

To: blm_elt@blm.gov[blm_elt@blm.gov]; blm_field_comm@blm.gov[blm_field_comm@blm.gov]; BLM_All_Managers@blm.gov[BLM_All_Managers@blm.gov]; BLM_WO_100@blm.gov[BLM_WO_100@blm.gov]; Lesli Ellis-Wouters[lellis@blm.gov]; Amber Cargile[acargile@blm.gov]; Martha Maciel[mmaciel@blm.gov]; Donna Hummel[dhummel@blm.gov]; Ronald (Rudy) Evenson[revenson@blm.gov]; Jody Weil[jweil@blm.gov]; Megan Crandall[mcrandal@blm.gov]; Kristen Lenhardt[klenhard@blm.gov]; BLM_WO_610@blm.gov[BLM_WO_610@blm.gov]; Peter Mali[p mali@blm.gov]; Stephen Clutter[sclutter@blm.gov]; Wilkinson, Patrick[p2wilkin@blm.gov]; Jill Ralston[jralston@blm.gov]; Lola Bird[lbird@blm.gov]; Marjorie Chiles[mdchiles@blm.gov]
From: Black, Meredith
Sent: 2017-07-26T16:52:32-04:00
Importance: Normal
Subject: E&E News Clips—July 26, 2017
Received: 2017-07-26T16:53:14-04:00
[ee07-26-17.docx](#)

Contents

1. Zinke to inspect Organ Mountains site in N.M.
2. Panel OKs renewables bills, makes it easier to kill sea lions
3. Group sues for Interior records on lifting moratorium
4. Some agencies will skip public report on fossil fuel rules
5. U.S. crude production set for record high
6. Formation's 'substantial' oil needs higher prices — report
7. House begins sorting through dozens of policy, funding fights
8. Work on Energy Transfer's Mariner lines halted after spills
9. Congress gives DHS cyber shakeup second try
10. Senate panel OKs conservation package
11. Committee approves union bill, punts on reg reform measure

1. Zinke to inspect Organ Mountains site in N.M.

Jennifer Yachnin, E&E News reporter

Published: Wednesday, July 26, 2017

Interior Secretary Ryan Zinke tomorrow will kick off a three-day visit to New Mexico to tour the Organ Mountains-Desert Peaks National Monument, as he contemplates where to recommend reductions to the 497,000-acre site.

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

2. Panel OKs renewables bills, makes it easier to kill sea lions

Kellie Lunney, E&E News reporter

Published: Wednesday, July 26, 2017

The House Natural Resources Committee passed 21 bills today, including bipartisan legislation to promote renewable energy development on public lands and a controversial measure that would make it easier to kill sea lions to protect endangered salmon in the Columbia River.

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

3. Group sues for Interior records on lifting moratorium

Dylan Brown, E&E News reporter

Published: Wednesday, July 26, 2017

The Trump administration is refusing to release records about "clandestine" meetings between the Interior Department and industry that led to the end of the federal coal leasing moratorium, the Center for Biological Diversity said in a lawsuit filed today.

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

4. Some agencies will skip public report on fossil fuel rules

Arianna Skibell and Camille von Kaenel, E&E News reporters

Published: Wednesday, July 26, 2017

U.S. EPA and the Department of Transportation are working to send the White House a list of rules and regulations that are hampering fossil fuel production — but the Department of Energy is not.

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

5. U.S. crude production set for record high

Nathanial Gronewold, E&E News reporter

Published: Wednesday, July 26, 2017

Crude oil production in the United States will hit a record high in 2018, government energy analysts project.

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

6. Formation's 'substantial' oil needs higher prices — report

Nathanial Gronewold, E&E News reporter

Published: Wednesday, July 26, 2017

Geoscientists at the University of Texas, Austin, say they've completed a top-to-bottom assessment that confirms North Dakota and Montana's Bakken Shale's enormous oil potential.

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

7. House begins sorting through dozens of policy, funding fights

George Cahlink and Geof Koss, E&E News reporters

Published: Wednesday, July 26, 2017

The House will begin considering nearly 50 amendments to its fiscal 2018 energy and water spending bill beginning today, including bids to reverse funding cuts and reshape hot-button policies on Yucca Mountain and the social costs of carbon.

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

8. Work on Energy Transfer's Mariner lines halted after spills

Mike Lee, E&E News reporter

Published: Wednesday, July 26, 2017

Pennsylvania officials shut down construction on Energy Transfer Partners LP's Mariner East 2 pipeline project across the state yesterday, after environmental groups complained that the company's sloppy construction was contaminating water.

<http://bit.ly/2uyh2vT>

9. Congress gives DHS cyber shakeup second try

Blake Sobczak, E&E News reporter

Published: Wednesday, July 26, 2017

House lawmakers are making another attempt to fix the Department of Homeland Security's perceived cybersecurity branding problems.

<http://bit.ly/2uZPmk0>

10. Senate panel OKs conservation package

Michael Doyle, E&E News reporter

Published: Wednesday, July 26, 2017

The Senate Environment and Public Works Committee today quickly approved a conservation package whose potential reach extends from the Chesapeake Bay and Western state wetlands to hunters and anglers everywhere.

