

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: POLITICO Pro Energy
Sent: Mon 7/17/2017 9:44:15 AM
Subject: Morning Energy, presented by Growth Energy: EPA alters how information's gathered — Slew of energy bills hit the House floor — EDF Action launches push against EPA cuts

By Anthony Adragna | 07/17/2017 05:42 AM EDT

With help from Darius Dixon

EPA WANTS TO ENFORCE SMARTER, NOT HARDER: In a move that former EPA officials worry could hamper enforcement of environmental rules, the agency's regional offices must now get approval from EPA headquarters before sending many types of requests for information to a company, Pro's Eric Wolff [reports](#). Regions have traditionally had autonomy in requesting information, but now many of those, especially ones applying to companies and facilities with no history of violations, will have to be reviewed in EPA's Washington headquarters under the policy established in the spring. "EPA is working to ... eliminating overly broad and unduly burdensome requests for information," EPA spokeswoman Amy Graham told Eric in a statement. "These changes will enable the agency to efficiently and consistently gather the information it needs to assure compliance with environmental laws."

It's a move long-sought by Sen. [Jim Inhofe](#), the former chair of the Environment and Public Works Committee whose past staffers are sprinkled throughout the agency. Inhofe has said he thinks the agency engages in too many "fishing expeditions."

Critics fear the policy is designed to curb enforcement of environmental laws. "A policy to aggregate all information requests for headquarters approval is more likely to diminish enforcement because you're going to end up with bottlenecks," said Doug Parker, EPA's former head of criminal enforcement and a 27-year veteran of the the agency. Headquarters staff will track information requests in a new database.

HEADED TO A HOUSE FLOOR NEAR YOU! House lawmakers are poised to take up a slew of energy-related measures this week after they clear the Rules Committee. First up is the Ozone Standards Implementation Act [H.R. 806 \(115\)](#), which would delay implementation of the stricter 2015 ozone standard through 2025 and lengthen the period of time between EPA's normal review of the standard from five years to 10. Rep. [Pete Olson's](#) bill gets its day before the Rules Committee today at 5 p.m.

Also on the agenda is a bill [H.R. 218 \(115\)](#) that would authorize the transfer of federal land to Alaska to build [the state's long-sought \(and contentious\) road](#) between the isolated southwestern Alaska village of King Cove and a neighboring community with an all-weather airport. There's also legislation [H.R. 2883 \(115\)](#) overhauling the presidential permitting process for electric, natural gas and oil projects that would shift the authority to review cross-border oil pipelines to FERC from the State Department. And there's a separate measure [H.R. 2910 \(115\)](#) aimed at streamlining approvals for interstate natural gas pipelines. The Rules Committee considers the bills Tuesday at 3 p.m.

WELCOME TO MONDAY! I'm your host Anthony Adragna, and State's Jennifer Schaming was first up to identify Holtsville, N.Y. as the holder of the nation's lowest zip code (00501). For today: What's the highest zip code in the U.S. and where is it? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](https://twitter.com/AnthonyAdragna), [@Morning_Energy](https://twitter.com/Morning_Energy), and [@POLITICOPro](https://twitter.com/POLITICOPro).

GOTTA LOOK AT THE DATE: A draft version of the grid study sought by Energy Secretary Rick Perry says that renewable power doesn't threaten the power network's reliability, [Bloomberg](#) reported Friday evening. Perry called for the study in April, and has said he wanted to see if Washington's policies or federal tax policy were pushing baseload power generation — like coal-fired plants — in retirement prematurely. Renewable power advocates have feared that Perry would slant the report and use it to justify efforts to support coal plants. "The power system is more reliable today due to better planning, market discipline, and better operating rules and standards," the July draft says.

But a DOE spokeswoman said a draft of the study is outdated, and none of the phrases that [Bloomberg](#) cited were in the current version. Those draft findings are now under review by DOE leadership and the final product may come out as soon as this week.

MOVING MORE SPENDING PACKAGES: Congress takes another crack at advancing spending measures this week with the full House Appropriations Committee [marking up](#) its Interior and EPA package Tuesday at 10:30 a.m. Across the way, a Senate Appropriations subpanel [inks up](#) its Energy and Water package Tuesday at 2:30 p.m. ahead of full committee consideration Thursday at 10:30 a.m.

