

To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Morning Energy
Sent: Wed 7/26/2017 2:04:17 PM
Subject: POLITICO's Morning Energy, presented by Chevron: House tees up debate on Energy and Water title — N.Y. nuke subsidy survives first court test — Russian sanctions bill on way to becoming law

By Anthony Adragna | 07/26/2017 10:00 AM EDT

With help from Esther Whieldon and Annie Snider

LET THERE BE MINI-BUS! The House takes up its first spending package today, with nearly four dozen amendments to the Energy and Water title rounding out [a list](#) of the first 72 approved by the House Rules Committee. Here are some of the items that caught our eye:

- Democrats will try to [strip a rider](#) protecting the Trump administration's withdrawal of the Obama-era Waters of the U.S. rule from legal challenges.
- Another Democratic amendment seeks to [restore \\$921 million](#) to DOE's Energy Efficiency and Renewable Energy account, paid for with cuts to nuclear weapons programs.
- Republican Rep. [Paul Gosar's](#) amendment would block work on the [social cost of carbon](#).
- Nevada Democrats are trying to [block pro-Yucca Mountain](#) language with an amendment that's sure to fail.
- Ohio Republican [Steve Stivers](#) wants to [block any funding for Cape Wind](#), the offshore wind project in Massachusetts' Nantucket Sound that has been stalled for years.
- Florida Republican [Ron DeSantis](#) proposed an amendment effectively [eliminating the position](#) of director of Civil Works of the Army Corps of Engineers.
- Michigan Republicans [Paul Mitchell](#) and [Bill Huizenga](#) will get a vote on their [amendment](#) aimed at keeping the Corps from slow-walking a controversial study related to keeping Asian carp from reaching the Great Lakes.
- New Jersey Democrat [Bonnie Watson Coleman](#) proposed [defunding any work in conjunction](#) with President Donald Trump's January executive order aimed at speeding the environmental review of high-priority infrastructure projects, like the Keystone XL pipeline.
- And, of course, the perennial [light bulb rider](#) blocking enforcement of DOE efficiency standards returns from Rep. [Michael Burgess](#).

Meanwhile, the League of Conservation Voters urged House lawmakers to reject the mini-spending package, [H.R. 3219 \(115\)](#). The bill "severely cuts federal investment in clean energy, abandoning the research and development that has led to economic growth, job creation, and numerous public health and environmental benefits," the group [writes](#). It also blasts the inclusion of policy riders in the package.

WELCOME TO WEDNESDAY! I'm your host Anthony Adragna, and former Commerce official Randy Mye was first to identify 19th-century Colorado Sen. Henry Teller as the first to win reelection after switching parties. For today: Who won a general election to the House but lost a special election to fill out the remainder of a term on the *same day* back in 2012? 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).

CUOMO WINS ROUND ONE: A federal judge on Tuesday tossed out a challenge from non-nuclear generators in New York over Gov. Andrew Cuomo's multi-billion dollar nuclear subsidy, POLITICO New York's David Giambusso [reports](#). Judge Valerie Caproni of U.S. District Court for the Southern District of New York said the "zero emission credits" going to four flagging nuclear reactors upstate did not interfere with wholesale energy markets. Instead, she ruled, the program advanced a state policy goal that was within New York's purview and stopped short of treading on FERC's terrain. "Although FERC has substantial authority over interstate wholesale energy sales, the regulation of retail rates for sales of electricity belongs to the States," Caproni wrote in her [ruling](#). "A whole host of measures that States might employ to encourage clean energy development - such as tax incentives or direct subsidies - involve propping up the operation of a generator that might otherwise be unprofitable."

Plaintiffs vow to appeal: Non-nuclear generators argued the subsidy, estimated to cost state utility customers between \$2.8 billion and \$7.6 billion, interfered with FERC's jurisdiction, and they plan to appeal the ruling, David and Marie J. French [report](#). "The New York Public Service Commission failed ratepayers last year when it instituted a \$7.6 billion bailout for uneconomic nuclear plants with almost no public input," New Yorkers for Fair Energy Coalition, one of the plaintiffs in the case, said in a statement. "We will continue to oppose the bailout in the courts and other public forums."

Cuomo praised Caproni's ruling in his own statement: "At a time when the federal government has abdicated its leadership on climate change, New York will continue to do all that we can to ensure that current and future generations have a clean and safe environment in which to live and prosper," the governor said.

9th CIRCUIT PAUSES KIDS CLIMATE SUIT FOR NOW: Three judges on the 9th Circuit Court of Appeals on Tuesday hit the pause button on the kids' climate lawsuit asking for an order forcing the government to take immediate and dramatic action on greenhouse gas emissions. The Trump administration has made an emergency request for the 9th Circuit to stop the proceedings after a federal judge in Oregon said the lawsuit from a group of children and young adults could move to trial. The 9th Circuit's one-page [order](#) only says that the pause is temporary and another forthcoming order will address the Trump administration's request more fully. It was issued by Judges Alfred Goodwin, a Richard Nixon appointee, Alex Kozinski (Reagan) and Marsha Berzon (Clinton).