<http://bit.ly/2eOs2zN>

11. Committee approves union bill, punts on reg reform measure

Kevin Bogardus, E&E News reporter

Published: Wednesday, July 26, 2017

Legislation to have federal agencies disclose union work by their employees took another step closer to becoming law today.

<http://bit.ly/2w0WutB>

--

Meredith C. Black
U.S. Department of the Interior
Division of Public Affairs, Washington Office
Bureau of Land Management
M Street Southeast Washington, D.C.
20003

Contents

1. Zinke to inspect Organ Mountains site in N.M.	1
2. Panel OKs renewables bills, makes it easier to kill sea lions	2
3. Group sues for Interior records on lifting moratorium.....	4
4. Some agencies will skip public report on fossil fuel rules	5
5. U.S. crude production set for record high.....	6
6. Formation's 'substantial' oil needs higher prices — report	8
7. House begins sorting through dozens of policy, funding fights	9
Outlook	10
8. Work on Energy Transfer's Mariner lines halted after spills.....	11
9. Congress gives DHS cyber shakeup second try	12
10. Senate panel OKs conservation package	13
11. Committee approves union bill, punts on reg reform measure	14

1. Zinke to inspect Organ Mountains site in N.M.

Jennifer Yachnin, E&E News reporter

Published: Wednesday, July 26, 2017

Interior Secretary Ryan Zinke tomorrow will kick off a three-day visit to New Mexico to tour the Organ Mountains-Desert Peaks National Monument, as he contemplates where to recommend reductions to the 497,000-acre site.

Zinke is in the midst of a review of 27 national monuments ordered by President Trump in late April, with an eye toward rescinding or reducing sites created since 1996 that include more than 100,000 acres.

New Mexico's congressional delegation has split over the Organ Mountains-Desert Peaks site, with Democratic Sens. Tom Udall and Martin Heinrich lobbying for Zinke to leave the monument unchanged, while Republican Rep. Steve Pearce has called for it to be slashed to 60,000 acres (*E&E News PM*, June 22).

In late June, Zinke declined to publicly state whether he would refrain from recommending reductions to Organ Mountains or the Rio Grande del Norte National Monument.

"In the case of New Mexico, I do not want to rip a Band-Aid off a monument that's settled. ... If it's settled and people are happy with it, I find no reason to recommend any changes," he told Udall during a Senate Interior, Environment and Related Agencies Appropriations Subcommittee hearing (*Greenwire*, June 21).

But in the weeks since, while Zinke has publicly announced at least three monuments will not face reductions — granting reprieves to the Canyons of the Ancients National Monument in Colorado, Hanford Reach National Monument in Washington state, and Craters of the Moon National Monument and Preserve in Idaho — he has not mentioned the New Mexico sites.

In addition, Zinke has indicated he does not expect to make changes at the Upper Missouri River Breaks National Monument in Montana, although he has not made an official announcement about that site.

In late June, Zinke called for significant reductions to the Bears Ears National Monument in southeastern Utah, but he has yet to detail where cuts would be made to the 1.35-million-acre site. A final report on all monuments is due Aug. 24.

During his New Mexico visit, Zinke plans to tour the Organ Mountains monument via air, car and foot, as he has done with monuments in Utah and Maine.

He is set to hold a private roundtable meeting tomorrow with unidentified "elected officials, ranchers, academics, border security experts and others," and meet Friday with members of the Mescalero Apache and Fort Sill Apache tribes and Friends of Organ Mountains-Desert Peaks.

In addition, Zinke will hike with local military veterans on Saturday, and is scheduled to hike and ride horseback with Heinrich and Udall.

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

2. Panel OKs renewables bills, makes it easier to kill sea lions

Kellie Lunney, E&E News reporter

Published: Wednesday, July 26, 2017

The House Natural Resources Committee passed 21 bills today, including bipartisan legislation to promote renewable energy development on public lands and a controversial measure that would make it easier to kill sea lions to protect endangered salmon in the Columbia River.

The panel approved by unanimous consent the "Public Land Renewable Energy Development Act" (**H.R. 825**), which requires the Interior Department to identify "priority areas" for wind and geothermal power development on federal lands.

The goal of the legislation, sponsored by Rep. Paul Gosar (R-Ariz.), is for wind and geothermal power to receive the same focus as solar energy. The bill has 36 co-sponsors, including Natural Resources Committee ranking member Raúl Grijalva (D-Ariz.). Gosar introduced similar legislation in 2013.

Among other things, the legislation establishes a royalty system for renewables that gives 25 percent of royalties to states and 25 percent to counties. It also establishes a renewable energy resource conservation fund that would be used to protect habitat and improve access to federal lands.

The committee also passed in a 21-14 roll call vote a bill that would allow the Commerce Department to expedite permits allowing states and tribes to kill sea lions preying on certain endangered salmon species in the Columbia River.

H.R. 2083, the "Endangered Salmon and Fisheries Predation Prevention Act," offered by Rep. Jaime Herrera Beutler (R-Wash.), would amend the 1972 Marine Mammal Protection Act to reduce predation on endangered Columbia River salmon and other nonlisted species.

