

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Morning Energy
Sent: Thur 11/9/2017 3:01:37 PM
Subject: POLITICO's Morning Energy, presented by ExxonMobil: Senate expected to send Pruitt an air chief today — Senate Energy slots in Nov. 15 ANWR markup as text released — East vs. West coal battle heats up — New hurdle for nuclear waste bill

By Anthony Adragna | 11/09/2017 09:59 AM EDT

With help from Emily Holden and Eric Wolff

HELP'S ON THE WAY: The Senate is expected to confirm William Wehrum today at 11:30 a.m. to run EPA's air office, sending Administrator Scott Pruitt a key, if controversial, lieutenant as he embarks on a sweeping agenda to roll back a host of Obama-era air regulations. Barring any huge surprises (the cloture vote was [along party-lines](#)), Wehrum is expected to receive unanimous Republican backing and universal Democratic opposition.

Al Franken made a candid hot mic comment during the cloture vote. Watch [here](#).

Pressure to testify ramps up: With help on the way to the agency, look for Congress to further lean on Pruitt to return for oversight hearings. House Energy and Commerce Environment Subcommittee Chairman [John Shimkus](#) told reporters he's personally told Pruitt within the past two weeks that he needs to appear before the committee. "I know that I said, 'You know you're eventually going to have to come before the committee, and the sooner you do it the better,'" he said. "He was quiet." House Science Chairman [Lamar Smith](#) said in a [letter](#) his staff was working on finding "a mutually convenient time" for Pruitt to come. From ME's perspective, Hill Republicans may have to do more than nicely ask for Pruitt to appear.

Speaking of Pruitt, a tipster tells ME they spotted the administrator in first class on a flight from D.C. to Detroit on Wednesday morning. An agency spokeswoman wouldn't say where he was going or what he was doing once he arrived.

Hey, EPA: That's not how this works. Pruitt is a Cabinet official, not a private citizen. His responsibilities include testifying before Congress regularly, and the public has a right to know where he is on a given day. Unlike Pruitt, other Cabinet officials - including Secretary of State Rex Tillerson, Defense Secretary Jim Mattis, Agriculture Secretary Sonny Perdue, Commerce Secretary Wilbur Ross (even President Donald Trump himself) - regularly provide their daily schedules in advance.

So where is he today? Pruitt's [slated](#) to meet with the American Chemistry Council's board of directors for 2-1/2 hours on Kiawah Island, S.C.

IF IT'S THURSDAY, ME'S HERE FOR YOU! I'm your host Anthony Adragna, and EPA deputy nominee Andrew Wheeler was first (on the morning of his confirmation hearing!) to identify that Sen. Shelley Moore Capito's father, Arch Moore, served three terms as West Virginia governor before legal troubles ended his career. For today: Which former lawmaker left the House to become a public works commissioner? Send your tips, energy gossip and comments

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ANWR LEGISLATION RELEASED: Senate Energy Chairman [Lisa Murkowski](#) released a four-page reconciliation [package](#) late Wednesday that would open Arctic National Wildlife Refuge in Alaska to oil and gas drilling. According to the CBO, the measure would net \$1.092 billion over the 10-year budget while limiting development to 2,000 acres of federal land. The release allows the committee to move on to a [markup](#) on Nov. 15. Efforts to open ANWR to drilling are staunchly opposed by Democrats, including Ranking Member [Maria Cantwell](#), and environmental advocates. Remember instructions in the budget resolution, [H. Con. Res. 71](#), require Murkowski's committee to raise \$1 billion in revenue over the next decade.

Hot docs: Text of the chairman's mark [here](#). Summary of the mark [here](#). Map of the area under consideration [here](#).

NEW EAST V. WEST BEEF: Energy Secretary Rick Perry's grid resiliency push to boost the coal and nuclear sectors is casting a brighter light on the ever-expanding divide between the coal industry's Appalachian mines and Wyoming's Powder River Basin, Pro's Alex Guillén [reports](#). And though the Trump administration has paid close attention to boosting the fortunes of Appalachia in its early months, experts say the industry's future appears brighter out West. "The industry recognizes it's just a fact of geology and Mother Nature and economics," said analyst Michael Dudas of Vertical Research Partners. "Over the past decades, the mix has certainly gone away from Appalachia towards the Powder River Basin."

Eastern and Western coal states have been on different trajectories for decades, with 56 percent of U.S. coal production in 2015 coming from the Western region and just 25 percent from Appalachia. Western coal is easier to access and reserves are so abundant that companies were able to absorb an Obama-era moratorium on new leases largely unfazed. "In the grand scheme of things, economically, we're the better bet for a utility," Travis Deti, executive director of the Wyoming Mining Association, said.