CAP AND TRADE'S CRUCIAL DAY IN CALI: Lawmakers in California are slated today to cast their votes on whether to extend California's cap and trade program through 2030. The Business Council for Sustainable Energy sent [a letter](#) Friday endorsing the extension and urging the legislature to "swiftly act" on the measure. But a number of major environmental advocates voiced opposition, arguing the measure gave too many concessions to the oil industry. "California can do better," Masada Disenhouse with 350.org said in a statement. "This plan has Big Oil's fingerprints all over it and doesn't do enough to protect vulnerable communities or to achieve California's ambitious targets for reducing carbon pollution." The Los Angeles Times has a good look at the state-of-play on the bill [here](#).

FORMER SUZUKI EMPLOYEE GUILTY OF MISLEADING EPA: Wayne Powell, a former Suzuki analyst, pled guilty to submitting false reports on vehicle emissions to EPA and therefore enabling thousands of violations of the Clean Air Act on model year 2012 motorcycles, DOJ [announced](#). He faces up to two years in prison and a maximum fine of \$250,000.

ZINKE VISITS ANOTHER MONUMENT: After taking two monuments off his review list, Interior Secretary Ryan Zinke [headed to](#) Oregon on a beautiful Saturday to look at the Cascade Siskiyou National Monument. He [hiked with BLM](#) employees and met with advocates of keeping the monument, [huddled with](#) snowmobile industry peeps and [talked with](#) timber industry representatives. Energy and Commerce Committee Chairman Greg Walden [hosted](#). Both of the state's Democratic senators — [Ron Wyden](#) and [Jeff Merkley](#) — have staunchly opposed altering

the monument. On Sunday, Zinke's Twitter [feed](#) included posts about meeting with [Oregon Gov. Kate Brown](#) and references to his "[delish burrito](#)" for lunch.

EDF ADS HIT PRUITT! EDF Action is launching a million dollar ad campaign targeting House GOP lawmakers for not combating deep cuts to EPA's budget. Targets include: [Martha McSally](#), [Mike Coffman](#), [Jason Lewis](#), [Barbara Comstock](#), [David Valadao](#), [Mark Amodei](#), [Ann Wagner](#), [Mario Diaz-Balart](#), [Tom Rooney](#) and [Ken Calvert](#). Watch the ads [here](#) and [here](#).

WHO KNOWS! French President Emmanuel Macron told a French newspaper Sunday he thinks he may have swayed Trump into returning to the Paris accord in the months ahead, according to [Reuters](#). "(Trump) told me that he would try to find a solution in the coming months," Macron told Le Journal du Dimanche. "We spoke in detail about the things that could make him come back to the Paris accord." But Trump's Homeland Security Adviser Tom Bossert said the topic of climate change was not a major topic of conversation or awkward subject. "We didn't discuss any climate issues in the extended bilateral conversation that I attended," Bossert told reporters on Air Force One. "And the topic didn't chill or affect or any way come up verbally or through nonverbal cues in our conversations."

ILLINOIS JUDGE SIDES WITH NUCLEAR: The nuclear power industry racked up a legal win on Friday when a district court judge in Illinois [agreed to dismiss](#) a lawsuit against the state's zero-emissions credit program lawmakers passed last year. The program — estimated to cost consumers \$235 million a year over ten years — was created to prop up two money-losing nuclear plants Exelon Corp. threatened to close, which drew multifaceted challenges from consumers and non-nuclear electricity generators in the region. But District Judge Manish Shah said that it wasn't the judiciary's role to instruct state regulators how to tailor their program for state-federal balance, and left the matter in the hands of FERC, despite its lack of a leadership quorum. Shah noted that complaints about the program were filed with FERC several months ago but, in a footnote, stated "FERC's current paralysis does not change the structural limitations on judicial power." Given how big a threat other power generators view the program, expect this to go up to the 7th Circuit Court of Appeals.

**** A message from Growth Energy:** Americans deserve cleaner, more consistent fuel choices at the pump, and Growth Energy is leading efforts to make that a reality. The Consumer and Fuel Retailer Choice Act is a simple fix that will improve air quality, lower prices at the pump, and spur innovations in biofuels. [Learn more.](#) **

WHAT'S NEXT FOR METHANE RULE? After federal appeals judges placed a stay of EPA's methane rule back on for two weeks, the agency has a couple of options, Pro's Alex Guillén reports in [Energy Regulation Watch](#). It could seek a rehearing before the original three judges, though at least one judge would have to change their mind, or the agency could try for an en banc review, but that process takes a while.

Arguably more important is what the court's decision signals for other efforts to roll back Obama-era rules. Each case has slightly different legal arguments depending on the statute and how exactly the agency is going about a delay, but the D.C. Circuit's ruling is warning sign to Pruitt that he won't coast by in court challenges to their actions.