Rep. Jared Huffman (D-Calif.) offered an unsuccessful amendment that would have allowed killing sea lions to manage the population provided all "non-lethal" options were investigated first. Huffman said his amendment was a "genuine effort" to find common ground on the legislation and avoid the "indiscriminate" killing of sea lions.

The California Democrat also said the bill undermined the Marine Mammal Protection Act and Endangered Species Act and waived requirements under the National Environmental Policy Act that would set a bad precedent for other wildlife populations. "No amount of killing sea lions" will fully fix the predation problem, which has been exacerbated by dam building along the river, Huffman said.

Grijalva also weighed in on the issue.

"I'd say we're blaming sea lions for building too many dams, but my Republican colleagues won't even acknowledge the dams are an issue," the ranking member said. "Conducting some farcical sea lion hunt while the salmon try to jump a hundred-foot-tall concrete barrier to reach their natural habitat is not my idea of sound environmental policy."

Rep. Doug Lamborn (R-Colo.) opposed Huffman's amendment, calling it too restrictive.

Under Huffman's measure, "we have to prove that the sea lions are guilty of preying on salmon," Lamborn said. "That's getting into the legal rights; you are almost asking for Miranda rights at that point," he said, laughing.

"I wonder if a sea lion has the right to remain silent," joked Chairman Rob Bishop (R-Utah).

Bishop added that Huffman's amendment simply would create additional layers of red tape undermining the underlying bill. The "non-lethal" approach to sea lion management is "not working," Bishop said.

The committee also held a roll call vote (19-15) to pass H.R. 2423, from Rep. Chris Stewart (R-Utah), which directs the Bureau of Land Management to grant rights of way approvals for a 4-mile transportation corridor and related utilities in the Red Cliffs National Conservation Area in southern Utah. The bill is designed to address traffic congestion and a growing population in St. George, Utah.

Stewart and other GOP allies, including Bishop, have noted that the corridor through the national conservation area in Washington County was included in the massive Omnibus Public Land Management Act of 2009, and that it mandated BLM approve the corridor.

The agency has yet to do so eight years after the legislation was approved, in part due to concerns about impacts to the federally protected desert tortoise.

This sparked fierce debate last spring during a Natural Resources Subcommittee on Federal Lands hearing on the bill (E&E Daily, May 24). Today, the issue did not generate controversy.

In addition to H.R. 2083 and H.R. 2423, roll call votes were called for the following bills:

- H.R. 3281, the "Reclamation Title Transfer and Non-Federal Infrastructure Incentivization Act" from Lamborn, which would authorize the Interior secretary to facilitate the transfer to nonfederal ownership of appropriate reclamation projects or facilities. (17-12)
- H.R. 2075, from Rep. Greg Walden (R-Ore.), to adjust the eastern boundary of the Deschutes Canyon-Steelhead Falls Wilderness Study Area in Oregon to facilitate fire prevention and response activities to protect adjacent private property. (20-13)
- H.R. 3115, from Rep. Richard Nolan (D-Minn.), to provide for a land exchange involving federal land in the Superior National Forest in Minnesota acquired by the Agriculture secretary through the Weeks Act. (26-10)

Sixteen of the 21 bills were reported out by unanimous consent, including Gosar's public lands renewable energy legislation.

The other bills passed by unanimous consent:

- **H.R. 873**, from Rep. Mike Gallagher (R-Wis.), to authorize the creation of the Global War on Terrorism Memorial in the District of Columbia.
- **H.R. 3279**, from Rep. Paul Cook (R-Calif.), to amend the 1920 Mineral Leasing Act to ensure that extraction of helium from gas produced under a federal mineral lease shall maintain the lease as if the helium were oil and gas.
- **H.R. 1074**, from Rep. Rod Blum (R-Iowa), to repeal the act called "An Act to confer jurisdiction on the State of Iowa over offenses committed by or against Indians on the Sac and Fox Indian Reservation."
- **H.R. 965**, from Rep. Ann Kuster (D-N.H.), to re-designate the Saint-Gaudens National Historic Site as the Saint-Gaudens National Historical Park.
- **H.R. 1418**, from Rep. Don Young (R-Alaska), aimed at amending the 1971 Alaska Native Claims Settlement Act to provide that Alexander Creek, Alaska, is and shall be recognized as an eligible Native village under that law.
- **H.R. 1491**, from Rep. Doug LaMalfa (R-Calif.), to reaffirm the action of the Interior secretary to take land into trust for the benefit of the Santa Ynez Band of Chumash Mission Indians.
- **H.R. 1547**, from Rep. Martha McSally (R-Ariz.), the "Udall Park Land Exchange Completion Act," to allow the unencumbering of title to nonfederal land owned by the city of Tucson, Ariz., for purposes of economic development.
- **H.R. 2316**, from Rep. Glenn Thompson (R-Pa.), to amend the Mineral Leasing Act and the 1992 Energy Policy Act to repeal provisions relating to the Allegheny National Forest.
- **H.R. 2371**, from Gosar, to require the administrator of the Western Area Power Administration to establish a pilot project to provide more transparency for customers.
- **H.R. 2374**, from Rep. Ruben Kihuen (D-Nev.), to facilitate certain pinyon-juniper-related projects in Lincoln County, Nev., to modify the boundaries of certain wilderness areas in the state, and to fully implement the 2006 White Pine County Conservation, Recreation and Development Act.
- **H.R. 2582**, from Rep. Mia Love (R-Utah), that would authorize Utah to select certain lands available for disposal under the Pony Express Resource Management Plan to be used for the support and benefit of state institutions.
- **H.R. 2611**, from Rep. French Hill (R-Ark.), to modify the boundary of the Little Rock Central High School National Historic Site.
- **H.R. 2615**, from Rep. Steven Palazzo (R-Miss.), to authorize the exchange of certain land located in Gulf Islands National Seashore in Jackson County, Miss., between the National Park Service and the Veterans of Foreign Wars.
- **H.R. 2768**, from Rep. Scott Tipton (R-Colo.), to designate certain mountain peaks in Colorado as Fowler Peak and Boskoff Peak.
- **H.R. 2199**, from Rep. Kevin Cramer (R-N.D.), to require the Interior secretary to develop "a single, uniform database" listing all "federal real property."

