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1. Canyons of the Ancients survives Zinke's review

Jennifer Yachnin, E&E News reporter

Published: Friday, July 21, 2017

Interior Secretary Ryan Zinke today said he will not recommend any alterations to the Canyons of the Ancients National Monument in Colorado, making it the third site he has opted to remove from a review of dozens of national monuments.

<http://bit.ly/2uJQIiu>

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Published: Friday, July 21, 2017

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<http://bit.ly/2uQXvrN>

3. The fossil fuels project dividing Trump's base

Published: Friday, July 21, 2017

Deep in the heart of Trump country, a fossil fuels project is pitting Trump's base against itself.

<http://bit.ly/2tOwC2t>

4. Sanders comes out against Senate bill

Sam Mintz, E&E News reporter

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Vermont independent Sen. Bernie Sanders came out against a bipartisan, comprehensive Senate energy policy reform bill yesterday, saying that it would boost fossil fuels by streamlining the permitting processes for pipelines and natural gas exports.

<http://bit.ly/2uiPMBk>

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<http://bit.ly/2tnM2vn>

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<http://bit.ly/2uJwiGw>

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Top mining companies have billions of dollars' worth of exposure to climate regulations, according to the climate research group CDP.

<http://bit.ly/2vJtLcu>

8. Sweeping hardrock hearing yields little unity

Dylan Brown, E&E News reporter

Published: Friday, July 21, 2017

Almost a decade after the Supreme Court decided its fate, a small lake in remote southeastern Alaska yesterday still epitomized the gulf in opinion about how to reform hardrock mining.

<http://bit.ly/2uHIkR8>

9. McCain's absence could hinder dealmaking, delay GOP agenda

George Cahlink and Nick Sobczyk, E&E News reporters

Published: Friday, July 21, 2017

After learning this week that Sen. John McCain (R-Ariz.) was battling an aggressive form of brain cancer, Sen. Tom Carper (D-Del.) texted the man he first met when both were elected to the House in 1982.

<http://bit.ly/2uHciVC>

10. New communications chief has mixed record on climate

Hannah Northey, E&E News reporter

Published: Friday, July 21, 2017

Anthony Scaramucci, who stepped up today as White House communications director, has a history of flip-flopping on climate change, once calling the science "irrefutable" before backpedaling before President Trump was elected.

<http://bit.ly/2uHrO3E>

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1. Canyons of the Ancients survives Zinke's review

Jennifer Yachnin, E&E News reporter

Published: Friday, July 21, 2017

Interior Secretary Ryan Zinke today said he will not recommend any alterations to the Canyons of the Ancients National Monument in Colorado, making it the third site he has opted to remove from a review of dozens of national monuments.

Zinke had indicated in remarks to Sen. Cory Gardner (R-Colo.) last month that he was unlikely to recommend changes to the 178,000-acre site managed by the Bureau of Land Management.

"When the president and I began the monument review process, we absolutely realized that not all monuments are the same and that not all monuments would require modifications," Zinke said in a statement.

"Canyons of the Ancients is gorgeous land," he added, "but its monument status as the most high-density Native American archaeological sites in the nation is clear. The history at this site spans thousands of years, and the federal protection of these objects and history will help us preserve this site for a thousand more years."

Last week, Zinke announced he would not recommend any alternations to either the Hanford Reach National Monument in Washington or Craters of the Moon National Monument and Preserve in Idaho ([*Greenwire*](#), July 13).

Zinke also indicated last month that he is "likely" to recommend the Upper Missouri River Breaks National Monument in Montana be unchanged, although he has yet to make an official announcement (*E&E News PM*, June 22).

President Trump in late April ordered a review of all national monuments created since 1996 that include more than 100,000 acres. Zinke opted to assess 27 national monuments, including five marine monuments.

Last month, he recommended significant reductions to the Bears Ears National Monument in southeastern Utah, although he has yet to provide specifics for those cuts. A final report on the monuments review is due Aug. 24.

<http://bit.ly/2uJQliu>

2. Interior defends delay of royalties rule for fossil fuels

Ellen M. Gilmer, E&E News reporter

Published: Friday, July 21, 2017

The Trump administration pushed back this week on claims that it illegally delayed implementation of Obama-era adjustments to how royalties are calculated for fossil fuels from public lands.

In court filings yesterday, the Interior Department defended its authority to pause the previous administration's valuation rule while related litigation plays out.

