

**To:** Nolan, James [REDACTED]@bp.com]  
**From:** Stout, Robert/O=MSXBP/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN [REDACTED]  
**Sent:** Fri 26/01/2018 11:33:17 PM (UTC)  
**Subject:** Re: Afternoon Energy: WOTUS delay sent to White House — Upton joins climate caucus — Mercers gave heavily to climate skeptics  
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Sent from my iPhone

On Jan 26, 2018, at 5:53 PM, Nolan, James [REDACTED]@bp.com> wrote:

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**From:** POLITICO Pro Energy [mailto:[REDACTED]@politicopro.com]  
**Sent:** Friday, January 26, 2018 3:30 PM  
**To:** Nolan, James  
**Subject:** Afternoon Energy: WOTUS delay sent to White House — Upton joins climate caucus — Mercers gave heavily to climate skeptics

By Caitlin Oprysko | 01/26/2018 04:29 PM EDT

*With help from Anthony Adragna and Matt Daily*

**WOTUS DELAY RULE SENT TO WHITE HOUSE** — EPA is moving forward with its plans to delay the Obama administration's Waters of the U.S. rule. The agency sent its final delay rule to the White House on Thursday for OMB to review, Pro's Annie Snider reports, and EPA water chief David Ross has said it would be finalized within a month. The administration is scrambling to finalize the rule's delay before the 6th Circuit lifts its stay of the Obama-era rule in response to a ruling from the Supreme Court this week. EPA had planned to finalize its own rewrite of the rule by April, and is still accepting comments from states, industry groups and other stakeholders on that. More [here](#) from Annie.

**CLIMATE CAUCUS LANDS BIGGEST FISH YET:** House Energy and Commerce Energy Subcommittee Chairman [Fred Upton](#) announced Friday he's joining the Climate Solutions Caucus, bringing the group its most senior member with close ties to Republican leadership to date. "When it comes to climate change we must take an economically realistic and pragmatic approach," Upton said in a statement. "Joining the bipartisan Climate Solutions Caucus is a tremendous opportunity to work across the aisle towards those goals." Also joining the ranks with Upton is Democratic Rep. [Jan Schakowsky](#).

**Happy Friday! Welcome to Afternoon Energy.** I'm your host Caitlin Oprysko. Send your thoughts, news and tips to [REDACTED]@politico.com, [REDACTED]@politico.com and [REDACTED]@politico.com, and keep up with us on Twitter at [@caitlinoprysko](#), [@dailym1](#), [@nickjuliano](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

**TRACKING THE SANCHI OIL TANKER DISASTER:** The worst oil tanker spill in 35 years is still unfolding in the East China Sea, with 1 million barrels (42 million gallons) of ultra light crude oil pouring into the waters that sit between China, South Korea and Japan. The Jan. 14 collision between a freighter and the Iranian tanker Sanchi killed all 32 crew members aboard when it exploded and sank, and now the oil is likely to threaten fishing and several sensitive areas as it gets spread by oceans currents — including the powerful Kuroshio Current — over the coming weeks. Reuters has charted the oil's likely spread in this [amazing graphic](#).

**CHEMICAL SAFETY BOARD PROBING OKLAHOMA RIG EXPLOSION** — The federal agency in charge of investigating industrial chemical accidents announced Thursday that it will look into the oil rig explosion that killed five this week. Initial reports from the Oklahoma Corporation Commission suggest that an equipment failure was responsible for the well fire that caused the deadliest domestic oil and gas accident

since the 2011 Deepwater Horizon explosion. More [here](#) from the Houston Chronicle.

**MERCERS GAVE HEAVILY TO GROUPS QUESTIONING CLIMATE CHANGE:** The GOP megadonor Mercer family in 2016 gave over \$4 million to groups that not only challenge the consensus that greenhouse gases contribute to a changing climate but in one case tout the benefits of carbon emissions. Tax filings from the Mercers obtained by the environment watchdog Climate Investigations Center and shared with BuzzFeed show a \$150,000 donation to CO2 Coalition, an organization that promotes the "important contribution made by carbon dioxide to our lives and the economy." Hedge fund magnate Robert and his daughter Rebecca, who fund the alt-right site Breitbart and are major Trump backers, also gave a quarter million dollars to Center for the Study of Carbon Dioxide and Global Change, which challenges links between global warming and greenhouse gases.

**The donations to these climate-focused groups** come on top of \$4 million the family gave to organizations that don't focus solely on environmental issues but that additionally question man-made climate change and over \$20 million in the 2016 presidential election. BuzzFeed reports that "of the \$19 million total the Mercers gave to 44 nonprofits in 2016, about 23% went to groups working at least partly on climate misinformation." More [here](#).

