

To: Dravis, Samantha[dravis.samantha@epa.gov]
From: POLITICO Pro Energy
Sent: Thur 5/4/2017 9:46:23 AM
Subject: Morning Energy: Pruitt considering Senate-sought ethanol waiver — High stakes over nuclear tax credits — Janet McCabe lands new gig

By Anthony Adragna | 05/04/2017 05:42 AM EDT

With help from Eric Wolff, Alex Guillén and Anca Gurzu

PATH FORWARD ON ETHANOL, METHANE? EPA Administrator Scott Pruitt may have opened a path for Senate Republicans to appease a small bloc of their caucus seeking a year-round waiver to sell 15 percent ethanol fuel and thereby boost the chamber's odds of repealing of an Obama-era methane regulation, Pro's Eric Wolff [reports](#). "I very much hope we can get there, but it's a matter of whether the statute permits it or not," Pruitt told the National Association of Farm Broadcasting. There has been dispute within the agency and even among biofuels advocates over whether the law allows EPA to grant such a waiver, or if Congress must alter the Clean Air Act. But the promise of doing so might get the bloc of corn-state Republicans, led by [Chuck Grassley](#), on board with using a Congressional Review Act resolution to nullify a BLM rule targeting methane emissions from oil and gas drilling on public lands. It's worth noting that another group of four undecided senators — [Rob Portman](#), [Cory Gardner](#), [Heidi Heitkamp](#) and [Dean Heller](#) — would likely not be won over on that alone.

Cornyn projects CRA confidence: But Senate Majority Whip [John Cornyn](#) voiced optimism the chamber would vote on the measure next week and said he'd locked down adequate support to ensure its passage. "I know there are some people who wanted this ethanol vapor thing in the omnibus and that wasn't included, but I'm optimistic we'll get the vote" on methane, the Texas Republican told ME. [John Thune](#), one of the CRA holdouts pushing the ethanol waiver, said the issue remained active: "We don't have any resolution on it yet."

That comes as 12 prominent conservatives, including the American Energy Alliance's Thomas Pyle and the Competitive Enterprise Institute's Myron Ebell, sent senators [a letter](#) urging them to back the CRA effort. "Some Senators have voiced concerns that CRA method precludes future regulations. This concern is misplaced," they wrote. "Regardless of your position on the regulation, it is clear that the BLM is far afield from its jurisdiction."

NUCLEAR WARNING: Failure by Congress to extend a tax credit expiring at the end of the decade for nuclear plants may force utilities building new reactors in Georgia and South Carolina to rethink those projects, Pro's Darius Dixon [reports](#). At issue is a nuclear production tax credit that the industry [estimates](#) would be worth as much as \$6 billion over eight years. The credit is only available for reactors that come online before the end of 2020. "The most obvious thing the U.S. government can do is to lend support to extend the timeframe on the production tax credit," Southern Company CEO Tom Fanning told investors on a quarterly earnings call Wednesday. The bankruptcy of contractor Westinghouse, which designed the new AP1000 reactors being installed, is expected to push the completion of the Georgia and South Carolina projects beyond when the credit is currently slated to expire.

South Carolina Sen. [Lindsey Graham](#) is now looking at other avenues to extend the credit after a push to get it onto the omnibus government spending package came up short (causing the South Carolina senator to briefly threaten a shutdown). "I'm not going to sit on the sidelines and watch the nuclear industry be destroyed," Graham said Wednesday. "For three years, we've been trying to get these tax credits extended. ... The [four] reactors that are being built are very much at risk."

WELCOME TO THURSDAY! I'm your host Anthony Adragna, and Glover Park Group's Hayley Moller was first up to pick Walter Johnson as the MLB Hall-of-Famer turned MoCo politician. For today: Who is the only senator with star on the Hollywood Walk of Fame? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](#), [@Morning_Energy](#), and [@POLITICOPro](#).

GUIDE TO FEDERAL BUDGET & APPROPRIATIONS PROCESS: The federal budget process is complicated; brush up on your knowledge so you're ready to act as the budget winds its way through Congress. [Download your guide](#).

FOR YOUR RADAR: Playbook co-authors Anna Palmer and Jake Sherman [discuss](#) the 115th Congress' agenda with Sen. [Joe Manchin](#) today at 9 a.m. ME will keep an ear out for energy discussion.

LEWANDOWSKI FIRM SIGNS CITGO: The firm of Corey Lewandowski, President Donald Trump's original campaign manager, quietly formalized a \$25,000-a-month lobbying contract with Citgo, the oil company owned by the leftist government of Venezuela, POLITICO's Kenneth P. Vogel [reports](#). The signing comes as the company was becoming increasingly embroiled in tensions between the United States, Venezuela and Russia. Sources familiar with the contract say the firm was brought on by Citgo to help provide access to the Trump administration amid calls for the U.S. to seize the company's assets as a way to expand the impact of sanctions against Venezuela.

ICYMI: The House [passed the \\$1 trillion omnibus](#) spending bill by a 309-118 vote. It now heads to the Senate where it's expected to be cleared and signed by Trump before a Friday deadline.

SOMETHING FOR RED STATERS: Senate Democrats facing tough reelection battles in states won by Trump are notching marketable accomplishments in the GOP-controlled Senate, POLITICO's Elana Schor [reports](#). Led by West Virginia Sen. [Joe Manchin](#), the purple- and red-state Dems took credit repeatedly this week for securing a permanent extension of health benefits for coal miners in the government funding bill. "Ultimately, it was bipartisan, but for a long time it was Democrats carrying the ball," Sen. [Bob Casey](#) said. And their most popular dance partner is Ohio GOP Sen. [Rob Portman](#), who has worked with Sen. [Heidi Heitkamp](#) on a regulatory reform plan and is courting more Democratic support.

COLLINS, CARDIN WANT TO STAY IN PARIS: Add Republican Sen. [Susan Collins](#) to the list of those hoping the Trump administration sticks with the Paris agreement on climate change. "We encourage your active engagement in the Paris Agreement and the United Nations Framework Convention on Climate Change to maintain a robust commitment to climate

diplomacy," she wrote in a [letter](#) with Foreign Relations Ranking Democrat [Ben Cardin](#) Wednesday.

PRUITT ON THE HILL: Pruitt flooded the Hill for meetings Wednesday with key House and Senate lawmakers. Details were scarce on the confabs, but Pruitt's meetings included Energy and Commerce Chairman [Greg Walden](#), E&C Environment Subcommittee Chairman [John Shimkus](#), top EPA appropriator [Ken Calvert](#), [Mike Conaway](#) and [Richard Hudson](#), among others. ME spotted Pruitt walking quickly in the direction of Senate Majority Leader Mitch McConnell's office around 4:30 p.m. ahead of a [meeting](#). Other Senate stops included EPW Chairman [John Barrasso](#) and Democratic Sen. [Heidi Heitkamp](#).

ME FIRST — REFINERS, USW BAND TOGETHER FOR NEW RFS GROUP: Add "Fueling American Jobs" to your roster of groups fighting over changing which companies must comply with the Renewable Fuel Standard. The new umbrella group backing the change brings together the United Steelworkers union with Valero and several Philadelphia-area refining companies, Monroe Energy, Philadelphia Energy Solutions and PBF Energy. The steelworkers will be swarming the Hill today to make their case, highlighting possible independent refiner layoffs if a change isn't made. "Steelworkers have been supportive of moving the point of obligation," Roy Houseman, legislative representative for USW, told ME. "We have 30,000 members in refining sector, they are impacted by the RFS."