At issue is an Obama administration update for valuation of coal, oil and gas produced on federal and tribal lands. The rule, which took effect in January, calls for a number of changes, including a requirement that companies calculate royalties based on the value of the fossil fuel they've produced at the first "arm's length" transaction.

While Obama Interior officials said the changes are needed to ensure fair returns for taxpayers on production of federal fossil fuels, energy companies challenged the measure in court, calling it overly burdensome and difficult to implement.

The Trump administration is working to revise the valuation rule and in February announced that it was postponing the Obama standards.

The postponement relied on authority under an Administrative Procedure Act provision that allows an agency to put off the effective date of a challenged rule during litigation "when justice so requires."

The states of California and New Mexico filed suit over the delay in April and this summer asked the U.S. District Court for the Northern District of California to grant summary judgment in their favor.

They say the administration exceeded its authority and that the APA provision allowing agencies to postpone litigated rules applies only to measures that have not yet taken effect (*Greenwire*, April 27).

Justice Department lawyers representing the Trump administration pushed back yesterday.

"[Interior] determined that pending litigation raised legitimate concerns about the regulation's validity and that the postponement would prevent complicated, time-consuming, and costly corrective measures," they told the court.

They added that the states' interpretation of the APA provision would render it "superfluous" because many rules are challenged after they've taken effect.

The filing also previews the administration's argument in separate litigation over an Obama-era rule for methane emissions from oil and gas development on public and tribal lands. Interior relied on the same APA provision to delay implementation of critical elements of that rule, and environmentalists and states are challenging the action in court ([*Energywire*](#), July 11).

<http://bit.ly/2uQXvrN>

3. The fossil fuels project dividing Trump's base

Published: Friday, July 21, 2017

Deep in the heart of Trump country, a fossil fuels project is pitting Trump's base against itself.

The landmark \$3.8 billion project in Lake Charles, La., would transform waste from oil refining into synthetic natural gas while capturing emissions. Proponents say the project would create jobs while benefiting the environment.

But the project's most obvious source of funding is a Department of Energy program that Trump's 2018 budget proposal would neuter ([*Energywire*](#), May 24).

That's led to a fierce debate within Trump's base about whether the government should lend a hand in the project.

Some Republicans in Congress and Breitbart News Network have come out in support of government help, while the tea party and the Heritage Foundation oppose such handouts.

"There's going to be a reckoning here," said Brendan Bell, former director of strategic initiatives at DOE's Loan Programs Office (Brian Eckhouse, [*Bloomberg*](#), July 20). — **MJ**

<http://bit.ly/2tOwC2t>

4. Sanders comes out against Senate bill

[Sam Mintz](#), E&E News reporter

Published: Friday, July 21, 2017

Vermont independent Sen. Bernie Sanders came out against a bipartisan, comprehensive Senate energy policy reform bill yesterday, saying that it would boost fossil fuels by streamlining the permitting processes for pipelines and natural gas exports.

S. 1460 is backed by Energy and Natural Resources Chairwoman Lisa Murkowski (R-Alaska) and ranking member Maria Cantwell (D-Wash.). Murkowski said this week she hopes the Senate will debate the bill on the floor by mid-August ([*E&E News PM*](#), July 18).

But the legislation has taken criticism from environmental groups, and Sanders joined with them yesterday. "In its current form, I cannot vote for the Energy and Natural Resources Act," he said in a statement.

Sanders praised provisions in the bill to permanently reauthorize the Land and Water Conservation Fund, as well as the Weatherization Assistance and State Energy programs, but said he could not support other aspects of the measure.

"As a nation, our job is to move away from fossil fuels toward sustainable energy and energy efficiency. This bill does the opposite," he said.

"It would make us more reliant on fracking for natural gas for decades to come by expediting the review process for natural gas pipelines and liquefied natural gas," he said. "It would also provide millions of taxpayer dollars to research new offshore natural gas extraction techniques."

The bill includes language that would reinforce the Federal Energy Regulatory Commission's role as the lead agency in permitting natural gas pipelines and set a deadline for FERC to give final approval to projects.

Similar language passed the House this week, in a vote that was hotly contested by Democrats and environmentalists (*E&E Daily*, July 20).

The Senate legislation would also impose a 45-day "shot clock" for the Department of Energy to make final decisions on liquefied natural gas exports.

Sanders' opposition to the energy reform bill comes days after two noted environmental activists railed against the legislation in an op-ed in *The Hill*, calling it a "shameless giveaway" to the oil and gas industry (*E&E News PM*, July 17).