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

3. Group sues for Interior records on lifting moratorium

Dylan Brown, E&E News reporter

Published: Wednesday, July 26, 2017

The Trump administration is refusing to release records about "clandestine" meetings between the Interior Department and industry that led to the end of the federal coal leasing moratorium, the Center for Biological Diversity said in a lawsuit filed today.

The lawsuit filed in U.S. District Court for the District of Columbia accuses Interior and its Bureau of Land Management of failing to respond to two identical Freedom of Information Act requests.

On March 28, CBD requested all communications and related records discussing the secretarial order that Interior Secretary Ryan Zinke would give a day later, ending the ban on new coal leases imposed by the Obama administration (*Greenwire*, March 29).

The coal industry and environmentalists have sparred for decades over the return on investment and climate impacts of federal coal leasing.

According to the *complaint*, BLM has never acknowledged or responded to either the FOIA request or a May 10 follow-up letter from CBD.

Under FOIA, federal officials have 20 work days to acknowledge receipt of a records request unless they request additional time.

Interior did acknowledge receiving the request on March 29 and stated it would be placed in the "complex" processing track.

CBD says it has heard nothing since, even after a June 14 follow-up letter that offered to assist Interior refine the request through a "cooperative approach."

"The public has every right to know who Zinke and his staff are meeting with, especially when it comes to policies that will have disastrous consequences for our public lands and climate," CBD senior counsel Bill Snape said in a statement. "But time after time, Zinke appears to be putting the American people last."

Interior declined to comment, referring all communications to the Department of Justice, which had not responded at press time.

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

4. Some agencies will skip public report on fossil fuel rules

Arianna Skibell and Camille von Kaenel, E&E News reporters

Published: Wednesday, July 26, 2017

U.S. EPA and the Department of Transportation are working to send the White House a list of rules and regulations that are hampering fossil fuel production — but the Department of Energy is not.

Today marks the deadline for agencies to submit a final draft report to the vice president, the director of the Office of Management and Budget and other top officials to say whether federal regulations are hindering the fossil fuel industry, according to White House *guidance*. The final report is due in September.

In addition to squashing a number of the Obama administration's climate policies, President Trump's March 28 executive order on regulations (*E.O. 13783*) directs all federal agencies to submit a roundup of existing policies that "potentially burden the development or use of domestically produced energy resources, with particular attention to oil, natural gas, coal and nuclear energy resources."

A separate February executive order (*E.O. 13777*) required agencies to set up deregulatory bodies with members that include a designated reform officer (*Greenwire*, Feb. 24).

Clean Power Plan foe and conservative attorney Samantha Dravis was appointed to lead EPA's efforts (*Greenwire*, April 4). Deputy Secretary Jeffrey Rosen is leading DOT's regulatory task force.

An EPA spokesperson said the agency intends to submit its report to OMB today but will not make the draft public.

"The final report, due the end of September, will be publicly available — both on our website, and published in the *Federal Register*," the spokesperson said in an email.

A follow-up email clarified that EPA "is working" to send the report today.

While the OMB guidance exempts agencies that don't deal with the development or use of domestically produced energy, a spokesman for DOT said the agency is preparing its own draft report.

The report will "include specific actions and recommendations to alleviate or eliminate aspects of agency action that burden domestic energy production," the spokesman said.

The report is expected to include recommendations for the Pipeline and Hazardous Materials Safety Administration and for the agency's corporate average fuel economy (CAFE) program. The National Highway Traffic Safety Administration is gearing up to write the statutorily required targets for passenger cars and trucks for model years 2022 to 2025. It made a surprise announcement yesterday that it was also considering changing the standard for model year 2021, which is already on the books.

The agency is also reviewing guidelines for autonomous vehicles and the environmental review process for big construction projects.

DOE, however, said it would not be submitting a report at this time.