The missing link: The group notably does not include Carl Icahn's CVR, which has been forcefully advocating for the change. Icahn is a longtime Trump associate and holds a title in the White House. Icahn's position raises ethical questions, and the new group may be trying to avoid being controversial.

McCABE LANDS AT CHICAGO-BASED GREEN GROUP: Janet McCabe, the Obama-era acting EPA air chief who helped mastermind the Clean Power Plan and oversaw various other key regulations, will join the Chicago-based Environmental Law & Policy Center as a senior law fellow, she confirmed to ME. In an email to the ELPC staff yesterday, executive director Howard Learner notes McCabe will work part-time from her native Indianapolis starting May 15. Learner added: "These are extraordinary times, and we are adding top-rate talent to keep building ELPC's 'top of our game' team to play both winning offense and defense. The best defense is a good offense. I am excited to be working together with Janet McCabe to play to win in the changed political circumstances."

ANOTHER BIPARTISAN CLIMATE BILL! Seven House Democrats and seven Republicans, led by Reps. [John Delaney](#) (D-Md.) and [John Faso](#) (R-N.Y.), introduced [legislation](#) Wednesday calling for the creation of a National Climate Solutions Commission that would undertake a comprehensive review of economically viable public and private actions or policies to reduce greenhouse gas emissions and present its recommendations to the White House within 18 months.

ZINKE MEETS WITH UTE INDIAN TRIBE: Interior Secretary Ryan Zinke on Wednesday held what the agency said was "the first of many conversations" with the leaders of the Ute Indian Tribe of the Uintah Ouray. Among the topics of conversation were energy development,

the nature of sovereignty, public lands and the Bears Ears National Monument (which Zinke tours next week). The meeting comes as Escalante & Boulder Utah Chamber of Commerce released a [memo](#) asking Zinke to meet and visit with them as he reviews existing national monument designations.

REPORT: LOW MARKS FOR ZINKE'S FIRST 100: Public Citizen released a [report](#) this morning arguing Zinke's first 100 days "have fundamentally altered the agency's initiatives to address climate change and responsibly manage the nation's public lands."

REPORT: BACKDOOR ACCESS TO UN CLIMATE TALKS: Fossil fuel trade associations are stalking the halls of the U.N. climate talks to undermine, weaken and block progress, according to a [recent report](#) released by civil society group Corporate Accountability International. According to the report, the European culprits are FuelsEurope, the association representing the European petroleum refining industry. The report comes as governments prepare to meet in Bonn, Germany to continue technical climate negotiations, where officials are also expected to discuss the notion of "conflict of interest" for the first time. "Right now hundreds of business trade associations have access to the climate talks, and many of them are funded by some of the world's biggest polluters and climate change deniers," Tamar Lawrence-Samuel, CAI's international policy director, said in a statement. "With so many arsonists in the fire department, it's no wonder we've failed to put the fire out."

GROUP URGES 'BOLD' BRITISH ENVIRONMENTALISM: Britain's liberal conservative think tank Bright Blue urged Prime Minister Theresa May to "look to the center, not to the right" and propose ambitious environmental policies to appeal to liberal voters in a [manifesto](#) released Thursday, POLITICO Europe's Marion Solletty [reports](#).

MOVER, SHAKER: Wes Brooks is joining Sen. [Marco Rubio](#)'s office as a legislative assistant for energy, environment, agriculture and trade issues; he previously handled a similar portfolio of issues for Rep. [Brian Mast](#).

QUICK HITS

— Detailed look at the global warming 'hiatus' again confirms that humans are changing the climate. [Los Angeles Times](#).

— FirstEnergy hoping Department of Energy study results in help for its Ohio nuclear power plants. [News-Herald](#).

— VW resumes U.S. diesel sales after emissions scandal. [Reuters](#).

— Exxon Mobil's outdated equipment and procedures led to Torrance explosion, agency says. [Los Angeles Times](#).

— Climate Change Is Causing More Sweltering Summer Days. [The Atlantic](#).

— Solar backers support measure to carry out Florida voters-approved tax break. [Orlando](#)

Sentinel.

HAPPENING TODAY

10:00 a.m. — Senate Energy and Natural Resources Committee hearing on energy infrastructure, 366 Dirksen

11:00 a.m. — USEA Annual Membership & Public Policy Forum, United States Energy Association, National Press Club Ballroom, 529 14th Street, NW

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To view online:

<https://www.politicopro.com/tipsheets/morning-energy/2017/05/pruitt-considering-senate-sought-ethanol-waiver-022665>

Stories from POLITICO Pro

Pruitt: EPA considering expanding E15 sales [Back](#)

By Eric Wolff | 05/03/2017 05:13 PM EDT

EPA is considering granting a year-round waiver to sell 15 percent ethanol fuel, Administrator Scott Pruitt said Wednesday, just one day after two farm-state senators said they might hold up repeal of an Obama regulation unless they got restrictions on the corn-based fuel eased.

"We are looking at that internally, to allow E15 to be sold throughout the year," Pruitt told the National Association of Farm Broadcasting. "A national waiver, if you will. There is a statutory analysis that's ongoing and we're hopefully going to conclude that process very soon. I very much hope we can get there, but it's a matter of whether the statute permits it or not."

The Clean Air Act prevents retailers in some parts of the country from selling E15 fuel during the summer. Ethanol producers and trade associations have been asking EPA to grant a waiver to allow year-round sale of E15, which they believe would help increase sales of ethanol and relieve pressure on the Renewable Fuel Standard. Oil refiners generally oppose the move.

There has been dispute within the agency and even among biofuels advocates over whether the law allows EPA to grant such a waiver, or if Congress must alter the Clean Air Act.

On Tuesday, Sens. [Chuck Grassley](#) (R-Iowa) and [John Thune](#) (R-S.D.) threatened to block a resolution to overturn an Obama-era methane rule unless Congress would allow the sale of 15 percent ethanol fuel blends year-round.

Meanwhile, ethanol groups are hopeful they will get the E15 policy changed.

"We are optimistic that under Administrator Pruitt's leadership, EPA will take action to eliminate

this needless obstacle to growth in the ethanol and agriculture industries," Geoff Cooper, senior vice president for the Renewable Fuels Association, an ethanol producers trade group, said in a statement.

Pruitt also said EPA is on track to publish final Renewable Fuel Standard volume mandates by the November deadline, and that his agency is still reviewing comments on whether to change which companies are obliged to comply with the program.

WHAT'S NEXT: If EPA decides to grant the waiver, it will likely issue a proposed decision.

To view online [click here](#).

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Nuke utilities warn failure to extend tax credit could upend new reactors [Back](#)

By Darius Dixon | 05/03/2017 06:31 PM EDT

Utilities building new nuclear reactors in Georgia and South Carolina say they will have to rethink those projects if Congress does not extend tax credits they had been counting on.

The nuclear projects, already suffering delays, were on track to be finished just before those tax credits would expire, and now they are expected to fall further behind because of the bankruptcy of contractor Westinghouse, which designed the new reactors being installed. The tax credit does not expire until the end of the decade, and South Carolina lawmakers failed to get it included in an omnibus spending bill expected to pass this week. But nuclear proponents say quick action would go a long way to help the new reactors come online.

"The most obvious thing the U.S. government can do is to lend support to extend the timeframe on the production tax credit," Southern Company CEO Tom Fanning told investors on a quarterly earnings call Wednesday.