But the 2016 presidential candidate did not rule out eventually supporting the effort, which is similar to legislation that passed the Senate 85-12 in April of last year. Sanders missed that vote while campaigning in the Democratic presidential primary.

"I look forward to being able to offer amendments to this bill to effectively combat climate change and ensure our planet remains healthy and habitable for our children and grandchildren," he said.

<http://bit.ly/2uiPMBk>

5. Senators wary of nominee who doubts 'catastrophic' warming

Brittany Patterson, E&E News reporter

Published: Friday, July 21, 2017

Some senators are dubious about whether a man who has downplayed warnings about climate change should help set policy for islands where rising seas threaten their livelihoods.

Doug Domenech, the administration's nominee to be assistant secretary of the Interior for insular affairs, appeared yesterday before the Senate Energy and Natural Resources Committee, where he got an earful from senators who don't like his track record on climate change.

"If confirmed, you're going to be responsible for some vulnerable communities, these island communities," Sen. Al Franken (D-Minn.) told Domenech. "Given your history of downplaying or ignoring climate change, why do you think you're the right person to help these communities?"

If confirmed, Domenech would coordinate federal policy across seven island territories and other associated states in the Pacific Ocean and Caribbean, all of which are already experiencing the impacts of a changing climate.

Sen. Angus King (I-Maine) warned that the islands that would be under the nominee's jurisdiction as assistant secretary are in jeopardy of disappearing under his watch.

"This is one of the most serious challenges facing our country and our world," King said. "And I hope you will, as we've had one of the witnesses already testify, take the occasion to look at the data and open your mind to change."

Franken pressed the nominee on his views regarding climate change, citing one of many editorials Domenech published over the last several years that cast doubt on the roles humans have played in changing the climate and called the Paris Agreement "vapid" (*Climatewire*, Nov. 22, 2016).

While he was director of the Fueling Freedom Project, part of the conservative think tank the Texas Public Policy Foundation, Domenech wrote in *The Hill* that humans may have an impact on climate change "perhaps but in very small ways."

"But the overarching consensus remains the climate change we are experiencing is by no means catastrophic," he continued.

Domenech took a softer tone on climate science during his confirmation hearing.

"I do agree that the climate is changing and man has a role in that, and especially for the islands, they're particularly vulnerable, especially the low-lying atolls and islands are very vulnerable to sea-level rise," he said.

He added that he had already pledged to the governors and delegates of the islands under the Office of Insular Affairs' jurisdiction that he would work with them on climate change.

Interior's Office of Insular Affairs handles federal policy for American Samoa, Guam, the U.S. Virgin Islands and the commonwealth of the Northern Mariana Islands, as well as oversees federal assistance provided to the freely associated states of Micronesia, the Marshall Islands and Palau.

Scientists have documented that the island communities are already facing rising seas, increased temperatures and changing rainfall patterns, which threaten their way of life. In some cases, such as with the Marshall Islands, those impacts are projected to displace the entire population.

King urged Domenech to seek out government-collected data from the Mauna Loa Observatory in Hawaii as well as ice cores that illustrate the "unmistakable" connection between the proliferation of fossil fuels for manufacturing and the steep rise in carbon dioxide in the atmosphere.

Franken and Domenech also sparred over a commonly used statistic that 97 percent of climate scientists agree humans are causing climate change, a number that Domenech said has been debunked (*see related story*).

The sparring over climate research came as part of a larger push by lawmakers at a Senate Energy and Natural Resources Committee hearing to press Department of Energy and Interior nominees on how they would use science in their respective agencies amid mounting concerns that it is being disregarded.

Domenech, who led the Trump administration's Interior transition team, previously spent eight years at the Interior Department, serving in multiple positions, notably as deputy chief of staff and deputy assistant secretary for insular affairs.

He was previously secretary of natural resources in Virginia under then-Gov. Bob McDonnell (R). He said in that position, he worked closely with fishermen on Tangier Island — a small town in the Chesapeake Bay that will likely have to be abandoned by midcentury due to sea-level rise and erosion — to help them reinforce the island's shoreline.

"My whole life has been trying to help people involved in the environment," he said. "I don't at all minimize that the climate is changing, and I would just say the head of the [U.S. Geological Survey] himself has said

that we always need to keep in perspective that the climate of the Earth has always changed since the beginning of the planet, and it always will change."

'The future is uncertain'

For residents across the U.S. Pacific islands and other insular territories, the impacts of climate change are already being felt, said Melissa Finucane, a senior researcher at the East-West Center and RAND Corp.