"However, we are continuing to evaluate any negative impacts that DOE regulations may have on oil, natural gas, coal and nuclear energy production by reviewing the information we received from the public and stakeholders as part of the request for information under the Regulatory Reform Task Force that closed Friday before last," said DOE spokeswoman Shaylyn Hynes.

The department is preparing a separate grid study that will assess the impact of energy subsidies on grid reliability and baseload power.

Interior Department spokeswoman Heather Swift said the agency's draft is an "internal document" and provided no further details.

Spokesmen from the Federal Energy Regulatory Commission and Bureau of Land Management said they have no information to provide about the draft report.

While the order does not apply to independent agencies like FERC, they are encouraged to comply.

The Agriculture Department could not be reached for comment in time for publication.

The March order also directs EPA to review the Obama administration's Clean Power Plan to limit power plants' greenhouse gases and wipes out President Obama's coal leasing moratorium on public lands, among other things (*E&E News PM*, March 28).

Reporters Hannah Northey, Christa Marshall, Kellie Lunney, Pamela King and Marc Heller contributed.

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

5. U.S. crude production set for record high

Nathanial Gronewold, E&E News reporter

Published: Wednesday, July 26, 2017

Crude oil production in the United States will hit a record high in 2018, government energy analysts project.

Yesterday, the U.S. Energy Information Administration (EIA) issued its latest outlook on oil production as volumes continue to rise from renewed strength in shale oil drilling. Despite a temporary drop in output last year stemming from the fall of oil prices from mid-2014, output is expected to average 9.3 million barrels per day this year.

Next year, however, will be a banner year for the U.S. oil and gas industry, the agency predicts.

Output for 2018 is likely to average 9.9 million barrels per day, outstripping the record 9.6 million barrels per day the industry pumped on average in 1970. Oil output is anticipated to continue rising beyond 2018.

The Permian Basin will lead supply growth, EIA predicts, followed by offshore projects in federal waters of the Gulf of Mexico. As new Gulf projects come online, such as Chevron Corp.'s Big Foot, offshore oil production will likely expand by another 300,000 barrels per day from now until the end of 2018, analysts report in the latest Short-Term Energy Outlook.

EIA's report underscores the rising dominance of the Permian Basin, the oil patch in western Texas and southeastern New Mexico that has been producing for more than 100 years. The expansion of horizontal drilling and hydraulic fracturing there will see output from the many stacked plays there expanding by more than 500,000 barrels a day out to the end of 2018, the forecast says.

"The Permian region is expected to produce 2.9 million b/d [barrels per day] of crude oil by the end of 2018, about 0.5 million b/d more than the estimated June 2017 production level, representing nearly 30% of total U.S. crude oil production in 2018," EIA says.

EIA also confirms reports by industry watchers that companies are drilling far more wells than they are completing and putting into production. Analysts there speculate that producers may be running into problems with insufficient outtake capacity — pipelines and rail tankers — causing oil companies to hold off producing all they can until new infrastructure is built.

Researchers at the industry consultancy IHS Markit Ltd. reported yesterday that strong hedges have helped industry activity roar back to life in the Permian. They believe companies with strong positions in the Permian are in a fundamentally better business position than exploration and production companies focused in other areas, even as markets struggle to break North American crude prices north of \$50 per barrel.

IHS Markit's assessment of the business environment in the Permian supports EIA's bullish views on oil output growth there. "Companies operating in the prolific Permian Basin have 65 percent of their oil production hedged at an average strike price of approximately \$50 per barrel," according to the report. "This supports their aggressive production targets for 2017."

Members of OPEC took further measures this week to tighten compliance with an agreement to curb oil production globally, in a bid to raise the crude price. International oil market analysts have long assumed that the OPEC-Russia production cut would lead to a more balanced oil market and higher prices out to the latter half of this year. But doubts are growing in the face of the surge in U.S. oil production and a doubling of crude exports from the U.S., along with high volumes of refined product exports. Oil in storage domestically and internationally has fallen some but remains high.

Warren Russell and Michael Cohen, commodities researchers at Barclays Capital, called the most recent OPEC initiative a "Potemkin Village." OPEC and Russian officials met in St. Petersburg earlier this week in a move to firm up their joint effort at raising crude prices, an effort that's been frustrated by resiliency in the U.S. shale oil fields.

"These meetings were aimed at saving face and diverting the market's attention away from Iraq's poor compliance, shale's resilience, and Libya's and Nigeria's markedly higher output," the two wrote.

Barclays sees ongoing difficulty in tightening the oil market and is calling for international oil prices to average from \$50 to \$55 per barrel in the second half of 2017. Though OPEC and the International Energy Agency both believe that global oil demand growth will eventually overtake supply growth, the bank's researchers think this won't be realized until around 2020.

The OPEC-Russia produce cut arrangement only extends to March 2018.

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

6. Formation's 'substantial' oil needs higher prices report

Nathanial Gronewold, E&E News reporter

Published: Wednesday, July 26, 2017

Geoscientists at the University of Texas, Austin, say they've completed a top-to-bottom assessment that confirms North Dakota and Montana's Bakken Shale's enormous oil potential.