Southern subsidiary Georgia Power and its partners are evaluating whether to change course on its two-reactor Vogtle nuclear expansion project in the wake of Westinghouse's bankruptcy, and Fanning said reworking the tax credit would be "central" to how it proceeds.

A similar evaluation is underway at South Carolina-based SCANA Corp., which is building two Westinghouse-designed AP1000 reactors at its V.C. Summer Nuclear Station. SCANA Executive Vice President and CFO Jimmy Addison told investors last week that the future of the nuclear tax credit was one of three "critically important" variables that will determine the future of the project.

Both Southern and SCANA had recently expected to bring a Vogtle and Summer reactor online in 2019 and 2020. Those projects have already faced numerous delays, and any additional slippage in the schedule may mean they won't come online in time to claim the tax credits

investors had assumed would be there.

At issue is a nuclear production tax credit that the industry estimates would be worth as much as \$6 billion over eight years. The credit is only available for reactors that come online before 2020.

Over the past week, a bipartisan group of lawmakers had been trying to move a package of tax extenders that would have included removing the in-service deadline for new nuclear reactors, but they have struggled to gain traction.

South Carolina Sen. Lindsey Graham briefly threatened to hold up the omnibus spending package Congress is set to pass this week in an effort to get the nuclear incentive included in the bill, but he and other nuclear advocates are now looking for other avenues.

"I'm not going to sit on the sidelines and watch the nuclear industry be destroyed," Graham said Wednesday. "For three years, we've been trying to get these tax credits extended. ... The [four] reactors that are being built are very much at risk."

Graham's Palmetto State colleague Sen. Tim Scott, who introduced legislation seeking to make changes to the credits, is already eyeing the next ride.

"We are hopeful that as we look forward to a tax package or another vehicle that seems to have the possibility of passing, that we will have this conversation in earnest again," he told POLITICO.

At the moment, Southern has an interim agreement with Westinghouse that has kept the project moving and thousands of workers on site, Fanning said.

That agreement runs through May 12, and Fanning said that Georgia Power and its Vogtle project partners are negotiating a broader "transition" plan with Westinghouse that will move the project to a new contractor, including Southern taking over as general construction contractor. He also emphasized that Westinghouse parent company Toshiba is still on the hook to spend at least \$3.7 billion for Vogtle and maintain commitments regarding intellectual property.

Fanning said the partners will send an assessment to state regulators outlining their options "within the next month or two." That could include three possible paths: full steam ahead on both reactors, continue with just one unit or walk away from the whole thing.

"If it looks likely that the best thing for customers is to not complete these plants, I think at that point you might take a completely different posture on site," he said. "So long as it is viable for us to complete the plant, it is absolutely important for us to not only maintain, but improve productivity on the site. ... [If we] were to start sending people home, the chances of us getting those people back on site would be awfully difficult."

SCANA's Addison said the future of its reactors would depend on confirming the project's existing cost estimates, recouping what it is owed by Westinghouse and extending the tax credits.

"And all three of those are in the billions of dollars. So they're all critically important," he told investors last week. "And we have impressed upon everyone that has a vested interest in South Carolina and in nuclear in America that'll listen to us, that the timeliness of this is very, very important to this evaluation."

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Lewandowski's firm quietly inked Citgo deal [Back](#)

By Kenneth P. Vogel | 05/03/2017 10:21 PM EDT

A firm co-founded by Donald Trump's initial campaign manager, Corey Lewandowski, quietly agreed to lobby for the oil company Citgo as the company, which is owned by the leftist government of Venezuela, was becoming increasingly embroiled in tensions involving the United States, Venezuela and Russia.

Officials with Lewandowski's firm, Avenue Strategies, confirmed that last month it formalized a \$25,000-a-month lobbying contract with Citgo.

The officials initially told POLITICO that the firm had filed legally required paperwork revealing the contract to the U.S. government on Feb. 20. But Lewandowski's co-founder in the firm, fellow Trump campaign aide Barry Bennett, subsequently clarified that it "was just an origination date," and the firm was working to file the paperwork Wednesday.

As of Wednesday evening, that paperwork was not posted on the website of the Senate Office of Public Records, which processes and automatically posts such filings almost instantaneously.

Bennett said Avenue has yet to begin lobbying for Citgo and that "it's not entirely clear" on what issues it will lobby. He stressed, though, that he will be the only firm employee who registers to lobby on the contract, and that Lewandowski "doesn't really have a role" in it.

Sources familiar with the contract say that Avenue Strategies was brought on by Citgo to help provide access to the Trump administration amid calls for the U.S. to seize the company's assets as a way to expand the impact of sanctions against Venezuela.

But the revelation of Avenue's previously unreported contract with Citgo comes at an awkward moment for the company, Lewandowski and the Trump White House.

Trump ran on a promise to "drain the swamp" of special interest influence in Washington, and the increasing attention on the lobbying firm co-founded [soon after the election](#) by Lewandowski, who remains a close Trump confidant, threatens to undermine the president's efforts to make the case he's fulfilling that promise.

On Wednesday, the government-ethics watchdog group Public Citizen sent a letter to the Department of Justice and congressional lobbying oversight offices requesting investigations into whether Lewandowski was violating lobbying laws by not registering as a lobbyist, based on a POLITICO report about a newer company created by Avenue Strategies that appeared to be offering prospective clients meetings with Trump and Vice President Mike Pence.

Bennett called the letter a baseless and partisan "witch hunt."

But Bennett also acknowledged that Avenue Strategies on Wednesday dissolved the newer company, which was called Washington East West Political Strategies.

The company had distributed pitch materials to prospective Eastern European clients promising to arrange meetings with Trump, Pence and senior members of their administration, POLITICO revealed last week. Bennett said he and Lewandowski never saw the document, which he said was produced by Avenue's partners in the company, an Azerbaijani oil executive and an American political consultant who works extensively in Russia.

The document "was a violation of our understanding with them," Bennett said. "We don't need the headache."

Lewandowski issued a statement saying he had "no affiliation or involvement" and "never entered into any agreement with this firm."

Bennett clarified that "Avenue Strategies owned the equity — and that is me and Corey — but he didn't have any role." Bennett didn't respond when asked whether Avenue had dissolved other firms it had created with other partners to prospect in the Middle East, Canada and Central America.

Concerns about Lewandowski's adherence to lobbying rules and boasts of access also have taken hold inside the White House, said two people who have discussed Lewandowski's lobbying with administration officials.

And Citgo, the U.S. refining arm of Venezuela's state-owned oil company, is under increasing scrutiny as the Trump administration takes a tougher line against the cash-strapped government of Venezuela, which has been accused of human rights abuses and drug trafficking.

Complicating matters further, there are rising concerns that the Russian government-owned oil company Rosneft could be on the verge of taking control of Citgo. That's because Venezuela's national oil company, Petróleos de Venezuela, or PDVSA, took out a loan from Rosneft in December, offering as collateral 49.9 percent of Citgo's shares. International energy market analysts have predicted that the economic crisis in Venezuela could lead PDVSA to default on its debt, which would put Rosneft on the cusp of controlling three of the largest and most sophisticated refineries in the U.S., plus three major pipelines and dozens of fuel terminals.

The involvement of Russia is fraught for Trump's administration. The president's team is under

scrutiny from law enforcement and congressional investigators examining Russian efforts to meddle in the 2016 presidential election, including by stealing and disseminating emails from allies of Trump's Democratic rival Hillary Clinton.

A bipartisan group of senators wrote a letter last month to Trump's Treasury secretary, Steve Mnuchin, linking the election hacking and Russia's alleged violations of arms control agreements with Rosneft's position in Citgo.