The 2014 National Climate Assessment estimates that sea surface temperatures across the U.S. Pacific will rise between 2.5 and 4.7 degrees Fahrenheit by 2090, bleaching economically important coral reefs. Rainfall has decreased and is expected to continue on that trajectory across most of the region, bringing the threat of more frequent and persistent drought and reducing access to drinking water.

In the western part of Micronesia, rainfall is projected to increase, which could boost the threat from flooding. Seas are rising faster than the average in the western tropical Pacific, and temperatures are rising across the region.

Changing rainfall patterns and sea-level rise can change entire ways of life for the diverse communities across the U.S. Pacific islands, Finucane said.

"As people have to move away and migrate to other places, there's a risk they'll lose their cultural practices and beliefs and so on," she said. "Pretty much everyone, whether you're on an island or not, needs some kind of plan for adapting to circumstances, and the challenge here is the future is uncertain."

'Disdain and distrust'?

The role of science in both the Interior and Energy departments was questioned by multiple senators yesterday.

Democrat Sen. Martin Heinrich of New Mexico asked Brenda Burman, who has been nominated to be commissioner of Interior's Bureau of Reclamation, if she would take science seriously as head of the nation's largest water provider.

"Frankly, what worries me the most about this current administration is some of the disdain and distrust directed at science data and in particular scientists," he said.

Ranking member Maria Cantwell (D-Wash.) said at the hearing that she intended to ask the inspector general to look into a claim by an Interior Department employee that his reassignment in the agency was because he spoke out about the impacts of climate change on Alaska Native communities (*Climatewire*, July 20). Speaking to E&E News yesterday, Republican Sen. Lisa Murkowski of Alaska said she plans to press Interior Secretary Ryan Zinke about the accusations (*E&E News PM*, July 20).

<http://bit.ly/2tnM2vn>

6. Nominees have mostly easy time at hearing

Michael Doyle, E&E News reporter

Published: Friday, July 21, 2017

Three Interior Department nominees survived their combined confirmation hearing yesterday, in a sign they could take their new positions soon.

One of the three will make history. Another already has.

Once confirmed by the Republican-controlled Senate as Bureau of Reclamation commissioner, Brenda Burman would become the first woman to head the Western water agency since it was established in 1902. The 49-year-old lawyer and former park ranger is currently director of water strategy at the Salt River Project, which serves the Phoenix metropolitan area (*E&E Daily*, June 27).

A California native, Burman said she would bring to bear in her new job the experience she's gained working on Colorado River, Klamath Basin, Central Valley Project and various water rights issues.



Brenda Burman. Senate Energy and Natural Resources Committee

"Water rights settlements take years of negotiations, years to secure congressional passage and then years to implement," Burman told the Senate Energy and Natural Resources Committee. "You have to learn when to push, when to get out of the way and at times where to draw the line. Cooperation and principled leadership are key."

Another nominee, 72-year-old Texas resident Susan Combs, previously broke ground as the state's first female agriculture commissioner. The Vassar College and University of Texas School of Law graduate later served as the state's comptroller of public accounts (*Greenwire*, July 11).

Combs has been nominated for the crucial dollars-and-cents position of assistant secretary for policy, management and budget.

"Lessons that I have learned and skills that I have gained, for example in agency spending and purchasing, will serve as assets as we work to balance the books, make smart investments and increase the efficient operation of the department's important programs priorities," Combs said.

Pressed by Sen. Angus King (I-Maine) about the Trump administration's proposed 11 percent cut to the National Park Service's budget, Combs said she was "not a part" of the budget drafting but committed to working together to "find ways to increase revenues as well as reduce costs."

Environmentalists, though, challenge her background and perspective, which in the past has led her to harshly criticize aspects of the Endangered Species Act. She once referred to ESA listings as "incoming Scud missiles," a rhetorical jab she was reminded of yesterday.

"Combs' disturbing record shows she's an anti-wildlife zealot who fundamentally rejects Interior's conservation mission," said Brett Hartl, government affairs director at the Center for Biological Diversity, which joined 70-plus environmental groups in a letter opposing her nomination.



Susan Combs, Senate Energy and Natural Resources Committee

Democratic senators touched only briefly on the issue, drawing from Combs a commitment to follow the law.

The third Interior Department nominee, Virginia resident Douglas W. Domenech, is slated to serve as assistant secretary for insular affairs. He previously served in the George W. Bush administration's Interior Department and as Virginia's secretary of natural resources. He also worked for a conservative think tank.