**POTUS, OUT:** President Donald Trump lifted off from Davos this morning to head home following his speech at the World Economic Forum. The president bid farewell in a [tweet](#), saying "Heading back from a very exciting two days in Davos, Switzerland. Speech on America's economic revival was well received. Many of the people I met will be investing in the U.S.A.! #MAGA"

**Industry reacts:** The solar trade group SEIA released a statement shortly after the president spoke calling the "punishing" solar tariffs instituted this week inconsistent with the "America First" objectives he touted this morning. "These tariffs do not 'protect the interests of our country, our companies, and our workers,'" SEIA CEO Abigail Hopper said, quoting from the president's speech earlier in the day. "Quite the contrary, American companies will be forced to scale back investment, layoff workers and, in some cases, shutter operations because of these tariffs." Hopper was optimistic the group will be able to work with Congress and the administration to moderate any potential negative effects the tariffs have on the industry.

**FOREST SERVICE TO TAMP DOWN MINNESOTA ENVIRONMENTAL REVIEW:** The U.S. Forest Service has plans to downgrade an environmental impact assessment of mining development on Minnesota forest land. A draft news release obtained by The Washington Post shows plans to conduct a less-rigorous review of an Obama-era proposal to block mineral extraction from an area near Minnesota's Boundary Waters Canoe Area Wilderness. The move coincides with the Interior Department's decision to renew leases for the land to a Chilean mining company that had expired after the Obama administration imposed a two-year ban on mining in the area.

**"Reversing the Obama-era decision** has been the subject of intense lobbying over the past year," the Post reports. "Shortly after entering office, Interior Secretary Ryan Zinke meet with proponents of Twin Metals Minnesota, a subsidiary of the Chilean firm, which belongs to the family of billionaire Andrónico Luksic, who rents a Washington home to Ivanka Trump and her husband, Jared Kushner." Read more [here](#).

**OIL RIGS HAVE BIGGEST WEEK SINCE MARCH:** The U.S. added 12 new oil rigs this week, marking the biggest week for U.S. drillers in almost a year. The total domestic rig count is now at 759, up from 566 a year ago.

#### QUICK HITS:

- The overlooked detail in Governor Rossello's plan for PREPA, [Greentech Media](#).
- Saudi Aramco, the crude-oil giant, becomes a force in refining, [Wall Street Journal](#).
- The U.S. is about to get real cold again. Blame it on global warming, [Bloomberg](#).
- Energy sector running low on "mega deals" with conservative spending, [Chron](#).

— Floods leave Paris contemplating a wetter future, [The New York Times](#).

## **WIDE WORLD OF POLITICS:**

— Pence launches into midterm campaigning in effort to [stave off](#) GOP losses

— Trump ordered [special counsel](#) Robert Mueller to be fired last year

— Schumer [rejects](#) Trump's immigration proposal

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<https://www.politicopro.com/newsletters/afternoon-energy/2018/01/wotus-delay-sent-to-white-house-084787>

### **Stories from POLITICO Pro**

#### **EPA sends WOTUS delay rule for White House review** [Back](#)

By Annie Snider | 01/26/2018 11:34 AM EDT

EPA has sent the final version of its regulation to delay implementation of the Obama administration's Waters of the U.S. rule to the White House for review.

The administration needs to move quickly to finalize its delay of the controversial 2015 rule if it wants to prevent it from going into effect after Monday's Supreme Court ruling that will require lifting a stay issued by the 6th Circuit Court of Appeals, which the court said did not have jurisdiction in the first place. Without a delay from EPA, the regulation would go into effect in 37 states that aren't covered by a hold put in place by a North Dakota district court.

The delay rule was sent to the White House Thursday. EPA's water chief, David Ross, told POLITICO that it would be finalized within a month. The Supreme Court ruling could be finalized and sent to the 6th Circuit as soon as 25 days after the decision.

The delay rule would be the Trump administration's first official move in its bid to kill the Obama rule and replace it with one of its own writing. The agency has said it expects to finalize its rule to withdraw the Obama-era rule in April and has been collecting comments from states, industry groups and other stakeholders on what a rewrite should look like.

**WHAT'S NEXT:** The White House will review the delay rule, after which it can be finalized. Challenges to the rule from environmental groups and Democratic states are expected.

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#### **Pence launches into midterm campaigning in effort to stave off GOP losses** [Back](#)

By Matthew Nussbaum | 01/26/2018 11:31 AM EDT

While much of Washington was consumed Friday by President Donald Trump's [pitch](#) on immigration reform and [the news](#) that he tried to fire special counsel Robert Mueller in June, Vice President Mike Pence saw to one of his main priorities for the months ahead: relentlessly campaigning for Republicans to limit losses in what are shaping up to be bruising 2018 midterm elections.