The senators wrote that they are "extremely concerned that Rosneft's control of a major U.S. energy supplier could pose a grave threat to American energy security, impact the flow and price of gasoline for American consumers, and expose critical U.S. infrastructure to national security threats." They urged Mnuchin — in his capacity as chairman of the Committee on Foreign Investment in the United States, which has to sign off on acquisitions of U.S. assets by foreign companies — to prepare for the prospect that PDVSA might soon default.

"In the event Rosneft were to acquire Citgo, we would expect a thorough, conflict-free and expedient review," the senators' wrote in their letter to Mnuchin.

Bennett had previously vowed that Avenue would not lobby for an entity that was averse to U.S. foreign policy interests — specifically singling out Russia and China — and he said that if Rosneft took control of Citgo, "we would resign immediately. Don't want that hassle."

When asked whether Venezuela was averse to U.S. foreign policy interests, Bennett said "I don't work for Venezuela. I work for a Houston-based company that has three plants in America and produces 19 percent of America's gasoline. It's an American company, Americans work there."

Citgo spokesmen did not respond to requests for comment. Neither did the White House or Treasury.

Citgo attracted attention last month, when it was revealed in a Federal Election Commission filing that the company donated \$500,000 to Trump's inaugural committee, despite not having donated to recent presidential inaugurations.

The company has long employed established Washington lobbying firms and lobbyists, including Brownstein Hyatt Farber Schreck and Cornerstone Government Affairs.

Bennett explained that Avenue's deal with Citgo was a subcontract with a company called VantageKnight that was started by a veteran lobbyist named Manuel Ortiz, who previously represented Citgo while working at Brownstein.

Ortiz has deep ties on the Democratic side of the aisle, but no obvious connections to Trump's administration. He did not respond to requests for comment, but sources say he also brought in Avenue Strategies to lobby for the Puerto Rico Federal Affairs Administration, which signed Avenue to a \$125,000 contract covering the four months from March through June.

VantageKnight was paid \$270,000 during the first three months of the year to lobby for Citgo,

according to [filings](#) with congressional oversight offices.

The filings indicate that Ortiz lobbied Congress and the Trump administration on the "potential impact of U.S. energy and foreign policy restrictions" on Citgo's "operations and valuation of assets," as well as "sanctions related issues."

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House passes \$1 trillion spending bill to avoid shutdown [Back](#)

By Jennifer Scholtes | 05/03/2017 04:29 PM EDT

The House passed a \$1 trillion omnibus spending bill Wednesday that would stave off shutdown scares and fund the government at updated levels through the end of September.

The legislation, which was passed on a 309-118 vote, now heads to the Senate, where it is expected to be approved and signed by President Donald Trump before a Friday deadline. Congress was supposed to have finished its spending work for the fiscal year seven months ago.

Lawmakers on both sides of the aisle are celebrating the deal, which would achieve a more sweeping update of federal funding levels than they had previously anticipated possible. The compromise [struck](#) over the weekend provides \$2 billion in new spending for the National Institutes of Health and permanently extends expiring health insurance benefits to retired coal miners.

The bipartisan bill has also sparked some rancor.

The administration is angry about the perception that Trump sacrificed the most in negotiations and that congressional Democrats notched more victories.

Trump blasted "the plan negotiated between the Republicans and Democrats" on Twitter Tuesday, adding that a September shutdown could help fix the "mess."

House Appropriations Chairman [Rodney Frelinghuysen](#) (R-N.J.) fired back later that day, defending the bipartisan measure.

"I don't think this bill is a mess. This bill has been a work product for over 14 months. I think we're very proud of our work product," Frelinghuysen said during a House Rules Committee hearing.

The White House [held](#) several press conferences Monday and Tuesday to list their "wins" on the deal, touting the inclusion of an extra \$15 in defense spending and an additional \$1.5 billion in border security money.

But Trump was rebuffed by Congress in his request for billions in cuts to domestic programs, a crackdown on "sanctuary cities" and any money for construction of his proposed wall on the U.S.-Mexico border.

The conservative House Freedom Caucus did not take a public position on the bill, though Chairman [Mark Meadows](#) (R-N.C.) told reporters just before the final vote that he and most caucus members would oppose the omnibus because of "a lack of conservative priorities in the bill — other than military." Some Republicans have complained that the bill ignores their long-time priority of defunding Planned Parenthood, as well as Trump's demands.

Sen. [Lindsey Graham](#) (R-S.C.) briefly [threatened](#) to block the bill Tuesday over what he says is inadequate funding for the Pentagon and the fact that the legislation does not restore the full authority of the Export-Import Bank. But he later said he will only vote against the legislation and would not force a government shutdown.

A majority of House Republicans ultimately agreed to support the bill and look ahead to the fiscal 2018 appropriations process, which the White House has said would be more GOP-driven.

"Did Republicans get everything we wanted? No. Did Democrats get everything they wanted? Heck no," Rep. [Bill Flores](#) (R-Texas) said in an interview. "I think [OMB chief Mick Mulvaney] did a pretty good job of getting as much as the president's agenda as he could."

House Democrats also strongly backed the bill and reminded Republicans of their leverage.

House Minority Whip [Steny Hoyer](#) (D-Md.) described the spending package as a "reasonable" and "rational" compromise — formed by the kind of negotiating he said would be needed throughout Trump's tenure.

"It is clear from recent history that Democratic participation is absolutely essential if we're going to pass fiscal bills and appropriations bills," Hoyer said on the floor. "And I'm glad Republican leadership reached that conclusion."

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Red-state Democrats scrape out wins in Trump era [Back](#)

By Elana Schor | 05/03/2017 06:54 PM EDT

Sen. [Joe Manchin](#) is high on the list of incumbents that Republicans are trying to unseat next year. But the West Virginia Democrat scored a major win in this week's \$1 trillion spending deal — and he has the GOP to thank for it.

Manchin isn't the only one.

Sens. [Jon Tester](#) of Montana, [Sherrod Brown](#) of Ohio and other Democrats waging reelection battles in states won by President Donald Trump are notching marketable accomplishments in the GOP-controlled Senate. It's a break from the recent past, when Senate leaders sought to deny endangered incumbents from the other party any achievements or bipartisan street cred to tout back home.

And vulnerable Democrats seized the spotlight this week, repeatedly taking credit for securing a permanent extension of health benefits for coal miners in the government funding bill.

"Ultimately, it was bipartisan, but for a long time it was Democrats carrying the ball," Sen. [Bob Casey](#) (D-Pa.) said in an interview.

In fact, the red-state Democrats couldn't have claimed their biggest victory so far this Congress without Senate Majority Leader [Mitch McConnell](#), who also wanted a fix to help his own state's miners.

But even though McConnell and the Trump White House are still shutting out the minority on big-ticket issues like health care and taxes, some at-risk Democrats are finding GOP partners for projects well-suited to their reelection bids.

The most popular ally for Trump-state Democrats is Ohio GOP Sen. [Rob Portman](#), whose own appetite for bipartisanship helped smooth his glide to reelection last year even as it [frustrated](#) some liberals who would have rather robbed him of wins.

Portman has worked with Sen. [Heidi Heitkamp](#) (D-N.D.) on a regulatory reform plan and is courting more Democratic support. He regularly joins Brown's calls for stronger trade enforcement. And he's eyeing potential legislation with Missouri Sen. [Claire McCaskill](#) that would build on their [fruitful](#) investigation into [Backpage.com](#)'s role in online sex trafficking.