The UT Jackson School of Geosciences' Bureau of Economic Geology (BEG) says detailed findings will be published in various journals in the coming months. But in a teaser released at the Unconventional Resources Technology Conference in Austin yesterday, BEG's geologists predict that the Bakken and Three Forks formations in North Dakota and Montana will be producing shale oil for decades, with ultimate recovery depending on the oil price.

The university researchers find that the Bakken Shale "will remain a substantial contributor to U.S. oil production for several decades through a range of projected oil prices," according to the study overview.

The U.S. Energy Information Administration sees little to no growth in output from the Bakken through the end of 2018, but much hinges on the oil price.

The BEG study finds that with crude prices at around \$100 per barrel, the oil and gas industry could add up to 60,000 new wells in the Bakken and Three Forks "with production increasing to 1.5 million barrels per day."

But with crude prices closer to the \$40-per-barrel range, the study finds that new wells will be added but on a much lighter scale, causing eventual total oil output to decline in the Bakken. Crude at \$40 could entice drillers to add only 14,000 new wells, extracting about half the total volume of oil that would have otherwise been captured at the higher oil price range, the study concludes.

The new Bakken study, funded by a grant from the Alfred P. Sloan Foundation, is one part of a larger assessment of shale oil resources in the U.S.

The BEG undertook a series of in-depth studies into the shale gas potential of fields across the United States. Geologists there have since shifted their attention to tight and shale oil, and they are largely confirming the resource potential estimated by government researchers at the U.S. Geological Survey.

BEG spokesman Mark Blount confirmed in an email that a team of geologists there are working to get a handle on the ultimate resource potential of the Permian Basin. The Permian is a complex blend of multiple stacked layers of oil-bearing rock, sometimes shale and sometimes more complex tight geologic formations. The university team is partnering with the industry to fund and conduct research there, Blount said, in a multiyear joint partnership called the Tight Oil Resource Assessment (TORA).

"TORA is a joint Bureau-Industry project, and there are a number of industry partners committed to annual financial support and information-sharing," he explained. "We are beginning with research into a limited number of formations in both areas of the overall Permian Basin, the eastern Midland Basin and the more westerly Delaware Basin."

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

7. House begins sorting through dozens of policy, funding fights

[George Cahlink](#) and [Geof Koss](#), E&E News reporters

Published: Wednesday, July 26, 2017

The House will begin considering nearly 50 amendments to its fiscal 2018 energy and water spending bill beginning today, including bids to reverse funding cuts and reshape hot-button policies on Yucca Mountain and the social costs of carbon.

Last night the Rules Committee approved **46 amendments** for the energy and water portion of a four-bill spending package that House leaders expect to clear before leaving town at the end of this week for summer recess.

The minibus also includes fiscal 2018 spending for the Defense Department, military construction and veterans affairs, and the legislative branch. Additionally, it contains \$1.6 billion in homeland security funding to build a wall along the U.S.-Mexico border, a Trump administration priority that continues to raise tensions.

Among the energy and water policy amendments approved for floor consideration last evening are:

- An amendment by Nevada Democrats to strike language from the spending bill that would bar closure of the the Yucca Mountain nuclear waste repository.
- An amendment from Rep. Paul Gosar (R-Ariz.) that would ban considering the social costs of carbon metric in making rules or regulations.
- An amendment from Rep. Don Beyer (D-Va.) to remove a rider to exempt the Trump administration's repeal of the Clean Water Rule from the Administrative Procedure Act.
- An amendment from Rep. Steve Stivers (R-Ohio) to bar any funding for a wind farm project proposed for off the Massachusetts coast. Similar riders have been added to the spending bill in recent years.
- An amendment from Rep. Scott Perry (R-Pa.) to block implementation of an Obama-era rule setting energy efficiency standards for air conditioners and heat pumps.
- An amendment from several Democrats that would reverse a ban in the bill on any funding for developing a national ocean policy.

The \$37.6 billion energy and water portion of the minibus that would fund the Department of Energy and the Army Corps of Engineers is \$203 million less than fiscal 2017 enacted spending levels but \$3.2 billion more than requested by the White House.

It would seek a \$1 billion cut to DOE's Office of Energy Efficiency & Renewable Energy as well as a proposal to eliminate the \$300 million Advanced Research Projects Agency-Energy, or ARPA-E, which funds "high risk" projects.

Several Democratic amendments would aim to reverse cuts to DOE's energy efficiency and renewable energy programs. Lawmakers from both parties will push to increase various Army Corps accounts, including flood control projects.

House Republicans will also have their first test of the recently revived Holman Rule, a 19th-century procedure that allows for targeting funding for specific federal workers in spending bills.

Rep. Morgan Griffith (R-Va.) has offered a Holman proposal that would eliminate 89 employees from the Congressional Budget Office's budget analysis division by cutting \$15 million from the package's legislative branch section. He and other Republicans have criticized how the nonpartisan CBO scores the cost of bills.

If the CBO cut succeeds, Republicans could try to target other agencies. U.S. EPA is a main target for many members of the congressional majority, including Griffith.