Domenech faced persistent questioning from Sen. Al Franken (D-Minn.) about his past statements that questioned man-made climate change. As sea levels rise, at what NOAA estimates at one-eighth of an inch annually, it could become a crucial issue for the Pacific Island territories.

"I do agree that the climate is changing, and that man has a role in that," Domenech said, adding that "my understanding of where scientists are today is that man definitely has an impact, and the question is, is it catastrophic?"

The Virginia Tech graduate said "studies" supported his assessments, but under Franken's questioning he did not name any in particular.

Pointedly, King urged Domenech to more closely study the science and said that "some of the islands you're responsible for may well disappear on your watch."

The questioning of the individual Interior nominees was truncated, as they were sharing the witness table with three Energy Department nominees, forcing lawmakers to jump from one to another. The mass grouping did, however, hint at senators' hopes for speeding up confirmations for departments that still have many vacancies in key slots.

"The process has been a little slower than some of us anticipated," acknowledged Sen. Lisa Murkowski, the Alaska Republican who chairs the committee.

On Wednesday night, the White House announced another Interior Department nomination, with Joseph Balash tapped for the post of assistant secretary for land and mineral management. A former Alaska state official, Balash is currently chief of staff for Sen. Dan Sullivan (R-Alaska).

<http://bit.ly/2uJwiGw>

7. Mining customers face billions in climate costs report

Benjamin Hulac, E&E News reporter

Published: Friday, July 21, 2017

Top mining companies have billions of dollars' worth of exposure to climate regulations, according to the climate research group CDP.

A price on carbon emissions of just \$7 per ton could cost customers of big mining firms \$16 billion to comply, according to a new **report** that analyzed 12 mining firms worth a combined \$300 billion.

Some countries with a heavy mining presence already have carbon pricing, and others are expected to follow suit.

The CDP report ranked the group of companies — which includes Rio Tinto PLC, BHP Billiton Ltd., Glencore PLC, Anglo American PLC and Vale International Group PLC — based on their plans to transition from emissions-heavy models of business. While companies are taking steps to cut carbon emissions, many remain reliant on the selling and burning of fossil fuels.

Paul Simpson, CEO of CDP, said that mining companies must consider the risks they face, warning they could lose money otherwise.

"Miners depend on continuing demand for the commodities they supply and the countries consuming the most commodities are making drastic changes in addressing climate change," Simpson said in a statement. "This is most acute in China's proposal of putting a price on carbon."

At the direction of President Trump, the United States has sharply curtailed efforts to cut emissions. Yet other nations, including several where mining is a dominant industry, have plans to begin pricing carbon, some as soon as next year.

China is pushing on with plans for a carbon-pricing market, to be established late this year. "Carbon pricing has already been introduced in mining countries such as Chile earlier this year and it is due to go live in South Africa and Canada in 2018," CDP said in statement yesterday.

The researchers at CDP also found drought and water shortages will stress roughly 25 percent of mining production, worth tens of billions of dollars, by 2030.

Tarek Soliman, a CDP analyst, said companies in the report "will need to adjust their long-term strategies to reflect the changing grounds in carbon regulation," in particular because of China's carbon taxing system.

Some of the dozen mining companies are adapting already. Rio Tinto divested billions in coal investments this year, as global coal consumption fell for the second year in a row in 2016.

CDP found the companies analyzed are spending nearly half their planning budgets on materials less damaging to the climate than fossil fuels, such as copper and nickel.

<http://bit.ly/2vJtLcu>

8. Sweeping hardrock hearing yields little unity

[Dylan Brown](#), E&E News reporter

Published: Friday, July 21, 2017

Almost a decade after the Supreme Court decided its fate, a small lake in remote southeastern Alaska yesterday still epitomized the gulf in opinion about how to reform hardrock mining.

Lower Slate Lake, which now serves as the Kensington mine's waste disposal site, was the go-to example during a House Natural Resources Subcommittee on Energy and Mineral Resources hearing as lawmakers ran the gamut of non-fuel mining issues.

For Mitchell Krebs, president and CEO of Coeur Mining Inc., the company's Kensington gold operation outside Juneau, Alaska, is "the poster child" for the slow, cumbersome permitting process that puts the U.S. mining industry at a disadvantage internationally.

"The U.S. is a great place to do business as a mining company, but as it functions now, our country's permitting system is tied with Papua New Guinea for the title of world's longest mining process," Krebs said.