Portman, who helped push for the miners' aid package alongside West Virginia Republican Sen. [Shelley Moore Capito](#), said he's faced no arm-twisting from Republican leaders over giving endangered Democrats achievements that might bolster their standing in Trump states.

"I traditionally have worked across the aisle with members who are up," Portman said in an interview, and Republican leaders "know I'm not going to back down."

Trying to deter bipartisan collaboration with vulnerable members is "silly," Portman added. "If we're doing our jobs, focused on the right result, it'll be good for all of us. Second, I don't think the fact that I've introduced a bill [with a Democrat] is going to make any difference in an election."

Teaming up on modest legislation doesn't spark the inside-the-Beltway chatter that bipartisan collaboration on taxes or infrastructure might carry, but it can generate valuable news coverage for Democrats in their states.

When Trump signed Tester's veterans' health care bill last month, national news organizations paid little heed but the Democrat drew a raft of positive headlines back home in Montana.

Bipartisanship is "not dead," Tester insisted in a brief interview, pointing to the veterans' bill as proof that "there's already been some good work done."

Republicans have previously tried to deny any perceived victory to their electoral targets, with former GOP Sen. Anthony Brown (R-Mass.) pushing to stop a vote on a energy efficiency proposal — co-authored by Portman — that would have benefited Sen. Jeanne Shaheen (D-N.H.) in their 2014 face-off. Some Democrats also recall getting similar pressure from on high not to team up with vulnerable Republicans as they pushed to retake the Senate in 2016.

The absence of such strong-arm tactics so far this year is partly due to the still-nascent stage of the midterm campaign.

"It's too early to really make an assumption" that red-state Senate Democrats will have further reelection fodder, one Senate GOP aide said. "You might see a few things here and there that they're a cosponsor on with a Republican counterpart, but I seriously doubt they'll have many big wins to tout."

Republicans also aren't sweating Democrats' victory lap on miners' aid because they don't think it will be enough to save their opponents from a campaign-trail hammering over the Obama administration's regulatory clampdown on the coal industry.

"You can't support a war on coal for years and then hope to erase voters' memories by signing on to the majority leader's efforts to permanently extend health care for retired miners," McConnell spokesman Don Stewart said by email. "Constituents are smarter than that. The Democrats' scheme is like painting one window of a dilapidated building before putting it up for sale — people just aren't going to buy it."

However, letting imperiled Democrats in states Trump won assert their political influence also gives them a chance to remind voters that incumbency has its benefits.

Asked if the door would close to more bipartisanship as 2018 draws nearer, Manchin urged GOP colleagues to keep working with him.

"[Republicans] know one thing, that there's one senator here that always talked to them when they were in cycle, if it was a good idea: It was me," Manchin told POLITICO.

"If somebody signed onto a bill that was bipartisan and it was a good idea, it was me," added Manchin, who has played an uncharacteristic political hardball to draw attention to retired coal miners' plight. "If they wanted to look at someone who never campaigned against them and never raised money against them to try to defeat them, it was me."

This week's victory on miners' aid could prove hard to replicate when lawmakers start similar talks on a fix for the looming shortfall in retired coal workers' pension fund. Democrats say that

they've secured a commitment to work with Finance Chairman [Orrin Hatch](#) (R-Utah) on the issue before next year, but as the midterm election approaches, partisan tension is likely to spike.

"I think pensions will be a challenge, because look how difficult health care was," Casey said. "[Republicans] made that much more difficult than it could have been."

And not every moderate Democrat is comfortable with counting on victories more minor than miners' aid. McCaskill lamented in an interview that even red-state Democrats whose votes might be gettable for the White House remain frozen out of the bigger policy debates.

"While there are some individual members that are still working across the aisle, and I'd count Rob [Portman] among them, it's frustrating for me because I think I have a well-deserved reputation for doing that," McCaskill said. "I think I would be considered by most of my Republican colleagues one of the moderates, but no one's talking to us Democrats on the big stuff they're doing."

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Sent: Tue 10/31/2017 9:43:01 AM
Subject: Morning Energy: Seismic changes to EPA's science boards hit today — ITC unveils solar trade barrier options — Puerto Rico looms large at first congressional hearing on hurricane response

By Anthony Adragna | 10/31/2017 05:41 AM EDT

With help from Emily Holden and Esther Whieldon

MASSIVE CHANGES COMING TO EPA SCIENCE BOARDS: Conservative allies of EPA Administrator Scott Pruitt expect him to announce today that he will bar scientists who have received agency research grants from serving on advisory panels, including the Science Advisory Board, Pro's Emily Holden [reports](#). "If we have individuals who are on those boards, sometimes receiving money from the agency ... that to me causes questions on the independence and the veracity and the transparency of those recommendations that are coming our way," Pruitt said earlier this month at the [Heritage Foundation](#). Unconfirmed names of new members to the committees were circulated by [The Washington Post](#) and [E&E News](#) on Monday night.

Critics see attack on science: Scientists and former EPA officials say the board already screens for any conflicts of interest and that Pruitt's move would be a transparent attack on science. The Union of Concerned Scientists says about half of current members have worked on projects that received EPA money, so the move would give Pruitt a chance to fill the slots with political and industry supporters of his regulatory rollbacks.

"The service on the board should be on the basis of scientific expertise and specific training that contributes to improving the science that EPA does," said Tom Burke, the Obama EPA's science adviser and deputy assistant administrator for the Office of Research and Development. "An effort to stack the board with industry or folks with a particular point of view with the climate debate is really confusing stakeholder opinion with independent science review."

The deets: Pruitt will make the formal announcement at EPA headquarters at 2 p.m.

KEY SOLAR SIGNAL SENT AHEAD OF ITC VOTE: White House officials fear allowing foreign dominance of solar manufacturing poses a national security risk, a factor that could affect President Donald Trump's decision on whether to impose a tariff or quota on imported solar equipment, Pro's Eric Wolff [reports](#). The four-member U.S. International Trade Commission reveals its proposals at a meeting this morning after finding last month that domestic solar cell and panel manufacturers had been harmed by imports flowing into the country. But Trump gets the final call on whether and what trade barriers will ultimately be imposed.

Suniva and SolarWorld, the two companies that brought the original complaint, argue strong domestic manufacturing is critical for national security. Suniva's Matt Card, executive vice president of commercial operations, said in a statement the innovation that comes from U.S. solar manufacturing is "crucial for U.S. national security, otherwise we will be reliant on China and its proxies, with their own agendas, for this technology that is a growing part of a diverse national energy solution."

But opponents of trade barriers, led by the Solar Energy Industries Association, say tariffs or other options would threaten progress at making U.S. energy supplies more secure. "It's hard to see how devastating the American solar industry supports national security or puts us at a competitive advantage against the rest of the world," SEIA CEO Abigail Ross Hopper said.

Ahead of the vote, the Checks and Balances Project sent [a letter](#) to the head of SQN Capital Corporation, one of Suniva's major creditors, alleging "you have been actively considering moving to a Chapter 7 bankruptcy — which would permanently shut down Suniva Inc. operations" and requesting clarification on the company's "intentions" ahead of the administration's decision.

BOO! HAPPY HALLOWEEN! I'm your host Anthony Adragna, and Kanner & Associates' Marty Kanner was to identify the Eisenhower administration as the first to decorate the White House for Halloween. For today: The original jack-o'-lanterns were not made of pumpkins, but what? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](#), [@Morning_Energy](#) and [@POLITICOPro](#).

