that this is more of a PJM, New England, NYISO issue. But there's not a lot of coal left in New England.

I'm trying to be patient here and seeing where we go internally with staff recommendations.

How do you view your role with FERC after eight-plus years at the state-level?

My biggest takeaway is that I respect the independence of FERC. I worked for three governors.

What's very important to me is maintaining the independence of this agency because the people that work here look for that kind of guidance. In my view, not that there's been issues in my short tenure here, but it's important that you maintain that. The same could've said under the Obama administration. Our engagement with the states is now, more than ever, so critical.

Some have argued that it's been the imperialistic FERC, at times — that we've been very top-down.

The DOE NOPR hasn't necessarily helped improve the image of FERC's independence.

The NOPR, based on my cursory review of the state comments — and we're doing forecasting — have been 98 percent against. Obviously, this is a big issue. It's an inflection point for the FERC.

You've said this is an inflection point a few times.

We've come through the conversations post-Order 888 in the 1990s, to the future of the markets to ... today, the \$64,000 question: What's working and what's not working in markets, and how to do we keep those markets sustainable, long-term.

If there's a deficiency, how do you fix it fast enough to make a difference?

To Secretary Perry's credit, he has certainly stimulated a conversation or — as some would say — a call to action. That's healthy. I'm an impatient regulator, by nature. But some of this stuff has to be thought through. We have to develop a record and we have internal capacity to look at what's working and not working in markets.

If I could stress one thing, I need everybody in this town to remain calm, understand that the FERC is working hard around these issues.

I'm actually kinda giddy to be here at this point in time. It's a good challenge for us to have. The big question is, where do we go?

Is the DOE proposal at all distracting?

No, it's nothing personal. I think they were trying to say is that we've had all these things and when you lose the quorum, the train stops. ... You can't take up a notational vote on an issue of this magnitude.

Neil and I have only been on the job less than [three] months. I'm asking people to be patient with us too. We're the new people here. And it'd be nice to have two other colleagues to be part of this conversation.

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We've come through the conversations post-Order 888 in the 1990s, to the future of the markets to ... today, the \$64,000 question: What's working and what's not working in markets, and how to do we keep those markets sustainable, long-term.

If there's a deficiency, how do you fix it fast enough to make a difference?

To Secretary Perry's credit, he has certainly stimulated a conversation or — as some would say — a call to action. That's healthy. I'm an impatient regulator, by nature. But some of this stuff has to be thought through. We have to develop a record and we have internal capacity to look at what's working and not working in markets.

If I could stress one thing, I need everybody in this town to remain calm, understand that the FERC is working hard around these issues.

I'm actually kinda giddy to be here at this point in time. It's a good challenge for us to have. The big question is, where do we go?

Is the DOE proposal at all distracting?

No, it's nothing personal. I think they were trying to say is that we've had all these things and when you lose the quorum, the train stops. ... You can't take up a notational vote on an issue of this magnitude.

Neil and I have only been on the job less than [three] months. I'm asking people to be patient with us too. We're the new people here. And it'd be nice to have two other colleagues to be part of this conversation.

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Senate EPW to take up White, Wheeler nominations next week [Back](#)

By Anthony Adragna | 11/01/2017 05:48 PM EDT

The Senate Environment and Public Works Committee plans to hold a confirmation hearing on Nov. 8 regarding Kathleen Hartnett White's nomination to run the White House Council on Environmental Quality.

In addition, the panel plans to consider Andrew Wheeler's selection to serve as EPA deputy administrator on the same day.

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CEQ nominee owns four oil leases [Back](#)

By Alex Guillén | 11/01/2017 05:35 PM EDT

Kathleen Hartnett White, the Texas Public Policy Foundation fellow nominated to run the White House Council on Environmental Quality, owns four oil leases, though she appears to give away most of the income.