Amendments the Rules Committee rejected for floor consideration include:

- A bipartisan proposal from Florida Reps. Carlos Curbelo (R) and Kathy Castor (D) that would have banned the Department of Energy from removing the term "climate change" from any of its publications.
- An amendment from Rep. Neal Dunn (R-Fla.) that would have prevented the Army Corps of Engineers from implementing revised guidelines for management of the Apalachicola-Chattahoochee-Flint River Basin, following a ruling in favor of Georgia in the long-running water war between the states and pending further litigation.
- An amendment from Rep. Al Green (D-Texas) that would have barred Army Corp dollars going toward work on a U.S.-Mexico border wall. Democrats have been introducing similar amendments to other spending bills.

The Rules Committee also sidestepped a highly partisan fight by rejecting a proposal offered by Rep. Sean Patrick Maloney (D-N.Y.) that would have barred discrimination in federal contracting based on sexual orientation or gender identity. Similar language helped sink a spending bill last year.

Outlook

House Republicans continue to plot an endgame to the appropriations process. Speaker Paul Ryan (R-Wis.) said yesterday the four bills in the minibus represented "consensus" within the GOP caucus.

"We do not yet have full consensus on the other eight bills," he told reporters. "That's what we're working toward."

Rep. Tom Cole (R-Okla.), a senior appropriator, said yesterday that GOP leaders will likely attempt to package the minibus with the remaining eight spending bills in September.

However, he acknowledged that moving a minibus now with bills to fund military, veterans, and energy and water projects — all popular with lawmakers — poses a challenge for passing the rest of the politically less-favored spending measures.

"The two biggest engines on the train are defense and veterans and military construction so if you leave the engines off it's hard to pull the rest of the train," he told reporters. "So hopefully we can marry them back up."

While Republicans have generally had to rely on Democrats to move appropriations bills, Minority Whip Steny Hoyer (D-Md.) said he is urging his members to oppose the minibus, citing the effect it could have on non-defense programs contained in the remaining appropriations bills.

"We're very, very concerned about that," he told reporters yesterday.

Democrats additionally oppose the \$1.6 billion for President Trump's border wall with Mexico, which Hoyer said will "apparently" be considered adopted when the House votes on the rule for the minibus, a procedural sleight of hand that he termed "irregular order."

However, Cole said the fact that no Democrats have supported the spending bills so far is a selling point for recalcitrant GOP lawmakers. "These are really very conservative bills," he said.

Former Appropriations Chairman Hal Rogers (R-Ky.) said yesterday that he believed the minibus is "in good shape" with his fellow House GOP colleagues.

The House is also expected to punt on the fiscal 2018 budget resolution, which Cole said was stalled in part by GOP misgivings about the measure's reconciliation instructions, which are intended to bypass the need to garner 60 votes in the Senate for tax reform.

Fears over the proposed Border Adjustment Tax that is central to the House's tax reform plan are part of that problem, said Cole, himself a member of the Budget Committee. Normally the budget would help set funding levels before appropriators write their bills.

"I think we're making progress," he said, adding that many of his colleagues "haven't had a chance to look at a lot of this stuff."

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

8. Work on Energy Transfer's Mariner lines halted after spills

Mike Lee, E&E News reporter Published: Wednesday, July 26, 2017

Pennsylvania officials shut down construction on Energy Transfer Partners LP's Mariner East 2 pipeline project across the state yesterday, after environmental groups complained that the company's sloppy construction was contaminating water.

Judge Bernard Labuskes of the Environmental Hearing Board ordered Energy Transfer's Sunoco pipeline subsidiary to stop directional drilling at 55 locations, according to an order issued yesterday. The order will remain in place until a hearing scheduled for Aug. 7.

Sunoco said in a statement it has "expended every effort" to prevent accidents.

The Mariner East 2 is a pair of pipelines, 20 and 16 inches in diameter, that are designed to carry natural gas liquids from the Marcellus Shale field to transportation terminals in Philadelphia.

The Clean Air Council, Delaware Riverkeeper Network and Mountain Watershed Association complained to the Environmental Hearing Board last week that the company had 61 spills between April and June at construction sites across Pennsylvania. The spills damaged private water wells, a wetland, lakes and creeks.

The state Department of Environmental Protection didn't do enough to prevent the problems, despite advance warnings, the groups said.

The DEP has issued four notices of violations and executed a consent order against Sunoco for the construction problems. The consent order, which is separate from the hearing board's order, requires Sunoco to delay any horizontal drilling until DEP is satisfied the work can be done safely. The company will also have to notify public and private water well owners located near its drilling locations and provide water to people whose supplies were damaged, according to a news release.

The agency "is conducting its own independent investigation of this pollution event and reserves the right to assess further enforcement, as appropriate," DEP Secretary Patrick McDonnell said in the news release.

Pipeline companies typically drill horizontally when they have to build a route under a road or a body of water; a mixture of water and clay is used to lubricate the drill bit and carry away cuttings. If the bore strays to the surface or hits an underground cavity, the fluid can escape.

The environmental groups tried to raise the same issues in February but were rebuffed by the hearing board and the state DEP.

