

Message

From: Garrison, Jessica [jgarrison@balch.com]
Sent: 3/16/2017 8:10:49 PM
To: Hale, Michelle [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=cb99f5247ab8412fa017133839301fee-Hale, Miche]
Subject: Fwd: Schnare Resigns
Attachments: Balch_Logo_17db8ea2-760c-49c3-b0ff-19f80bb6a179.jpg

DAILY NEWS

Top EPA Transition Adviser Resigns, Citing Frustration Over Pruitt, Infighting
March 16, 2017

David Schnare, who had been serving as a senior transition adviser at EPA and had been expected to stay at the agency permanently, resigned abruptly from the agency March 15 over concerns about infighting among administration appointees and Administrator Scott Pruitt's alleged lack of engagement. Schnare, who worked as an EPA staff attorney for 33 years but most recently was general counsel for the free-market Energy & Environmental Legal Institute, confirmed to Inside EPA that he resigned late March 15, effective March 17.

"Transitions begin and they end," Schnare said in a March 15 email to top EPA and administration officials. "I have been honored to have had the opportunity to serve the Trump Administration, but I have completed as much as I am able. Thus it is time for me to move on."

EPA declined to comment on Schnare's departure or the allegations he raised.

Schnare indicated in recent days that he was growing increasingly frustrated with what he described as endless infighting at the agency and with an unwillingness by Pruitt to engage with him and many other "beachheaders" placed at the agency by the Trump transition.

"I think I'm going to resign," he said March 14, referencing his growing unease and concern that Pruitt has never met with the beachhead team members -- most of whom came from the Trump campaign -- for a substantive discussion.

He added that Pruitt never received a copy of the "action plan" that transition team leader Myron Ebell of the free-market Competitive Enterprise Institute left for him. That revelation could be significant because the plan reportedly calls for sweeping changes to EPA's structure to curtail its scope and staffing.

Pruitt also reportedly excluded beachhead members from his daily morning meeting and all but one member from his weekly teleconference with acting office heads and acting regional administrators, Schnare said. However, one source familiar with the situation rebuts Schnare's claims, arguing there are "many members of the beachhead team who have come on board with the Pruitt administration," including Holly Greaves, David Kreutzer, George Sugiyama and John Konkus.

"To describe animosity between the administration and the beachhead team is not accurate," the source says. "They are active members of the administrators' office," including in the budget and policy offices.

This source suggests that Schnare may have been "shut out from very senior meetings, but he was certainly not shut out from being a member of the team."

'Last Chance'

Schnare intended to stay on at the agency -- he left with the title of assistant deputy administrator -- to take what he saw as the "last chance" for making important and substantive changes to long-standing EPA policies that he believed needed updating. For example, he cited fundamental science policy questions, including the agency's default use of a linear cancer risk model that assumes no safe level of exposure for chemicals whose mode of action is unknown or are mutagenic.

"If you alter that policy, the need to regulate a lot of chemicals disappears," he told Inside EPA earlier this week, adding it has been "around for decades and under constant attack by the science community" because of the need for more practical thresholds.

He also advocated revoking EPA's greenhouse gas rules because they "would have virtually no effect on climate change." The money spent on the climate rules would be better used hiring more staff to review and approve pesticides, according to Schnare.

"There are serious problems that have to be addressed," he said. "But there are so many others that are on the margins and irrelevant. And if we don't recognize the irrelevances, then we can't concentrate on the relevant ones," he said.

He believes EPA has fallen into a pattern of overstating some risks, such as industrial carbon dioxide emissions, while failing to pay enough attention to others, such as preventing the spread of the Zika virus in Puerto Rico, where babies born after being exposed to Zika will now cost the government millions for their care.

"This isn't about rolling back regulations but about changing the way we write them, changing the science policy used to decide how safe is safe enough," Schnare said.

He also expressed frustration about being one of the only members of the beachhead team with significant EPA experience, as well as with Pruitt's alleged lack of interest in major policy matters. He said Pruitt has yet to take a meeting to inform a decision on a major policy issue and lacks understanding of how the agency operates.