Pence is set to join a group of GOP senators for a 12:30 lunch event with donors to the National Republican Senatorial Committee at the Trump International Hotel, a few blocks from the White House. Sens. Mitch McConnell (R-Ky.), David Perdue (R-Ga.), Shelley Moore Capito (R-W. Va.), John Barrasso (R-Wyo.) and Dan Sullivan (R-Alaska) are also expected to attend.

The vice president will then travel to the Republican National Committee, where he is slated to participate in a series of private meetings, including one with RNC Chairwoman Ronna Romney McDaniel, make calls to donors and greet RNC staff, according to an administration official.

The events are seen within Pence's office as an unofficial kickoff to the first quarter of 2018, during which he aims to do nearly 30 events for various GOP members between now and mid-April.

"Expect to see the vice president heavily engaged in competitive Senate races and helping keep the House majority," a senior administration official said. "He'll be crisscrossing the country to support Republicans who are fighting to enact President Trump's agenda."

Generic ballot polls show Democrats heading into the 2018 midterms with a lead in the mid to high single digits.

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### **Schumer rejects Trump's immigration proposal** [Back](#)

By Burgess Everett | 01/26/2018 11:22 AM EDT

Senate Minority Leader Chuck Schumer opposes the immigration framework released by the White House — a potentially fatal blow for the prospective legislation in the closely divided Senate.

The New York Democrat on Friday accused President Donald Trump of using a proposed path for citizenship for young undocumented immigrants as cover for making sweeping — and damaging — changes to the legal immigration system.

"This plan flies in the face of what most Americans believe," Schumer said on Twitter. While Trump "finally acknowledged that the Dreamers should be allowed to stay here and become citizens, he uses them as a tool to tear apart our legal immigration system and adopt the wish list that anti-immigration hard-liners have advocated for for years."

The one-page proposal released by the White House on Thursday would allow as many as 1.8 million young immigrants to become citizens, while also calling for \$25 billion in spending on a border wall and security as well as sharply restricting family-based immigration and eliminating a visa lottery system. White House officials are hoping the Senate will put it up for a vote, but it appears doomed to fail.

White House press secretary Sarah Huckabee Sanders quickly shot back, tweeting that Schumer prefers "open borders & sanctuary cities over law & order and popular, common sense reforms."

Soon after, Trump himself piled on with a personal insult aimed at Schumer.

"DACA has been made increasingly difficult by the fact that Cryin' Chuck Schumer took such a beating over the shutdown that he is unable to act on immigration!" Trump tweeted.

Schumer's remarks further cement the Democratic opposition, leaving little clarity on how Congress will clinch an agreement to preserve expiring legal protections for the Deferred Actions for Childhood Arrivals program. House Minority Leader Nancy Pelosi called it "anti-immigrant," and Senate Minority Whip Dick Durbin (D-Ill.) said Trump's plan would institute Trump's "hard-line immigration agenda — including massive cuts to legal immigration — on the backs of these young people."

"President Trump and Republicans cannot be allowed to use Dreamers as a bargaining chip for their wish list of anti-immigrant policies," said Sen. Dianne Feinstein (D-Calif.).



A bipartisan group of senators plans to continue meeting over the next two weeks to try to strike a deal that can pass the Senate with overwhelming support, with hopes that would force the House to swallow it and Trump to sign it. But Republican and Democratic lawmakers are also meeting separately in partisan groups, making the prospects of an aisle-crossing deal murky at best given the political tensions in the Capitol following a three-day government shutdown.

In the Senate, "there's probably 50 groups right now," said Sen. Thom Tillis (R-N.C.). "Next week could be a very pivotal point in time where we start looking at a specific baseline bill and build on it."

Senate Majority Leader Mitch McConnell has committed to an immigration debate in February, but lawmakers have no idea where they will start. It could even be a blank bill that is constructed through the amendment process.

"The word that the majority leader used is neutral," said Sen. Jeff Merkley (D-Ore.). "I don't know if that means there's nothing in it or it's yet to be determined by the majority leader."

Though many Republicans have coalesced behind Trump's framework over the past day, that won't be enough to make it law. The GOP controls just 51 votes in the Senate and would need to get at least nine Democrats behind Trump's plan for it to pass, a near-impossibility given Schumer's opposition.

Still, Republicans hoped that Trump's offer to provide a pathway to citizenship to the Dreamers could unlock gridlock on Capitol Hill.

"The more information we have about what he's thinking, the better," said Sen. Lindsey Graham (R-S.C.).

Trump's willingness to provide citizenship to undocumented immigrants has received some criticism on the right from groups like Heritage Action for America. But the plan did receive support from key conservative barometers in the Senate, including GOP Sens. Tom Cotton of Arkansas and David Perdue of Georgia.

"I appreciate the president putting forth a clear framework on immigration that includes many of my key concerns — ending chain migration and the Diversity Visa lottery, as well as increasing border security," said Sen. Jim Inhofe (R-Okla.), another border hawk, on Friday morning.

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