SANCTIONS SAIL THROUGH: House lawmakers voted overwhelmingly Tuesday 419-3 to approve new sanctions on Russia, Iran and North Korea, POLITICO's Elana Schor [reports](#). Arguably the biggest outstanding question is whether Trump will force Congress to override a

veto. "The White House is reviewing the House legislation and awaits a final legislative package for the President's desk," Press Secretary Sarah Huckabee Sanders said Tuesday.

MORE NOMINATIONS SENT OVER: After being nominated last week, the White House sent over to the Senate the nominations of Joseph Balash to be an assistant secretary of Interior and Sam Clovis to be USDA's top scientist on Tuesday. But we're still waiting for the White House to send over the paperwork for Trump's last two nominees for the quorum-less FERC, Democratic Senate staffer Rich Glick and Republican lawyer Kevin McIntyre, whose nominations were announced June 28 and July 13.

**** A message from Chevron:** When an endangered butterfly was found near a Chevron refinery, we protected the habitat and still plant the only thing they eat-buckwheat. Watch the video: <http://bit.ly/2vFizh5> **

ANOTHER WEIRD DAY! Energy Secretary Rick Perry's odd Tuesday started when he published [an op-ed](#) on Obamacare repeal in an Ohio newspaper (nothing going on in the energy world, Mr. Secretary?), but it took an even more bizarre turn when DOE confirmed Russian pranksters successfully got a 20-minute conversation with him last week, Pro's Darius Dixon [reports](#). The trickery occurred July 19 but got published Tuesday in a [story](#) in the Pravda Report, a Russian publication, that linked to the [audio](#). Topics discussed on the call, which Perry thought was with a Ukrainian official on behalf of Prime Minister Volodymyr Groysman, included the 2015 Paris climate agreement, the Nord Stream 2 natural gas pipeline and possibility of a biofuel devised from home-brewed alcohol and manure.

Another day, another rally: Perry and Zinke, along with Trump aide Kellyanne Conway and VA Secretary David Shulkin, traveled with the president to Youngstown, Ohio on Tuesday night for a rally. Picture [here](#).

CARBON TAX PUSHES GOES ON: Two of the Senate's biggest climate hawks - Democrats [Sheldon Whitehouse](#) and [Brian Schatz](#) - are taking another shot at their carbon tax legislation and will unveil their latest proposal today at the American Enterprise Institute at 3 p.m. Last Congress, the duo [proposed legislation](#) they said would curb carbon dioxide emissions by more than 40 percent by 2025 compared to 2005 levels and return revenue collected through the tax to the U.S. public. Details on today's event [here](#).

SUPERFUND RECS ARE OUT: EPA Administrator Scott Pruitt's push to speed the cleanup of Superfund sites got a major boost Tuesday with the release of [42 recommendations](#) from a task force, Pro's Alex Guillén [reports](#). Pruitt also signed [a memo](#) with a number of immediate actions, including identifying as many sites as possible for deletion from the National Priorities List and prioritizing sites "where the risk of human exposure is not fully controlled."

WHAT'S IN THAT TAP WATER? Just because your drinking water utility gets a passing grade from federal regulators doesn't mean there aren't dangerous chemicals in your drinking water - that's the message the Environmental Working Group is underscoring with a massive update to its [database](#) compiling monitoring records from nearly 50,000 public water systems across the country. EWG found that between 2010-2015, utilities tested for about 500 different

contaminants and found 267 at varying levels in Americans' drinking water, including 93 linked to cancer, 78 associated with brain and nervous system damage and 63 suspected of causing harm to children or fetuses. More than half of the chemicals found are not federally regulated, meaning the federal government has not decided what constitutes an unsafe level of exposure.

BOARDROOM BATTLES ON CLIMATE AT RISK? Business groups, led by the U.S. Chamber, are pushing to make it harder for shareholder activists to push resolutions on issues like climate change onto companies for consideration, Pro Financial Services' Patrick Temple-West [reports](#). The Chamber [released](#) seven recommendations Tuesday for SEC consideration that would limit investors' ability to pressure public companies on matters like climate change. Environmental and religious activists hailed a major victory earlier this year when Exxon Mobil investors in May approved a resolution calling for the company to publish annual assessments of the impact of climate change on its business. But the Chamber argued that "no small subset of activists should be able to commandeer longstanding SEC rules for their own parochial purposes."

ALL AROUND THE HILL -

IT'S A MEGA-MARKUP! The House Natural Resources Committee will today vote on 21 bills covering various topics. Among the most interesting: [H.R. 825 \(115\)](#), a bipartisan bill that calls for streamlined permitting for wind, solar, and geothermal energy generation on federal land, and [H.R. 2199 \(115\)](#), which calls for a searchable, online record of federal land ownership and management. A full list of bills being considered is available [here](#).

WILDLIFE BILL SET FOR EPW VOTE: EPW senators consider legislation [S. 1514 \(115\)](#) today that would reauthorize a number of popular conservation programs, including the North American Wetlands Conservation Act and Chesapeake Bay Program, through 2023. While provisions in the package blocking Endangered Species Act protections for gray wolves in Wyoming and the Great Lakes region have drawn some Democratic criticism, it's expected to clear the panel at a [business meeting](#).