THERE'S AN ENERGY TIE TO EVERYTHING: George Papadopoulos, who [pleaded guilty](#) earlier in October to a single count of lying to the FBI, lists his current profession as an "oil, gas and policy consultant" on his still-functioning [LinkedIn page](#). He touts an energy-related endorsement from Trump: "George is an oil and gas consultant; excellent guy."

In addition, Yahoo News [reports](#) Sam Clovis, whose nomination to the top scientist post at USDA has been criticized over his refusal to accept mainstream climate science, was Papadopoulos' supervisor mentioned in court documents.

POLITICO's Josh Meyer dives deep into the Papadopoulos mystery [here](#).

FEMA UNDER THE GUN: FEMA Administrator Brock Long has the first of many appearances before congressional committees concerning his agency's response to a string of recent hurricanes. We'll be watching for details on the response in Puerto Rico and the [now-cancelled](#) Whitefish Energy contract. Long meets with the Senate Homeland Security and Governmental Affairs Committee at 10 a.m. Watch [here](#).

Meanwhile, Puerto Rico Gov. Ricardo Rosselló told [NBC News](#) on Monday the island would lean heavily on "mutual aid agreements" with Florida and New York to get electricity back on as quickly as possible. He said his goal was not to delay power restoration when he cancelled the \$300 million contract with Whitefish Energy on Sunday. "My aim is not to do that — in fact quite the opposite, actually increase the urgency to getting more brigades over here," Rosselló said. "That is why the mutual aid assistance from the state of New York and from the state of Florida are going to be critical." And the governor told [CBS News](#) Monday night he's considering keeping hundreds of subcontractors hired by Whitefish.

HOUSE PANEL SHELVES PUERTO RICO HEARING: The House Homeland Security Committee [cancelled without explanation](#) a hearing slated for Wednesday where Long and San

Juan Mayor Carmen Yulín Cruz were expected to testify. "It is inexcusable that the Republicans have delayed this hearing for the third time with no rational reason in a blatant attempt to silence the Mayor and shield the Trump Administration from another bad news story," ranking member [Bennie Thompson](#) said in a statement. The Mississippi Democrat said the "real story" of the federal government's response to the hurricane isn't being told and "is inadequate in almost every respect."

EPA VETS BASH DRAFT STRATEGIC PLAN: Two separate groups of former EPA employees are extremely disappointed with the agency's draft [strategic plan](#), according to comments they're filing ahead of a deadline today. Save EPA, a Denver-based group of former staffers and others, [said](#) it had grave concerns that the plan is "extraordinarily insufficient," including because it does not address climate change. The Environmental Protection Network's [comments](#), which were prepared by retired career staff who worked on previous strategic plans and in compliance and enforcement, said the Trump administration has set priorities "in defiance of what robust science and common sense tells us are the human health and environmental challenges of the 21st Century." EPN said the plan omits data about environmental progress to date and fails to show how EPA will move forward on core tasks assigned by Congress. The group added that planned staff cuts would make it hard to carry out "even the reasonable ideas contained in the draft strategy."

SHOT DOWN: House Ways and Means Chairman [Kevin Brady](#) has declined a request from Sustainable Energy and Environment Coalition to discuss where sustainable policies fit into the emerging tax reform push, according to the group's vice-chairman Rep. [Jared Polis](#). "Chairman Brady's refusal to sit down with members of the Sustainable Energy and Environment Coalition to discuss sustainable energy and environmental policies in the upcoming tax reform plan is exactly what's wrong with Washington these days," he told ME in a statement. "We should be afforded the chance to sit down and discuss solutions with our Republican colleagues." The committee did not return to request for comment.

BLM UTAH ANNOUNCES SAGE GROUSE MEETINGS: The Bureau of Land Management's [Utah office](#) will hold three public meetings on Nov. 14-16 on changes the agency may make to plans for protecting greater sage grouse habitat. The agency has already announced sage grouse meetings in November in Idaho, California, Oregon, Colorado, Wyoming and for the Montana/Dakotas region. BLM created the plans in 2015 under a deal with states in lieu of listing the bird as either endangered or threatened under the Endangered Species Act but re-opened them at Zinke's bidding.

ENERGY COMMITTEE LOOKS AT EFFICIENCY INNOVATION: The Senate Energy and Natural Resources Committee today will "examine new efficiency opportunities provided by advanced building management and control systems" when it [gavels in](#) at 10 a.m. Witnesses include Daniel Simmons with DOE's Office of Energy Efficiency and Renewable Energy and the Pacific Northwest National Laboratory's Jud Virden. Trump's budget proposed deep cuts to EERE, so ME would be on the lookout for discussion of potential impacts from those cuts.

FERC BIGWIGS TALK PERRY'S PUSH: Three former FERC chairmen — Betsy Moler, James Hoecker and Pat Wood III — and former commissioners Nora Mead Brownell and Colette

Honorable participate in a discussion today at 10 a.m., hosted by the Bipartisan Policy Center, about Energy Secretary Rick Perry's grid resiliency proposal that would prop up the coal and nuclear sectors. The roster for the second panel also now includes Sean Cunningham, the executive director of the Energy Department's policy's office. Watch [here](#).

DEMOCRATS SEEK PROBE OF EPA'S BECK CALL: Four senior House Energy and Commerce Democrats — [Frank Pallone](#), [Diana DeGette](#), [Paul Tonko](#) and [Kathy Castor](#) — [asked Pruitt again](#) for documents related to how Nancy Beck, a former chemical industry official, is running the agency's chemicals office. "We therefore request that you immediately provide the documents requested in June and appear before the Committee to explain this blatant disregard for conflicts of interest and the public interest," they wrote. In addition, the Democrats [asked](#) the agency's inspector general to probe how Beck's actions may have benefited her former employer, the American Chemistry Council.

FISHERY AID SOUGHT: A bipartisan group of eight West Coast senators, led by [Jeff Merkley](#), [asked the administration](#) and [congressional leaders](#) to include relief for fisheries as part of the next disaster relief package taken up by Congress. "It is essential that the Senate treat fishery disasters appropriately, and provide emergency funding that can enable fishermen and communities to recover from lost catches in the form of grants, job retraining, employment, and low-interest loans," they wrote.

LAWSUIT FILED OVER CADIZ DOCS: The Center for Food Safety filed [a lawsuit](#) Monday over an unfilled public records request concerning the controversial Cadiz water project in the Mojave Desert. "The Cadiz project stunk since the day it was proposed, but its stench has gotten so much worse since Trump came into power and Cadiz's friends got power in the agencies that are supposed to regulate the company," Adam Keats, a senior attorney, said. BLM [removed the biggest remaining hurdle](#) to the California project earlier this month.

TWO INTERIOR IG REPORTS OF NOTE: Interior's inspector general released [a report](#) Monday finding a National Park Service employee misused his official position to obtain \$3,115 in speaking fees from non-federal entities. A [separate investigation](#) found a BLM manager falsified her employment history during the job application process.

WATER OFFICE LOSING LONG-TIME LEADER: EPA's top career water official, Michael Shapiro, plans to retire by the end of the year. The agency loses a veteran who was "uniquely qualified" to navigate the politics of complex water issues, said Adam Krantz, CEO of the National Association of Clean Water Agencies. Shapiro was running the water office while David Ross awaits Senate confirmation along with a pile-up of other agency picks seeking floor votes, Pro's Emily Holden [reports](#).

LIGHTER CLICK: John Oliver devoted much of "Last Week Tonight" on Sunday to U.S. flood insurance. Watch [here](#).