Industry leaders argue the average mine takes seven to 10 years to permit. Kensington took 19 years.

Industry groups and their Republican allies have championed legislation to streamline permitting, often through a "one-project, one-review" approach and imposing deadlines (*Greenwire*, Jan. 16). However, a U.S. Government Accountability Office report last year found the national average was two years and delays were often due to companies not providing enough information to complete a permit.

Lauren Pagel, policy director at environmental group Earthworks, said Kensington took longer because its plan for Lower Slate Lake was outside the norm by turning "a pristine body of water into a mine tailings disposal site."

A report published yesterday by Earthworks and Great Basin Resource Watch also found that despite mitigation plans, Kensington has polluted nearby water, just like 74 percent of the 27 mines that produce practically all U.S. gold.

"What happens in reality does not match the predictions," Pagel said.

Krebs defended the use of Lower Slate Lake.

"To call it a mudhole wouldn't be a stretch," he said, arguing the lake that wasn't capable of supporting aquatic life before mining will be able to after reclamation.

Krebs said his company doesn't represent the "outdated perception of mining" as toxic, but he acknowledged the reputation was often "well-deserved" historically.

To heal the "black eye" of more than 500,000 abandoned hardrock mines nationwide, Krebs got behind good Samaritan legislation supported by many committee members that would lift liability protections for third parties to step in to clean up hardrock mines.

"As it currently sits there are just too many risks associated with getting involved with any of these historic sites, which is unfortunate because we have the know-how, we have the resources and frankly we have the desire to get involved," he said.

Environmentalists say good Samaritans can nowhere near solve a \$50 billion problem, according to U.S. EPA. They call for fundamental changes to the General Mining Act that, relatively unaltered since 1872, largely puts mining above all other uses of public land and does not charge royalties.

"The West has been settled," said subcommittee ranking member Alan Lowenthal (D-Calif.). "It's time to move forward."

Democrats advocate for both a royalty to compensate taxpayers and a hardrock reclamation fee, similar to the one charged on coal, to pay for reclamation of old mines.

According to Pagel, the U.S. has lost out on at least \$245 billion since 1872.

"This can only happen if the mining industry steps up and meaningfully begins to deal with its history of pollution just like the coal mining industry has done," Lowenthal said.

Last year, H.R. 963 would have charged an 8 percent royalty on gross mining income and 7-cent-per-ton reclamation fee (Greenwire, March 24, 2016).

But James Cress, an attorney with Denver-based Bryan Cave LLP, said, "You have to keep in mind the overall burden."

Many states charge their own royalties already, but most do so based on net income because unlike coal, oil and gas, hardrock commodities are not usable until they are processed. A gross royalty, Cress said, would also be an "unprecedented attempt" to charge the same royalty on multiple commodities, ignoring the differences between metals.

With state and other taxes and fees, Cress said mining companies are already paying an effective tax rate comfortably within the range of most mining nations.

A net income royalty would be complicated but not impossible, Cress said, as it exists already in rival mining countries.

Subcommittee Chairman Paul Gosar (R-Ariz.) said permitting reform must come first, berating Pagel for "being ignorant and putting out false facts" to stir up animosity toward mining projects like the Resolution Copper mine in Arizona.

"I think you need to walk a mile in our moccasins out in Arizona," he said.

While never going underground, Pagel said she did visit the campground near the mine site that San Carlos Apache protesters have occupied for several years in protest of the project.

Meanwhile, another Arizonan, Bret Parke, deputy director of the Arizona Department of Environmental Quality, called on Congress to stop EPA from publishing a final rule on new financial assurance requirements for hardrock mining.

In 2015, environmentalists convinced the U.S. Court of Appeals for the District of Columbia Circuit that EPA must update its cleanup insurance requirements act pursuant to Section 108(b) of the Superfund law — the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).

EPA published a proposed rule last December, meeting a previous court deadline and is now working toward finalizing a rule by Dec. 1 to meet the current court deadline.

The industry and state regulators have pressed EPA to take no action in light of existing state bonding regimes that environmentalists say are inadequate (Greenwire, April 28).

Murray Hitzman, energy and minerals chief for the U.S. Geological Survey, testified that another factor hampering U.S. mining is that less than one-third of the country is mapped at the detail required for mineral exploration (Greenwire, March 16).

"Other countries, such as Canada and Australia, have undertaken such geological and geophysical surveys report that investments of \$1 by the government have resulted in further investment of over \$5 by the private sector," Hitzman said.

