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Puerto Rico's Whitefish contract under scrutiny

By Devin Henry

The government's response to a record-setting hurricane season, in particular a controversial contract to restore power to storm-hit Puerto Rico, will be in the spotlight in the coming week.

On Wednesday, the House Homeland Security Committee holds a hearing to assess the Federal Emergency Management Agency's "preparedness and response capabilities."

And then on Thursday, a House Energy and Commerce subcommittee will hold a hearing to examine federal and state governments' response to a spate of recent hurricanes.

Both hearings are certain to be dominated by questions over the Trump administration's handling of Hurricane Maria, which devastated Puerto Rico.

As of Friday, more than 73 percent of the country remains without power and 22 percent without clean drinking water, lingering problems that have raised questions about the government's preparedness and recovery efforts.

A contract for a small Montana electric company -- based in Interior Secretary Ryan Zinke's hometown -- to help repair the island's electric grid has received intense media and congressional scrutiny.

Democrats quickly raised ethical and legal questions about the agreement.

The House Energy and Commerce and Natural Resources Committees have both launched probes into the \$300 million contract Puerto Rico signed with Whitefish Energy, and the Department of Homeland Security's Inspector General

has begun an audit of the matter as well.

The Interior Department and Whitefish Energy have denied that Zinke played any role in the company from his hometown getting the Puerto Rico deal.

"I had absolutely nothing to do with Whitefish Energy receiving a contract in Puerto Rico. Any attempts by the dishonest media or political operatives to tie me to awarding or influencing any contract involving Whitefish are completely baseless," Zinke said in a statement Friday. "Only in elitist Washington, D.C., would being from a small town be considered a crime."

The White House distanced itself from the contract as well, saying Friday that it had no involvement in the decision. Officials also said President Trump discussed the issue personally with Zinke during an Oval Office meeting and that the secretary told him he had "no role" in the contract.

But the controversy is unlikely to fade soon and lawmakers will get their first chance to grill officials over the deal and the broader hurricane-season response.

FEMA Administrator Brock Long will be testifying at the Wednesday Homeland Security hearing, in his first appearance before the House since taking his post.

The agency on Friday said it also had "significant concerns" with the deal. While the Puerto Rico Electric Power Authority (PREPA) signed the contract, FEMA is responsible for paying for it.

"Based on initial review and information from PREPA, FEMA has significant concerns with how PREPA procured this contract and has not confirmed whether the contract prices are reasonable," FEMA said in its statement.

The Energy and Commerce subcommittee hasn't released a witness list for its Thursday hearing yet, but it said Department of Energy and U.S. Army Corps of Engineers officials will testify on issues including "the Puerto Rico energy crisis and examine lessons learned so far from the hurricanes that hit the Gulf Coast."

Maria was only the last in a string of high-profile and devastating storms during the Atlantic hurricane season that battered the U.S.

Hurricane Harvey dumped a record amount of rainfall on parts of Texas and Louisiana in August when it became the first major hurricane to hit the U.S. in 12 years.

Irma followed in September when it barreled across Florida. The state's initial preparedness and response brandished Gov. Rick Scott's (R) credentials ahead of a potential Senate run. But federal officials are investigating the circumstances

surrounding the deaths of a dozen elderly residents of a nursing home there during the storm.

"While these hurricanes wreaked havoc in communities across our nation, they also raised a series of questions that the subcommittee plans on digging into at next week's hearing," Rep. Fred Upton (R-Mich.), the chair of the subcommittee, said in a statement.

"From fuel supply disruptions to electricity outages, I'm looking forward to hearing from our panel of witnesses to help inform our efforts so we can identify infrastructure vulnerabilities to be better prepared for future storms."

Both the House and Senate will be in session in the coming week.

Over in the Senate, the Energy and Natural Resources (ENR) Committee will begin debating whether to start drilling for oil in the Arctic National Wildlife Refuge in northern Alaska, the opening act of what's likely to be a bitter fight.

The committee will hear testimony on drilling in ANWR on Thursday, the first hearing since the Senate passed a budget outline last week directing ENR members to find \$1 billion in new revenues over the next decade. ANWR drilling is likely to be the main vehicle for delivering those revenues.

But Democrats have pledged to fight efforts to open up any part of a 1.5 million-acre region the refuge for drilling. But Senate Energy and Natural Resources Chairwoman Lisa Murkowski (R-Alaska) is a long-time supporter of drilling in ANWR and many in the drilling sector consider this the best chance in a decade to begin exploring for oil there.

"When ANWR was established, it was recognized that there were areas that were appropriate for wilderness, and there were areas that were appropriate to be reviewed and considered for their exploration and production potential," Murkowski said during floor debate over the budget earlier this month.

"Opening the non-wilderness ... area to development is an option to meet the instructions to the energy committee. But it is not the only option. But I will tell you, it is the best option, and it is on the table."

The White House could also release the results of the Interior Department's review of national monuments as soon as next week.

Sen. Orrin Hatch's (R-Utah) office said Trump told the senator he will shrink the state's large, controversial Bears Ears National Monument. The White House said the results of the review -- including decisions on 26 other monuments -- could come soon.

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