MOVER, SHAKER: Jim Fitterling, president of The Dow Chemical Company, has joined the executive committee of the National Association of Manufacturing's board of directors.

QUICK HITS

- They're Back: Controversial Researchers Contracted for Regulatory Study. [Bloomberg BNA](#).
- New Mexico Utility Seeks Electricity Options Other Than Coal. [AP](#).
- Brent oil ends above \$60 on expected OPEC cut extension. [Reuters](#).
- New EPA Settlements Policy Has Lawyers Bracing for Long Disputes. [Wall Street Journal](#).
- U.S. Response to Storm-Hit Puerto Rico Is Criticized by U.N. Experts. [New York Times](#).
- Republican Asks Colleagues to Keep Wind and Solar Tax Credits. [Bloomberg](#).

HAPPENING TODAY

10:00 a.m. — "[2017 Hurricane Season: Oversight of the Federal Response](#)," Senate Homeland Security and Governmental Affairs Committee, Dirksen 342

10:00 a.m. — "[Full Committee Hearing to Examine Opportunities for Efficiency in Building Management and Control Systems](#)," Senate Energy and Natural Resources Committee, Dirksen 366

10:00 a.m. — Former FERC commissioners and stakeholders discuss the Grid Rule, Sofitel Washington, D.C., Lafayette Square, Paris Ballroom, 806 15th Street NW

11:00 a.m. — "Geopolitics of Energy: The Nexus of Russia, Saudi Arabia and the Global Oil Market." Daniel Morgan Graduate School, 1620 L St. NW

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Stories from POLITICO Pro

Pruitt to announce policy to limit science advisers [Back](#)

By Emily Holden | 10/30/2017 02:24 PM EDT

EPA Administrator Scott Pruitt is expected to announce a new policy on Tuesday to limit the advisory roles of scientists who have received agency research grants, according to an invitation to the event obtained by POLITICO.

The change, which Pruitt [suggested](#) two weeks ago, could exclude scores of scientists who have

received EPA funding in the past from serving on independent boards that provide advice to the administrator.

Pruitt has said he questions "the independence and the veracity and the transparency" of recommendations from scientists who have had EPA grants.

Critics say the change would allow industry-financed scientists to control advice given to the agency on a range of environmental protection issues.

"Such a move bans some independent scientists from providing scientific advice while giving those with conflicts a free pass," wrote Michael Halpern, deputy director of the Union of Concerned Scientists' Center for Science and Democracy. He said about half of board members have had EPA grants.

The agency has invited conservative political allies, including those affiliated with the CO2 coalition, a group formed in 2015 that dispute mainstream climate science and touts the "important contribution made by carbon dioxide to our lives and the economy."

Pruitt will make the formal announcement at EPA headquarters at 2 p.m., as was first reported by E&E News.

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Source: White House sees solar manufacturing as national security issue [Back](#)

By Eric Wolff | 10/30/2017 07:03 PM EDT

The Trump administration is worried that foreign dominance in solar manufacturing could pose a national security threat, according to a White House source, a factor that could play a role in whether the U.S. implements import barriers on the clean energy technology.

A federal trade panel is set to vote Tuesday on the potential remedies it will recommend to President Donald Trump after it found last month that U.S. solar cell and panel manufacturers had been harmed by imports flowing into the country. Trump will make the final decision on whether to implement trade barriers against the solar equipment largely shipped from Asia.

White House staff view a domestic production base as essential to keeping the U.S. at the forefront of solar innovation, which they see as critical for military and space applications.

The two companies that brought the trade complaint, Suniva and SolarWorld Americas, have argued that a strong manufacturing base is essential for U.S. security, both for energy supplies and to drive technological innovation.

Suniva's Matt Card, executive vice president of commercial operations, said in a statement the innovation that comes from U.S. solar manufacturing is "crucial for U.S. national security, otherwise we will be reliant on China and its proxies, with their own agendas, for this technology that is a growing part of a diverse national energy solution."

But the industry lobby group Solar Energy Industries Association, which opposes trade barriers, says innovation can come from government support and a thriving market.

"Through investments in solar, the Department of Defense has been leading the way in making America's energy supply more secure. This case threatens that very progress," said SEIA CEO Abigail Ross Hopper. "It's hard to see how devastating the American solar industry supports national security or puts us at a competitive advantage against the rest of the world."

SEIA has sided with solar installers to argue that tariffs on solar equipment would jeopardize the fast-growing solar business in the United State by driving up prices, and putting nearly one-third of the 260,000 U.S. solar jobs at risk.

Solar backers were skeptical of some of the national security concerns, acknowledging that although NASA relies heavily on solar panels to power satellites and operate the International Space Station and potentially for solar electric propulsion to reach destinations far from Earth, its panels use a different technology than the crystalline silicon at issue in the trade case.

"Space technology is very different, and that's not impacted at all by the international trade commission case," said Todd Foley, senior vice president for policy for the American Council for Renewable Energy. The group has opposed the potential tariffs, arguing that higher prices would damage demand for solar panels in the U.S. and hurt the overall industry. "The key to a vibrant manufacturing sector is a vibrant domestic market," he said.

While Trump will make the final decision on whether to institute tariffs or a floor price for imported solar panels, he will be guided by the recommendations from the four U.S. International Trade Commission members. The group, which will reveal their tariff proposals at the Tuesday meeting, could send as many as four different recommendations to the president by the Nov. 11 deadline.

"My guess will be you'll see either a single or two recommendations," said Terry Stewart, managing partner at the trade law firm of Stewart & Stewart. Any competing recommendations will be included in the report that goes to the president that lays out logic behind the different options, he added.

The White House source said the current thinking favors a simple structure like a tariff or quota, since the administrative infrastructure already exists. Suniva, which is in bankruptcy protection, has proposed both a tariff as well a minimum price for imported solar cells. SolarWorld, whose German parent is in bankruptcy, has said it preferred a tariff along with a quota. Both companies have said a tariff alone wouldn't do enough to protect the U.S. manufacturing industry.

The two companies and SEIA have offered suggestions to divert some of the proceeds any tariffs

from the Treasury Department to go to directly to manufacturers, although SEIA's proposal calls for no quota or floor price and a far lower tariff. Suniva and SolarWorld also proposed assistance programs for the solar sector, but the White House prefers to avoid the complexity of setting up new programs.

Suniva and SolarWorld also hope the ITC will recommend the president issue an executive order requiring federal agencies use only U.S.-produced panels and begin a review of tax credit programs like the Investment Tax Credit that supports solar power.

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6 key findings from Papadopoulos' guilty plea in Russia probe [Back](#)

By Cristiano Lima | 10/30/2017 01:13 PM EDT

George Papadopoulos, a former foreign policy adviser on President Donald Trump's 2016 campaign, pleaded guilty to lying to the FBI about his contacts with Russian officials, court documents revealed Monday.

The plea deal was entered by Papadopoulos, 30, in a closed Washington, D.C., courtroom earlier this month, according to special counsel Robert Mueller's office. It was publicly disclosed Monday and offers evidence of a Trump campaign official coordinating with a Russia-linked official offering "dirt" that could allegedly influence the election.

Here are the key findings from the 14-page court filing:

Papadopoulos made "material false statements" to the FBI in a January interview

The former Trump foreign policy adviser lied to the Federal Bureau of Investigation during an interview on Jan. 27, 2017. The meeting was held as part of their investigation into the Russian government's effort to influence the 2016 campaign and whether there was "coordination" between foreign operatives and the Trump team, documents show.