The House has proposed trimming back USGS's budget in fiscal 2018 (E&E Daily, July 19).

<http://bit.ly/2uHlkR8>

9. McCain's absence could hinder dealmaking, delay GOP agenda

George Cahlink and Nick Sobczyk, E&E News reporters

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After learning this week that Sen. John McCain (R-Ariz.) was battling an aggressive form of brain cancer, Sen. Tom Carper (D-Del.) texted the man he first met when both were elected to the House in 1982.

"I sent him a message last night saying, 'We need you now, we need you as much as we ever needed you,'" said Carper, the ranking member of the Senate Environment and Publics Works Committee, yesterday.

Carper's view was echoed by senators in both parties, who painted McCain as one of the chamber's most indispensable members, an independent-minded conservative who knows how to cut deals across party lines on an increasingly polarized Capitol Hill.

Several noted that despite his fiery negotiating style, the GOP's 2008 presidential nominees is always willing to find compromise.

"One day he'd explode like Mount Vesuvius and the next day smother you with kindness. It was just typical John, and once you get used to that style, he's great to work with," said Sen. Dick Durbin (D-Ill.), the chamber's No. 2 Democrat, recalling negotiations over an immigration bill.

Sen. Chuck Grassley (R-Iowa) noted, "When he disagrees with people he's going to tell them he disagrees."

In recent years, McCain has been at the center of dealmaking on nearly every major piece of legislation to come forward in the Senate, including the chamber's most ambitious attempt at cap-and-trade legislation in 2009. It failed to advance, but no senator has since offered as broad a proposal.

Indeed, McCain has been a relative moderate in a conservative GOP caucus more closely aligned with industry interests than environmentalists.

Earlier this year, he surprised the Senate by being the deciding vote to reject a plan to repeal an Obama-era rule on methane gases on public lands. McCain said he wanted to revise the rule, not kill it.

Carper said after that vote he might hug McCain the next time he saw him.

The sixth-term senator also has broken with many in his own party to warn about global warming and criticized the White House for bailing out of the Paris climate deal.

Asked by E&E News why he backed the international accord, McCain poked at climate deniers, saying, "Because I think there's climate change going on — duh."

Legislative impact

Already, the practical impact of McCain's absence, after surgery last week uncovered the cancer, was felt in the ongoing health care debate. Senate Republicans were forced to scrap a vote to call up a measure where the Arizona lawmaker could have been the deciding vote on bringing it to the floor.

With Republicans holding a narrow 52-seat majority, GOP leaders fret the same scenario could play out on other major bills, including tax reform and spending plans, where Democrats aren't likely to provide many votes and a vote from McCain could be decisive.

"John is a bigger than life force around here on so many issues, particularly on national security," said Sen. John Thune (R-S.D.), the Senate GOP caucus chairman, alluding to both McCain's work as Senate Armed Services Committee chairman and early career as a Naval aviator, during which he spent several years as a prisoner of war in Vietnam after his fighter plane was shot down.

McCain's absence could especially be felt if he is not able to return to manage the defense authorization bill, which is due on the floor in early August. The former Navy captain has played an outsized role for years in shaping the sweeping Pentagon policy legislation.

Sen. Jim Inhofe (R-Okla.), a longtime proponent of the oil industry, will take the reins of the Senate Armed Services Committee in McCain's absence. The former Environment and Public Works Committee chairman and leading climate skeptic said yesterday the committee would continue on the same course under his leadership and attempt to get NDAA on the floor in the coming weeks.

"We don't have any way of knowing how long John will be absent," Inhofe told E&E News. "But it could be, and a lot of them are feeling, that he'll be back next week, so I wouldn't make any changes."

Inhofe said if he has to manage the bill he would rely on Armed Services Committee staff, many of whom are McCain loyalists.

Inhofe said his Armed Services Committee duties would not take away from his work on environmental issues. He is a close political ally of U.S. EPA chief Scott Pruitt, who has hired several of the Oklahoma Republican's former staff to help push a deregulatory agenda at the agency.

'Stand by'

McCain continues to weigh his treatment options for an aggressive form of a brain tumor, known as primary glioblastoma.

Many on Capitol Hill noted that the same cancer in 2010 felled liberal stalwart Sen. Ted Kennedy (D-Mass.) — who McCain eulogized as "my friend" — and delayed for months Democrats' quest to pass Obamacare.