MAIL CALL! GROUP OUTLINE TAX REFORM PRIORITIES: The Hearth, Patio & Barbecue Association released Friday a brief letter to the Senate Finance Committee outlining their priorities as tax reform advances. Link [here](#).

REPORT: HOW TO ADJUST TO A BRAVE NEW GRID: Former FERC Commissioner Tony Clark is out with a [white paper](#) this morning with how suggestions for states in various electricity markets can adjust to new goals many states have including fuel diversity, security, green energy and job creation. "To the degree policy makers and elected officials have moved the goal posts, it is time to consider the rational pathways forward," the paper notes.

COMING TO TOWN! Members of the American Public Power Association's Policy Makers Council are in town today through Wednesday for meetings on Capitol Hill. Among the topics they'll discuss is maintaining access for public power companies to bonds, building partnerships for grid resiliency and upcoming changes to environmental regulations.

MOVER, SHAKER! William Murray joins R Street Institute as federal energy policy manager; he comes from RealClearPolitics, where he was editor of the site's energy page for two years.

LOOKING GOOD: The Senate Environment and Public Works Committee unveiled a snazzy new, website befitting the 21st century late last week. Take a glance [here](#).

QUICK HITS

- In Chile, Many Regard Climate Change As The Greatest External Threat. [NPR](#).
- How to Invest in Oil Without Taking a Risk. [Bloomberg](#).
- France must define possible scenarios to reduce nuclear: minister. [Reuters](#).
- From \$2 Billion to Zero: A Private-Equity Fund Goes Bust in the Oil Patch. [Wall Street Journal](#).
- In Montana, federal BLM drilling permit mandate sparks debate. [Billings Gazette](#).
- Is the most powerful lobbyist in Washington losing its grip? [Washington Post](#).

HAPPENING THIS WEEK

MONDAY

5:00 p.m. — [Meeting](#) on the "Ozone Standards Implementation Act of 2017," House Rules Committee, H-313

TUESDAY

10:00 a.m. — "Powering America: Examining the State of the Electric Industry through Market Participant Perspectives," House Energy and Commerce Energy Committee, Rayburn 2123

10:00 a.m. — "Examining Impacts of Federal Natural Resources Laws Gone Astray, Part II," House Natural Resources Oversight and Investigations Subcommittee, Longworth 1324

10:30 a.m. — Full committee markup of the FY2018 Interior Appropriations Bill, House Appropriations Committee, Rayburn 2359

10:30 a.m. — "Hearing to examine the status and outlook for U.S. and North American energy and resource security," Senate Energy and Natural Resources Committee, Dirksen 366

12:00 p.m. — "The Future of California's Cap-and-Trade Program: Policy Choices and Implications for Cross-Border Linkage," Resources for the Future, Webcast

12:00 p.m. — Sustainable City Solutions, Women's Council on Energy and the Environment, National Geographic Society, 1145 17th Street NW

2:00 p.m. — "Promoting Onshore Oil and Gas Development in Alaska," House Natural Resources Energy and Mineral Resources Subcommittee, Longworth 1324

WEDNESDAY

10:00 a.m. — Full committee hearing on five bills, House Natural Resources Committee, Longworth 1324

10:00 a.m. — Legislative hearing on the the Hunting Heritage and Environmental Legacy Preservation (HELP) for Wildlife Act, Senate Environment and Public Works Committee, Dirksen 406

10:00 a.m. — "Energy Innovation: Letting Technology Lead," House Science, Space and Technology Committee, Rayburn 2318

10:00 a.m. — Senate Energy and Natural Resources National Parks Subcommittee hears testimony on various bills, Dirksen 366

10:00 a.m. — "Clean Innovation: Why it Makes Business Sense," Microsoft and the Center for Climate and Energy Solutions, Microsoft Innovation & Policy Center, 901 K Street, NW, 11th Floor

10:00 a.m. — "An Update on the Renewable Fuel Standard," Center for Strategic and International Studies, 1616 Rhode Island Avenue, NW

12:00 p.m. — "Building a 21st Century Infrastructure for America: Implementation of the Water Resources Reform and Development Act of 2014 and the Water Resources Development Act of 2016," House Transportation and Infrastructure Subcommittee on Water Resources and

Environment, Rayburn 2167

2:00 p.m. — "[Exploring the Successes and Challenges of the Magnuson-Stevens Act](#)," House Natural Resources Water, Power and Oceans Subcommittee, Longworth 1324

THURSDAY

9:00 a.m. — "[Seeking Innovative Solutions for the Future of Hardrock Mining](#)," House Natural Resources Energy and Mineral Resources Subcommittee, Longworth 1324