For example, when Pruitt agreed March 2 to suspend an information collection request for methane emissions<https://urldefense.proofpoint.com/v2/url?u=https-3A__insideepa.com_node_199596&d=DwMFAG&c=aBdhyoZJYduO2RKJitouCNP8RLVZN4_JgMDcVKb9PPk&r=V5VVDUQH3exPVRKvoE_rkL8WRGuI9F1ff0epWYJ1X_m8&m=JGUGUuw6P-ugOLZYae6NH9unmdDLw2ZW4VBrY1pDyU&s=9b616KEw-POPE6q7g0IASrprVaFdg_En2B827g7XYuI&e=> from the oil and gas sector imposed by the Obama EPA, Schnare said

the administrator believed he could do so by sending a letter approved by the general counsel's office, rather than advance a formal rulemaking to undo the action taken in the Federal Register using authority in Clean Air Act section 114.

One former EPA lawyer adds that Pruitt likely lacks knowledge of public engagement processes required under the Administrative Procedure Act, based on his prior political experience as Oklahoma attorney general challenging EPA rules, suggesting a difficult learning curve.

Rescind Delegation

In one of Schnare's final acts at EPA, he sent an internal email, obtained by Inside EPA, informing staff that Pruitt was rescinding delegation authority<https://urldefense.proofpoint.com/v2/url?u=https-3A__insideepa.com_node_200001&d=DwMFAg&c=aBdhyoZJYduO2RKJitouCNP8RLVZN4_JgMDCVKb9PPk&r=V5VVDUQh3exPvRKvoErkl8WRGuI9F1ff0epwYJ1X_m8&m=JGUGUuw6P-ugOLZYzae6NH9unmdDLw2ZW4VBrY1pDyU&s=qIKJ50XIEC1BQ6f001EDdKJoD0x-1jUEVIgtiVCmaIM&e=> for acting assistant administrators (AAs) and acting regional administrators (RAs), barring them from taking "significant" actions on his behalf.

The March 2 email from Schnare said that because permanent political appointees are not yet in place, "for the next 30 days, the Administrator wishes to retain approval authority for Agency actions having significant regulatory and enforcement effect. The Administrator will rely on the Acting RA's and AA's to identify and send upward any proposed decisions or final agency actions or the Administrator's review which, in the judgement (sic) of the Acting RA's and AA's would limit the flexibility of the States, limit energy resource use, impose significant costs on industry or commerce, or otherwise likely result in significant public attention on the proposed decisions or final agency actions."

Schnare's departure also comes as Pruitt's supporters inside and outside the agency worry that he will have to wait months to get his political leadership team in place while running a large federal agency he does not understand<https://urldefense.proofpoint.com/v2/url?u=https-3A__insideepa.com_node_199375&d=DwMFAg&c=aBdhyoZJYduO2RKJitouCNP8RLVZN4_JgMDCVKb9PPk&r=V5VVDUQh3exPvRKvoErkl8WRGuI9F1ff0epwYJ1X_m8&m=JGUGUuw6P-ugOLZYzae6NH9unmdDLw2ZW4VBrY1pDyU&s=t1q1AL_7DnHF1MQMitVktISnBh9oTgw_r_JnddsafpA&e=> and did not attempt to

during the transition. They also fear he is surrounding himself with people similarly lacking in experience.

For example, Pruitt's chief of staff Ryan Jackson comes from Sen. James Inhofe's (R-OK) office, while his policy chief, Samantha Dravis, worked with him and other GOP attorney generals in litigating against EPA rules.

Inside EPA reported in December that Schnare had returned to

EPA<https://urldefense.proofpoint.com/v2/url?u=https-3A__insideepa.com_node_196880&d=DwMFAg&c=aBdhyoZJYduO2RKJitouCNP8RLVZN4_JgMDCVKb9PPk&r=V5VVDUQh3exPvRKvoErkl8WRGuI9F1ff0epwYJ1X_m8&m=JGUGUuw6P-ugOLZYzae6NH9unmdDLw2ZW4VBrY1pDyU&s=zJx8DLHH2SeJRY-34NTMCE4C3tkHf0bo9Y6etdmMCIG&e=> as part of the Trump transition team and that he appeared to be under

consideration for a permanent appointment. -- Dawn Reeves
(dreeves@iwpnews.com<<mailto:dreeves@iwpnews.com>>)

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