He lied about meeting a professor with "substantial" ties to the Kremlin

Papadopoulos met with a professor from abroad who had "substantial" connections to Russian government officials on or around March 14, 2016. While Papadopoulos told federal authorities the meeting came prior to him joining Trump's campaign, it in fact occurred in early March, documents show, after he joined the team. The meeting also came about because of the professor's interest in Papadopoulos' role with the Trump camp. They again discussed campaign-related matters on April 26, 2016, after Papadopoulos had been on the campaign team for more than a month.

Papadopoulos also lied to the FBI about the extent of his awareness of the professor's Moscow connections, calling him "a nothing" who was "just a guy talk[ing] up connections or something," when in reality he knew of his link to the Kremlin.

He discussed "dirt" on Hillary Clinton and her "thousands of emails"

Papadopoulos admitted to authorities that the professor had told him that he possessed "dirt" on then-Democratic presidential candidate Hillary Clinton and her "thousands of emails." The professor also discussed the emails during their meeting in April after Papadopoulos had joined the campaign.

He met with someone described as "a relative of Russian President Vladimir Putin"

During his meeting with the Kremlin-linked professor, Papadopoulos was introduced to a female Russian national who was described to him as a "relative" of the Russian leader. The court filing says she possessed "connections to senior Russian government officials."

Papadopoulos tried to set up a meeting between the Trump campaign and the Kremlin

Documents say Papadopoulos, "over a period of months," sought to use the connections of the professor and the woman described as Putin's relative to set up a summit between the campaign and the Russian government.

Following a March meeting with his two contacts, Papadopoulos told a "Campaign Supervisor" of the potential gathering and was told they would "work it through the campaign." The supervisor added, "Great work." Ultimately, the meeting between Russian leadership and the campaign did not take place.

The FBI says his lies and omissions "impeded" the investigation

Mueller's team says that Papadopoulos, by providing false information and omitting details about his communications with Russian-linked contacts, hindered the FBI's probe into Russian election interference and any coordination between the Trump campaign and Moscow.

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Puerto Rico utility cancels controversial energy contract [Back](#)

By Colin Wilhelm | 10/29/2017 02:20 PM EDT

Puerto Rico's Electric Power Authority canceled its \$300 million contract with Whitefish Energy, a Montana-based company, after additional scrutiny surrounding the repair contract worth hundreds of millions of dollars.

The move comes after Puerto Rico Gov. Ricardo Rosselló called for the cancellation of the contract this morning. Rosselló's public call to the federal oversight board of Puerto Rico happened after days of resisting any change to the contract, according to a source with knowledge of the situation.

A spokesperson for the governor did not immediately respond to a request for comment.

Rosselló publicly objected last week to the oversight board's installation of an emergency chief transformation officer to oversee the recovery of PREPA, Puerto Rico's beleaguered government-backed power utility, after the board filed in court to do so last week. That board-installed officer is placed above PREPA's Executive Director Ricardo Ramos, who signed off on the Whitefish contract. That contract uses federal funds overseen by the utility to repair Puerto Rico's electrical grid, most of which remains offline weeks after Hurricane Maria hit the island.

The law passed by Congress last year allows the board to act as trustee for any Puerto Rico government entities that seek to reorganize their debt in court, a process similar to bankruptcy. A judge overseeing the restructuring of Puerto Rico's debt granted the request, according to a court document.

Several congressional committees sent investigative inquiries about the contract last week, and members of the House Natural Resources Committee also sought information as to why Rosselló did not seek to activate "mutual aid" agreements with nearby states to increase the number of work crews available, an action Rosselló ultimately took today.

"Transparent accountability at PREPA is necessary for an effective and sustained recovery in Puerto Rico," said Parish Braden, a spokesperson for that committee, in an email to POLITICO. "Immediate actions must also be responsibly aligned with long-term rebuilding and revitalization efforts. Success depends on the cooperation and coordination of the Governor, the Oversight Board, PREPA's Chief Transformation Officer and federal partners."

In a press conference Sunday, Rosselló urged the immediate end of an agreement between the commonwealth's electric utility, PREPA, and Whitefish Energy, a two-year-old Montana-based company whose selection for a no-bid contract worth hundreds of millions of dollars has drawn intense political scrutiny. Rosselló also criticized the federal government for a delay in sending brigades of the U.S. Army Corps of Engineers.

In a news release sent Sunday, Rosselló said his comments were "intended to reaffirm our commitment to transparency in the contracting process in the government of Puerto Rico and to achieve the highest degree of efficiency possible in the restoration of the power grid of our island, in the shortest amount of time possible."

"The goals I established are aimed at achieving 30 percent of the power generation capacity. I am grateful for the effort that the PREPA staff is doing together with the contracted companies," Rosselló said in the release. "At the moment, PREPA and its contractors have 404 brigades working on the island, while the [Army Corps of Engineers] has seven."

Earlier this month the Washington Post reported that Whitefish had previously employed the son of Interior Secretary Ryan Zinke and that the company was selected despite having no experience in large-scale electrical repairs and with only two full-time employees. The company has subcontracted out its work on the island.

Since then the contract, initiated by PREPA using federal emergency funds, has come under congressional scrutiny and put Zinke on the defensive.

Zinke on Friday said he had "absolutely nothing to do" with the awarding of the contract to Whitefish, which is from his hometown. "Any attempts by the dishonest media or political operatives to tie me to awarding or influencing any contract involving Whitefish are completely baseless. Only in elitist Washington, D.C., would being from a small town be considered a crime," Zinke wrote in a [statement](#).

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BLM clears the way for Cadiz California water pipeline [Back](#)

By Esther Whieldon | 10/16/2017 06:06 PM EDT

The Bureau of Land Management has ruled the proposed Cadiz Inc. water pipeline in California's Mojave Desert can move forward without agency approval, effectively clearing the biggest remaining federal hurdle for the project.

In a Friday [letter](#), which Cadiz released today, BLM acting Director Mike Nedd reversed a 2015 finding by the Obama administration that the project could not use an existing railroad right of way and would need to apply for its own.

The proposed pipeline would pump groundwater from a desert aquifer across 43 miles of land, much of it federally owned, and the project's opponents have argued it would draw more water than the aquifer can recharge naturally.

The Interior Department in September also reversed a legal interpretation made under the Obama administration and found railroads have broad discretion to lease their rights of way. The Center for Biological Diversity has filed a public records request with Interior to figure out why the agency revoked that legal interpretation.

David Bernhardt, Interior's second-in-command, did legal work for Cadiz before joining the agency. An Interior spokeswoman in an emailed statement said "the Deputy Secretary has absolutely no role in anything related to Cadiz."

WHAT'S NEXT: Cadiz in a [statement](#) said it will begin working on final engineering designs,

contracts and obtaining a conveyance agreement with the Metropolitan Water District of Southern California. A Cadiz spokeswoman in an email said the storage component of the project will still require federal permits.

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Pruitt to announce policy to limit science advisers [Back](#)

By Emily Holden | 10/30/2017 02:24 PM EDT

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Pruitt has said he questions "the independence and the veracity and the transparency" of recommendations from scientists who have had EPA grants.

Critics say the change would allow industry-financed scientists to control advice given to the agency on a range of environmental protection issues.

"Such a move bans some independent scientists from providing scientific advice while giving those with conflicts a free pass," [wrote](#) Michael Halpern, deputy director of the Union of Concerned Scientists' Center for Science and Democracy. He said about half of board members have had EPA grants.

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