9:30 a.m. — Executive [Business Meeting](#) to consider nominations, including Jeffrey Clark's, Senate Judiciary Committee, Dirksen 226

10:00 a.m. — Full committee [hearing](#) on various nominations, Senate Energy and Natural Resources Committee, Dirksen 366

10:00 a.m. — "[Innovative Financing and Funding: Addressing America's Crumbling Water Infrastructure](#)," Senate Environment and Public Works Subcommittee on Fisheries, Water, and Wildlife, Dirksen 406

FRIDAY

12:00 p.m. — 2017 BP Statistical Review of World Energy, National Capital Area Chapter of the U.S. Association for Energy Economics, Chinatown Garden, 618 H St. NW

THAT'S ALL FOR ME!

**** A message from Growth Energy:** The Consumer and Fuel Retailer Choice Act is a simple fix to existing, outdated Reid Vapor Pressure (RVP) limits that will improve air quality, lower prices at the pump, and spur innovation and investment in new biofuel technologies while decreasing dependence on oil. Congress can fix this outdated regulation - helping consumers, retailers & the environment - and build a better future for clean energy by supporting S. 517. [Learn more about how Growth Energy is protecting fuel choices.](#) **

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<https://www.politicopro.com/tipsheets/morning-energy/2017/07/epa-changes-up-how-informations-gathered-023765>

Stories from POLITICO Pro

Alaska's long road war [Back](#)

By Andrew Restuccia | 04/04/2014 05:00 PM EDT

In the fall of 1998, Frank Murkowski took to the Senate floor to make an impassioned plea for the authority to build a one-lane gravel road from the isolated southwestern Alaska village of

King Cove to a neighboring community with an all-weather airport.

"This is a road to life for the residents of King Cove," he said.

More than 15 years later, his daughter, Republican Sen. Lisa Murkowski — along with the rest of the Alaska congressional delegation — is still fighting for the road, insisting it's the only viable way to ensure that King Cove's 965 largely native Alaskan residents have access to emergency medical care.

([Also on POLITICO: Full transportation and infrastructure policy coverage](#))

What seems like a simple request is anything but. The proposed road would cut through federally protected wilderness land in the Izembek National Wildlife Refuge, a 315,000-acre sanctuary near the tip of the Alaska Peninsula. And the Interior Department says the road would threaten vulnerable plants and animals that rely on the area's unique ecology.

The oftentimes ugly fight has pitted Alaska politicians against the federal government for decades, sowing mistrust and frustration. It has also reinforced the view of many in Alaska that policymakers in the Lower 48 are out of touch with their needs.

At the same time, the battle has laid bare tensions between Alaskan leaders and conservation groups, which argue that approving the road could set a dangerous national precedent in other protected wilderness areas.

Lisa Murkowski and Alaska Democratic Sen. Mark Begich, who faces a tight reelection fight, are vowing to do everything in their power to win approval for the road, even though the Interior Department rejected the proposal late last year after a four-year analysis.

([PHOTOS: 10 tough Senate races for Democrats](#))

Murkowski is using her position as the top Republican on the Senate Energy and Natural Resources Committee to elevate the issue, expressing her outrage at hearings and in floor speeches and holding a series of news conferences with King Cove residents. She has also lambasted Interior Secretary Sally Jewell, who announced the most recent rejection of the road just two days before Christmas.

"I am not willing to let a day go by without raising this as an issue," Murkowski said in an interview.

The road would give King Cove residents access to the larger airport in the nearby community of Cold Bay when extreme weather grounds flights at the smaller King Cove airport. King Cove has a medical clinic, but residents often have to travel to Anchorage for major procedures and emergencies.

The road, proponents argue, is the best solution to the transportation problems that have long plagued isolated King Cove.

Besides its small airport, the town has access by boat across the Izembek Lagoon, but foul weather can make air and boat travel difficult, residents say. Supporters of the road say at least 19 deaths over the years have resulted from plane crashes or an inability to obtain adequate medical care.

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Della Trumble, a King Cove resident and longtime advocate for the road, said its approval is a matter of life and death.

"I just feel strongly that the human factor far outweighs the wildlife," she said. "We will protect the wildlife. It's who we are."

Trumble and other residents have made dozens of trips to Washington to make their case, telling stories of family and friends who have been hurt or killed trying to get out of the community during storms. Trumble said she watched as her niece was flown out for a medical emergency amid winds of 70 to 80 mph. She said another niece was born on the galley table of a crab boat during an evacuation attempt.

Just this week, an injured fisherman was flown out of King Cove by the Coast Guard, marking the fifth medical evacuation of the year, according to [King Cove officials](#).