PUBLIC LANDS BILLS BEFORE ENR: The Senate Energy and Natural Resources Committee's Subcommittee on Public Lands, Forests and Mining holds a hearing this morning on a slew of public lands bills, including a measure [S. 941 \(115\)](#) from Montana Democrat [Jon Tester](#) to make permanent a 20-year mining ban imposed by the Obama administration last year for roughly 30,000 acres of national forest outside Yellowstone National Park, and Barrasso's "Water Rights Protection Act" [S. 1230 \(115\)](#), barring the federal government from requiring that water rights be transferred before an entity can receive a lease, permit or other use agreement.

LAST CALL! Today's the last day for the public to comment to the Commerce Department on 11 National Marine Sanctuaries and Marine National Monuments designated since 2007. The review is separate - but related - to Interior's review of nearly two dozen national monuments designated under the Antiquities Act. Ahead of the deadline, 65 House Democrats sent a [letter](#) voicing strong support for the existing designations. Nearly 44,000 comments have already poured in, and you can contribute [here](#). The Center for American Progress has questioned whether Interior will share comments mentioning the marine monument review with Commerce,

though an agency spokeswoman told ME they would.

MAIL CALL! MORE CALL FOR GARRETT WITHDRAWAL: Three senior House Democrats - [Steny Hoyer](#), [Gwen Moore](#) and [Denny Heck](#) - sent a [letter](#) to Trump Tuesday calling on him to withdraw Scott Garrett's nomination to run the Export-Import Bank. They join various business groups imploring the administration to pull the plug on the former New Jersey congressman, one of the biggest critics of the bank. The White House has [resisted](#) those calls to date.

CONCERNS RAISED OVER EFFICIENCY PROGRAM: Rep. [Ken Calvert](#), the top EPA and Interior appropriator, raised concerns about the Property Assessed Clean Energy program, which helps private customers implement energy efficiency upgrades on their properties, in a [letter](#) obtained by ME. The California Republican asked HUD Secretary Ben Carson and VA Secretary David Shulkin to look into whether the program is being used to "mislead and defraud" citizens into risky loans that might ultimately cause them to default.

TIME TO ACT ON HYDROPOWER: A collection of more than a dozen groups, including the Edison Electric Institute, National Hydropower Association and National Rural Electric Cooperative Association, sent a [letter](#) to senior House and Senate energy leaders urging them to push for the passage of bills modernizing the hydropower licensing process. "We believe the hydropower provisions in [S. 1460 \(115\)](#), the Energy and Natural Resources Act of 2017, and [H.R. 3043 \(115\)](#), the Hydropower Policy Modernization Act of 2017, can provide a framework for final legislation to implement this new direction in a way that protects environmental values, public participation, and all existing authorities of federal and state decision-makers in the licensing process," they wrote.

OIA RELEASES STATE OUTDOOR RECREATION SPENDING FIGURES: The Outdoor Industry Association is today releasing [data](#) on state-by-state outdoor recreation spending. California boasts \$92 billion in annual outdoor recreation consumer spending but most other states bring in more modest amounts. New York sees about \$41.8 billion in recreational spending, Colorado sees \$28 billion, and Utah and Nevada bring in close to the same levels at \$12.3 billion and \$12.6 billion, respectively.

CLIMATE SOLUTIONS CAUCUS HITS 50: Reps. [Steve Knight](#) (R-Calif.) and [Marcy Kaptur](#) (D-Ohio) announced Tuesday they've joined the bipartisan Climate Solutions Caucus, bringing its total membership to 50. "Now 50 members strong, the Climate Solutions Caucus is evidence that there is a growing, diverse, and bipartisan coalition of members of Congress ready to put petty politics aside and find meaningful solutions to the challenges posed by sea level rise and climate change," [Carlos Curbelo](#) said in a statement.

QUICK HITS

- As Interior Secretary Swaggers Through Parks, His Staff Rolls Back Regulations. [New York Times](#).

- Gov. Jerry Brown signs climate change legislation to extend California's cap-and-trade

program. [Los Angeles Times](#).

- Al Gore Says He's More Optimistic About Paris Climate Deal. [AP](#).

- Venezuela unions to launch indefinite strike. [Argus Media](#).

- City To Kill Rats With Dry Ice, Make Them Infertile With Bait After EPA OK. [DNA Info](#).

THAT'S ALL FOR ME!

**** A message from Chevron:** This is a story about DOERS, butterflies, and buckwheat. In '75, the endangered El Segundo Blue butterfly was found near a Chevron refinery. We protected the habitat and planted the only thing they eat-buckwheat. We're still planting and keeping an eye on our littlest neighbor. Watch the video: <http://bit.ly/2vFizh5> **

To view online:

<http://www.politico.com/tipsheets/morning-energy/2017/07/26/house-tees-up-debate-on-energy-and-water-title-221530>

To change your alert settings, please go to <https://secure.politico.com/settings>

This email was sent to jackson.ryan@epa.gov by: POLITICO, LLC 1000 Wilson Blvd.
Arlington, VA, 22209, USA

Please click [here](#) and follow the steps to unsubscribe.