One of those properties, in Sugarland, Texas, is leased to CVR, the refiner owned by billionaire investor and President Donald Trump backer Carl Icahn, according to White's [financial disclosure](#). It generated between \$201 and \$1,000 for White since the beginning of 2016,

according to the form. The other leases provided income between \$201 and \$5,000 over that period, according to the form, which requires her to report only a range.

However, it is not clear how much of that money White kept. The form indicates that she gifted the interest generated by all four leases to a nephew, but that the leases "generated a small amount of income" over the reporting period.

White's husband reported significant ranch and cattle holdings in Texas via stakes in two different family trusts. In addition to her work at TPPF, White sat on the Texas Emissions Reduction Plan Advisory Board, which was disbanded on Sept. 1. She also reported part ownership of a Jack Russell Terrier breeding business in Texas.

Although White was announced White's nomination on Oct. 13, she appears to have been waiting in the wings for some time before that. White's signature on the financial disclosure is dated Aug. 2.

WHAT'S NEXT: The Senate Environment and Public Works Committee has not yet announced a hearing on White.

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Southern CEO: DOE loan guarantees won't be final till next spring [Back](#)

By Darius Dixon | 11/01/2017 04:39 PM EDT

The Energy Department's decision to increase federal loan guarantees for the Vogtle nuclear power project in Georgia isn't expected to be finalized before next spring, Southern Co. CEO Tom Fanning said today.

DOE [announced](#) in late September that it had conditionally approved a \$3.7 billion loan guarantee increase for the project on top of the \$8.33 billion previously authorized by the Obama administration. But DOE's action to cement that decision is still at least four months away.

"Final issuance of the additional loan guarantee is subject to the satisfaction of a number of conditions and is not expected to occur prior to the end of the first quarter of 2018," Fanning said on the company's quarterly earnings call.

Obama's Energy Department originally approved Vogtle project loan guarantees totaling \$3.4 billion to Southern Co.'s Georgia Power, \$3.1 billion to Oglethorpe Power and \$1.8 billion to the Municipal Electric Authority of Georgia. Energy Secretary Rick Perry is primed to offer an additional \$1.67 billion to Georgia Power, \$1.6 billion to Oglethorpe and \$415 million to MEAG.

WHAT'S NEXT: The Georgia Public Service Commission is scheduled to begin hearings on Nov. 6 to discuss the Vogtle project.

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Pelosi moves to muzzle Trump impeachment talk [Back](#)

By Heather Caygle | 11/01/2017 01:02 PM EDT

House Minority Leader Nancy Pelosi offered a forced smile recently when asked on MSNBC about a Tom Steyer-sponsored ad that calls for President Donald Trump's impeachment.

"That's a great ad," Pelosi said twice, before rushing to plug the Democrats' Better Deal economic agenda as the TV hit wrapped up.

Pelosi played it off, but privately she was peeved. She told lawmakers at a Democratic leadership meeting soon after that she had reached out to the Democratic megadonor to tell him that his \$10 million ad campaign is a distraction. (A source close to Steyer said he hasn't spoken with Pelosi since the ad launched.)

Pelosi is eager to show her party can govern — in contrast to the chaos surrounding Trump — and she believes that a reputation as the "no drama" Democrats is key to taking back the House in 2018 and whisking her backing into the speaker's chair.

While not an official slogan, Pelosi has discussed the strategy broadly in recent leadership and caucus meetings, urging members to avoid talk of impeachment and resist taking Trump's bait on whatever topic is dominating his Twitter feed that day.

"There's nothing any of us can say in Congress that is going to change people's view of Donald Trump," said freshman Rep. Ro Khanna, a Silicon Valley progressive who agrees with Pelosi's strategy. "What they need is us to help them form their view of whether the Democratic Party is ready to lead."

Pelosi and House Minority Whip Steny Hoyer of Maryland both issued cautious statements Monday after former Trump campaign aides [were indicted](#) in special counsel Robert Mueller's Russia probe. The House Democratic leaders reiterated their calls for an independent commission while carefully avoiding any speculation about Trump's potential collusion with Moscow in the 2016 campaign.