But opponents say the road would wreak havoc on the refuge and its wildlife. The refuge hosts more than 200 species, including caribou, grizzly bear and, in the fall, about 98 percent of the world's Pacific black brant. It also has one of the largest eelgrass beds on the planet and was one of the first areas in the U.S. to be designated as a [wetland of international importance](#).

"You can't punch a road through there without doing serious damage," said Don Barry, who served as Interior's assistant secretary for fish, wildlife and parks during the Clinton administration.

In addition, the proposed road faces major legal hurdles. In 1980, Congress designated most of the refuge as wilderness, the highest level of public land protection.

Barry, now a senior official at the conservation group Defenders of Wildlife, said it would be unprecedented to allow a road through a wilderness area. Though the refuge has some old military roads, they were built before the conservation laws were enacted.

Several opponents raised concerns that approving the road would lead to a push for development in other protected areas.

"Once you carve a road of this kind right through the middle of a national wildlife refuge, where does it stop?" former Clinton administration Interior Secretary Bruce Babbitt asked.

Babbitt and other opponents have also suggested that the road could be used for commercial

purposes, noting that Peter Pan Seafoods has a cannery in King Cove. "But despite pledges and promises to the contrary, the real purpose for building the road is the same as it ever was: moving fish and workers to and from King Cove's canneries," Babbitt wrote in the Los Angeles Times last month.

Peter Pan has rejected those accusations, and Murkowski notes that her legislation calling for approval of the road specifically bars using it for commercial purposes.

The fight over the road burst into public view in the late 1990s, when then-Sen. Frank Murkowski pushed legislation that would allow for approval of the road as part of a land exchange. The bill passed the Senate in 1998 but never passed the House. President Bill Clinton threatened a veto amid concerns about the road's effect on wildlife.

Soon after, then-Sen. Ted Stevens launched into a tense series of negotiations with the Interior Department. The resulting compromise was a \$37.5 million appropriation approved by Congress to improve the King Cove medical clinic and airport and make accommodations for a hovercraft to transport residents to Cold Bay. The hovercraft was used until 2011, but it is being sold because, operators said, it was too expensive to operate.

"Finally it was settled — and now it turns out it isn't," said Babbitt, who worked with Stevens to negotiate the deal and strongly opposed the road.

Within several years, the issue was back on the table. Lisa Murkowski included a provision in a 2009 bill calling on the Interior Department to analyze the road and proposing another land exchange. In exchange for setting aside land in the refuge for the road, the federal government would receive more than 43,000 acres of Alaska state land and more than 13,000 acres of land owned by the King Cove Native Corp.

The provision set off a four-year analysis by Interior that culminated in December with the department's rejection of the road.

"While the proposed land exchange would bring many more acres of land into the Refuge System, the analysis indicates that the increased acreage could not compensate for the unique values of existing refuge lands, nor the anticipated effects that the proposed road would have on wildlife, habitat, subsistence resources and wilderness values of the Refuge," the department said in a statement at the time.

The decision infuriated the Alaska delegation and has strained Murkowski's relationship with Jewell.

After hearing about the decision, Murkowski said she told Jewell, "I cannot forgive the fact that you have delivered this, that you have dashed all hope for the people of King Cove, and the fact that you did this the week of Christmas is absolutely callous and cold-hearted."

Other Alaska lawmakers have similarly taken Jewell to task. "If someone dies out of King Cove, I want you to really think about it and be ashamed of yourself," Rep. Don Young told Jewell at a

hearing Thursday.

The road's opponents say viable alternatives exist — a notion that Murkowski and others reject. Opponents also argue that the road, which would snake through isolated land often battered by extreme weather, would pose its own dangers.

At a recent Senate hearing, Jewell said she is committed to working with King Cove residents to find alternatives. During a recent meeting with Begich, she said she will again listen to the community's concerns.

"Jewell committed to reviewing the information that the community plans to provide on the issue and to provide a response to the senators, State of Alaska and the community on their request to reconsider the final decision," Interior spokeswoman Jessica Kershaw said in an email.

Alaska lawmakers face major hurdles toward changing Interior's mind but say they're not giving up.

Begich said in a recent interview that he hopes to attach his bill approving the road to upcoming Interior appropriations legislation. Murkowski vowed to continue hammering away as well.

"This secretary has made a decision, and I think she thought the people of King Cove were tucked far enough away that nobody would be making a big deal about this," Murkowski said. "But I'm not forgetting them, and it's not just an idle threat."

CORRECTION: A previous version of this story offered an incorrect name for the city where King Cove residents sometimes have to travel for major medical procedures.

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