But the nostalgia factor: Appalachia is the nation's sole producer of metallurgical coal, high-grade fuel used to make steel and other metals and is better-positioned to export its coal. But beyond those factors, it continues to occupy an overwhelming cultural and political presence in parts of the country. "Our advantage is we have the best coal miners in the world and we got probably some of the best coal in the world right here. The Lord blessed us in that standpoint," Bill Raney, president of the West Virginia Coal Association, said.

NUCLEAR WASTE BILL HITS NEW HURDLE: A dispute between Shimkus and House Appropriators over how money from the Nuclear Waste Fund is spent must be resolved before a [bipartisan](#) nuclear waste bill can hit the floor, Pro's Darius Dixon [reports](#). At issue is mandatory spending in the Shimkus bill that would go to operating costs related to Yucca Mountain and additional payments through a "benefits agreement" with the state of Nevada. Current law has Congress dole out monies from the fund during the annual appropriations process and lawmakers on that panel don't want to cede that power. "My frustration is that we are serious but the appropriators, right now, are still wedded to a year-to-year process," Shimkus told Darius.

It's a pile-on! Even if the bill gets out of the House, there's been little appetite to move on the issue in the Senate where leadership doesn't want to put vulnerable Nevada Republican Sen. [Dean Heller](#) in a tough spot. "Senate Republicans have made it clear they don't want to move forward on Yucca Mountain because it could hurt Sen. Heller," a senior Senate aide said. Heller said in an interview - with a smile - he'd been pushing Majority Leader [Mitch McConnell](#) to keep Yucca funding out of the next spending package. "I think we'll get there," he added.

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HOW ABOUT A MEETING? The Senate's number two Democrat has no plans to lift his hold on multiple Interior nominees until Secretary Ryan Zinke meets with his office about his review of national monument designations, your ME host [reports](#). "A meeting, how about that for a radical idea?" Sen. [Dick Durbin](#) told ME when asked what it would take to lift the holds. "We asked the secretary to meet with us and he won't do it." Zinke demanded the senators "lift the random and senseless holds" in [a tweet](#) late Wednesday.

ROUGH WATERS FOR CORPS NOMINEE? Rickey Dale "R.D." James, Trump's pick to run the Army Corps of Engineers, is likely to face scrutiny today before the Armed Services Committee over what critics say are his conflicts of interests, Pro's Alex Guillén [reports](#). His thousands of acres of valuable Missouri farmland lie within the New Madrid floodway, a relief-valve channel that can be used to divert floodwaters from the Mississippi and Ohio rivers. James, a long-time member of the powerful Mississippi River Commission, has admitted to being conflicted about flooding the area because of his ties there. "I could not displace from my mind what the decision would mean to my friends and neighbors," James [told](#) the Defense Media Network in 2012.

His defenders include both of Mississippi's senators - [Thad Cochran](#) and [Roger Wicker](#) - and major waterways groups. Once he clears the Armed Services Committee, he will go through another hearing and vote before the Senate Environment and Public Works Committee. The [session](#) gavel in at 10 a.m. in Dirksen G-50.

OLD KING COAL: Michael Bloomberg and Bloomberg Philanthropies today will [announce](#) a \$50 million cash infusion to launch the Europe Beyond Coal campaign to reduce the continent's dependence on coal energy. Done in partnership with the European Climate Foundation and a sister campaign on ongoing U.S efforts, both groups plan a Nov. 11 event on the sidelines of the UN's COP23 to discuss their new push.

Taking stock: As the climate confab in Bonn continues, a [new analysis](#) from Data-Driven Yale finds nearly 15,000 subnational and non-state actors have set close to 100,000 goals to curb climate change. The researchers synthesized information from 17 platforms and organizations, finding that more than 7,000 cities representing 17 percent of the world's population have climate targets. Most (5,831) are in Europe, and 554 are in North America. The study identified

climate commitments from about 6,225 companies and investors with \$36.5 trillion in revenue, and from 34 of the world's 57 largest banks, as well as 700 U.S. colleges and universities

HYDROPOWERING THROUGH: The House voted 257 to 166 on Wednesday to approve the Hydropower Policy Modernization Act [H.R. 3043 \(115\)](#) revamping the permitting process for hydropower projects. "This bill won't change outcomes or environmental standards. Instead, it will speed up the relicensing process and save time and money," bill sponsor Rep. [Cathy McMorris Rodgers](#) said in a statement. Twenty-six Democrats backed the measure, while three Republicans voted against it.