Privately, Pelosi has suggested that the Russia probe could lead to the unraveling of Trump's presidency, going so far as to say "the proof is in the Putin" at a Democratic leadership meeting earlier this year.

But in public, the California Democrat is encouraging her rank and file to take a measured approach to all things Trump, banking on the strategy that, by next November, the president and congressional Republicans will bomb with voters on their own.

Pelosi has warned lawmakers about wading too deeply into Trump-created distractions, most recently at a leadership meeting last week, where she cited the controversy surrounding NFL players kneeling during the national anthem and the president's attacks on Rep. Frederica Wilson (D-Fla.) over his phone call to a soldier's widow.

Instead, she has urged Democrats to stay focused on policy battles, telling members at their caucus meeting last week they "will be in the majority" if Republicans head into the midterms without a single major legislative accomplishment.

That doesn't mean House Democrats will ignore Trump or his tweets. But Democratic leaders think responding to every culture war salvo from the president will only muddy their message heading into the midterms.

Pelosi has encouraged lawmakers to talk up what a Democratic majority can deliver for voters, plugging their economic message on repeat in hopes that it eventually will break through with voters.

"In my opinion it cannot happen fast enough," said Rep. Cheri Bustos, a moderate Democrat whose northwestern Illinois district was carried by Trump last year. "If we get asked about Frederica Wilson or the NFL or Russia, we can answer that. But then let's get back to what's on people's minds."

The party's Trump-focused message fell flat last year, as Democrats picked up only six seats in the House after boasting about the potential for double-digit gains and lost big in working-class districts that dot the Rust Belt.

This time around, Democratic leaders purposefully avoided including divisive social issues in their agenda rollout this summer. Their "no drama" approach to Trump's controversies is an extension of that strategy.

Keeping Democrats united won't be easy for Pelosi. The caucus ranges from progressive rabble-rousers like Khanna — who ousted a Democratic incumbent last year and called for a primary challenge to Sen. Dianne Feinstein of California — to a dozen Democrats sitting in Trump-won districts like Bustos.

"It is difficult because [Trump's] actions are so outrageous," said Rep. Ruben Gallego (D-Ariz.). "And it's ongoing work, by all of us, not just leadership" to stay focused.

The approach risks angering progressive groups and liberal donors, some of whom have declared all-out war on Trump and have threatened to primary Democratic lawmakers who don't do enough to take on the president.

But some lawmakers say their hands are tied — that the best way to defeat Trump's agenda is by regaining the majority, and the best way to be back in the majority is to avoid focusing too much on Trump.

In terms of the Indivisible Movement to resist Trump's agenda, Rep. John Larson (D-Conn.) said, "There's a role and a place for that. But the vast majority of people are scared to death about their own futures,"

"When you haven't been in the majority since 2010, you want to make sure that given the opportunity we have in front of us to take back the House, that you remain focused," Larson added. "And that's the only way any progressive agenda is going to have the opportunity to see the light of day."

Indivisible, the grass-roots progressive group formed after Trump's election, declined to comment.

Meanwhile, even as the Russia probe heats up, Democratic leaders have been working behind the scenes to quell any chatter about impeachment. For them, the topic is a distraction from defeating Republicans' tax push in the short term and could turn off independent voters down the road.

Democratic leaders [pressured Rep. Al Green to relent](#) on forcing a vote on impeaching Trump after the Texas Democrat reignited the issue on the House floor recently. Hoyer was seen having a long, intense chat with Green just off the House floor during the debate.

And then there's Steyer's ad, and many House Democrats agree with Pelosi on that.

"I certainly don't think that that's a helpful effort," Khanna said of the ad.

Steyer said in a statement, "This isn't about me, or Rep. Pelosi. This is about giving a voice to the American people who are demanding the political establishment stand up to Trump."

There is at least one pol who is happy to comment on Steyer's impeachment push.

"Wacky & totally unhinged Tom Steyer, who has been fighting me and my Make America Great Again agenda from beginning, never wins elections!" Trump [tweeted](#).

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