Known for his often biting humor, McCain on Twitter yesterday said he appreciated all the good wishes but then added, "Unfortunately for my sparring partners in Congress, I'll be back soon, so stand-by!"

Sen. Lindsey Graham (R-S.C.), McCain's closest friend in the chamber, said he'd heard from the senator three times on Wednesday alone. He said they'd only briefly talked about his diagnosis and instead focused on the health care bill and defense authorization issues.



John McCain
@SenJohnMcCain

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**I greatly appreciate the outpouring of support
- unfortunately for my sparring partners in
Congress, I'll be back soon, so stand-by!**

11:25 AM - 20 Jul 2017

Sen. John McCain tweeted yesterday about his intention to return to the Senate. @SenJohnMcCain/Twitter

McCain also took to Twitter yesterday to take aim at perhaps his most frequent target over the decades — pork-barrel spending. He said he was "disappointed" not to be on Capitol Hill this week for the unveiling of Citizens Against Government Waste's annual listing of federal pork. But then tweeted out the report to his more than 2 million followers.

Sen. Richard Shelby (R-Ala.), a veteran appropriator who has clashed with McCain at times over the merits of federal spending, said he isn't counting out his "tough guy" colleague who has already survived two plane clashes, a shipboard fire, beatings in a POW camp and a severe form of skin cancer.

"If anybody survives that, it'll be John McCain," Shelby said.

Reporter Christa Marshall contributed.

<http://bit.ly/2uHciVC>

10. New communications chief has mixed record on climate

Hannah Northey, E&E News reporter

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Anthony Scaramucci, who stepped up today as White House communications director, has a history of flip-flopping on climate change, once calling the science "irrefutable" before backpedaling before President Trump was elected.

Scaramucci, a lawyer, former Goldman Sachs investor and Trump fundraiser also known as "the Mooch," was appointed today as White House communications director — and shortly after the appointment, White House spokesman Sean Spicer resigned in protest. Sarah Huckabee Sanders, Spicer's deputy, will move into the press secretary job.

Spicer, a veteran Washington, D.C., Republican communicator, drew the jabs of endless memes and "Saturday Night Live" during his half-year at the White House. Before addressing the press for the first time today at the White House, Scaramucci thanked Spicer and said, "I hope he goes on to make a tremendous amount of money."

A lawyer and hedge fund investor, Scaramucci worked at Goldman Sachs and founded the hedge fund management firm Skybridge Capital. He worked as a fundraiser for Trump's campaign after first supporting Wisconsin Gov. Scott Walker (R) for president in 2016. He has also been a senior vice president and chief strategy officer at the Export-Import Bank of the United States.

The previous White House communications director, Mike Dubke, resigned in May.

Scaramucci has publicly weighed in on energy and climate issues.

Last March, Scaramucci appeared to acknowledge the threat of climate change, tweeting, "You can take steps to combat climate change without crippling the economy. The fact many people still believe CC is a hoax is disheartening."

Three months later, Scaramucci said during an interview with a financial publication that the science of climate change was "irrefutable" and called assertions that warming is a hoax "tragic."

"I find it tragic that so many people in this country believe global warming is some sort of elaborate hoax perpetuated by every credible scientist on the planet," Scaramucci **said**. "In addition to the whole humanity angle, investing in sustainable energy makes sense from an American national security perspective."

But by December, Scaramucci appeared to change his tune on the campaign trail and backpedaled during a sharp exchange with co-host Chris Cuomo on CNN's "New Day" in December, saying he wasn't a scientist.

"There was an overwhelming science that the earth was flat, there was an overwhelming science that we were the center of the world ... we get a lot of things wrong in the scientific community," Scaramucci said. "I'm not suggesting we're not affecting the change, I don't know, I'm not a scientist."

Scaramucci today answered questions about reported friction with White House chief of staff Reince Priebus and his past criticism of Trump and insisted he's complying with ethics agreements.

Scaramucci said he and Priebus are "a little like brothers" who "rough each other up," adding that Priebus is a "dear friend" who was involved in his hiring and insisted they're both "teammates." He also acknowledged that he called Trump "a hack" in 2015 and said the president has still not forgotten.

"He brings it up every 15 seconds," he said, turning to the cameras and adding, "Mr. President, if you're listening, I personally apologize for the 50th time for saying that."

When asked if he would allow on-camera press briefings again, Scaramucci said, "If she supplies hair and makeup, I'll consider it." Scaramucci also said he would talk to Trump about holding a press conference soon.

<http://bit.ly/2uHrO3E>