BISHOP'S 'DISAPPOINTED' BY PREPA'S ABSENCE: House Natural Resources Chairman [Rob Bishop](#) told ME he's "disappointed" but not surprised the head of Puerto Rico's utility backed out of a congressional hearing earlier this week. "They would have had to face all the questions about Whitefish, so I kind of understand why they didn't necessarily want to be there," he said. "If we're trying to solve the problem, spending a lot of time on Whitefish would be fun but not necessarily essential with moving forward."

FIGURE IT OUT: Democratic Sens. [Sheldon Whitehouse](#) and [Michael Bennet](#) asked FERC in a Wednesday [letter](#) to reverse course and include the social cost of carbon as part of its review of pipeline projects. They included a point-by-point rebuttal of a recent draft FERC analysis in which the commission said it would not include the figure estimating societal costs of carbon pollution in its analyses.

ATLANTIC SUNRISE CAN PROCEED: A three-judge panel of the D.C. Circuit denied a request Wednesday from community and environmental groups to halt construction of the Atlantic Sunrise natural gas pipeline while a broader challenge to FERC approval of the project proceeds, [Pro's Darius Dixon reports](#). "Petitioners have not satisfied the stringent requirements for a stay pending court review," the court said in [its order](#).

MAIL CALL! THANKS, MR. PRESIDENT! A group of advanced biofuel producers, including ethanol giants Archer Daniels Midland and POET, sent a [letter](#) to Trump thanking him for past support of the ethanol industry and asking him to make sure advanced biofuel volumes are raised from proposed levels. "Mr. President, we very much appreciate your ongoing commitment to the biofuels industry and the Americans who work every day to produce biofuels and other bio-based, agricultural products," the letter says.

Hey, House, lay off our wind tax credit: Rhode Island Gov. Gina Raimondo and South Dakota Gov. Dennis Daugaard are asking House tax writers to lay off changes to the wind tax credit. In a [letter](#) to Ways & Means Chairman [Kevin Brady](#) and ranking member [Richard Neal](#), the pair, who are also the current and past chairmen of the Governors Wind and Solar Energy Coalition, say the bill should drop its provisions that change how wind projects qualify and that eliminate an inflation adjustment. Fifteen House members, led by Rep. [David Young](#), made a similar plea in their [own letter](#) Wednesday.

Not sold: A group of 17 environmental and public health groups sent a [letter](#) to the House on Wednesday strongly opposing the chamber's tax package, [H.R. 1 \(115\)](#). "The plan puts at risk

our clean energy future by preserving tax breaks for dirty energy sources while slashing them for cleaner forms of energy," the letter, signed by groups like the Center for Biological Diversity, Sierra Club and Oil Change International, says. "And if the tax plan itself weren't harmful enough, it is also being packaged in the Senate with unrelated, controversial legislation that hands over the pristine and sacred Arctic National Wildlife Refuge to exploitation by Big Oil."

Energy research can be fun(ded)! A group of business leaders sent [a letter](#) to top House and Senate appropriators urging robust energy research funding. "Ensuring America stays at the forefront of global energy technology research is both an economic and security imperative," the letter, signed by leaders including Southern Co's Tom Fanning, ClearPath's Jay Faison and the U.S. Chamber's Thomas Donohue, says.

GOOD YEAR FOR PARKS: The Trust for Public Land ran the numbers and voters around the country approved \$1.5 billion in local and state ballot measures for parks and conservation. Twenty-six of the 30 local park and open space measures passed. "At a time when Americans seem to be increasingly divided, one thing we all agree on is that we love our parks, whatever our political party," Will Rogers, the group's president, said in a statement.

TAKE A GLANCE! Energy In Depth, a research program of the Independent Petroleum Association of America, is launching [a website](#) today pushing back on claims made by the #ExxonKnew campaign.

QUICK HITS

- How Coal Giant Peabody's Ideas Ended Up in Trump's Coal Study. [Bloomberg](#).
- Coal-fired plant shifted \$1bn offshore while pocketing \$117m from Australian taxpayers. [The Guardian](#).
- End may be nearing for Diablo Canyon nuclear plant. [San Francisco Chronicle](#).
- Shell Enchilada oil platform in Gulf of Mexico shut after fire. [Reuters](#).
- Homeland nominee questions human role in climate change. [AP](#).
- California Gov. Jerry Brown delivers a blunt climate change message in Germany. [Los Angeles Times](#).

THAT'S ALL FOR ME!

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