Sunoco said it had already voluntarily stopped drilling at some locations and said the hearing will show that it has tried to comply with its construction permits.

"In the meantime, we will continue (non-drilling) construction throughout the state, with safety and protection of Pennsylvania's environment as our first priorities," the company said in an emailed statement.

It's the second time this year that Energy Transfer, run by Dallas billionaire Kelcy Warren, has been ordered to stop work on a pipeline because of water contamination. The Ohio EPA and the Federal Energy Regulatory Commission both took legal action after construction on Energy Transfer's Rover natural gas pipeline caused a string of incidents, including a 2 million-gallon spill in a wetland (*Energywire*, May 31).

<http://bit.ly/2uyh2vT>

9. Congress gives DHS cyber shakeup second try

Blake Sobczak, E&E News reporter

Published: Wednesday, July 26, 2017

House lawmakers are making another attempt to fix the Department of Homeland Security's perceived cybersecurity branding problems.

The agency's National Protection and Programs Directorate (NPPD) spends hundreds of millions of dollars on cyberdefenses annually, from locking down federal networks to helping critical infrastructure operators like power utilities. But Rep. Michael McCaul (R-Texas), chairman of the House Homeland Security Committee, has long contended that NPPD's name and structure don't do justice to its mission.

On Monday, he reintroduced legislation to authorize the "Cybersecurity and Infrastructure Security Agency Act," previously cast as a way to "streamline" NPPD's cybersecurity activities. A previous *version* of the bill passed McCaul's committee but failed to come up for a full vote last year. In that draft, the new agency would have been charged with carrying out a national assessment of threats to key U.S. infrastructure like gas pipelines and the bulk power grid. The legislation also would have drawn the office out from under headquarters, granting it stand-alone operational authority that the NPPD currently lacks.

McCaul has made it clear that restructuring DHS is one of his "biggest priorities" in this year's Congress (*Energywire*, April 28). A spokeswoman for the Homeland Security Committee did not respond to requests for comment on the new bill, **H.R. 3359**. Its listed co-sponsors include Homeland Security ranking member Bennie Thompson (D-Miss.), Reps. Cedric Richmond (D-La.) and John Ratcliffe (R-Texas), and seven other Republican lawmakers. Spokespeople for DHS and Thompson did not respond to requests for comment.

The Homeland Security Committee is set to mark up H.R. 3359 today after 11:30 a.m.

McCaul said in April he believes the White House supports the effort, though the White House has not responded to a request for comment on the administration's official position.

<http://bit.ly/2uZPmk0>

10. Senate panel OKs conservation package

Michael Doyle, E&E News reporter

Published: Wednesday, July 26, 2017

The Senate Environment and Public Works Committee today quickly approved a conservation package whose potential reach extends from the Chesapeake Bay and Western state wetlands to hunters and anglers everywhere.

Much of the "Hunting Heritage and Environmental Legacy Preservation for Wildlife Act" appears to enjoy broad support, and the 25-minute markup played out before a half-empty room.

"The 'HELP for Wildlife Act' is a bipartisan conservation bill designed to enhance recreational hunting and sport fishing activities, ensure commonsense environmental regulations, and protect wildlife and wildlife habitat," said Sen. John Barrasso, the Wyoming Republican who chairs the Senate panel.

But the approval by a 14-7 vote of S. 1514 came only after Democrats failed to defang provisions that ensure removal of Endangered Species Act protections from the Wyoming and western Great Lakes gray wolf populations.

The controversial language left in the bill blocks judicial review of the Wyoming population delisting, among other things.

Citing the gray-wolf-related provision, more than a dozen environmental groups, including the Defenders of Wildlife and the Sierra Club, urged lawmakers to oppose the overall 63-page bill. An amendment by Sen. Tom Carper (D-Del.) to remove the bill's gray wolf provisions failed on a narrow 11-10 vote.

"I continue to believe that congressional intervention [in the ESA decision] is not the best path forward, and I would urge us not to make it a habit," Carper said.

Barrasso countered that "wolf populations have increased so much" that they have posed a risk in certain states, and he added that delisting the animal will "free up the U.S. Fish and Wildlife Service to redirect resources that were being spent on the already fully recovered gray wolf to other species that are truly in need."

FWS notes that in Wyoming, "the state's annual wolf numbers reveal an enduring healthy population, with approximately 377 wolves in 52 packs with 25 breeding pairs." The agency delisted the species in 2012, prompting litigation.

Some environmental groups also oppose a bill provision that blocks U.S. EPA from regulating lead fishing tackle under the Toxic Substances Control Act. The groups state that an estimated 4,000 tons of lead is lost in U.S. ponds and streams annually.

No amendment was offered to strike the lead tackle provision.

In many ways, the bill's authors crafted a classic comprehensive measure, successfully enough to win the endorsement of more than 50 organizations from the National Wildlife Federation and Trout Unlimited to the National Shooting Sports Foundation.

On the environmental side of the ledger, the bill authorizes \$90 million a year for the Chesapeake Bay Program, \$50 million a year for the North American Wetlands Conservation Act and \$6.5 million annually for the Neotropical Migratory Bird Conservation Act, each for the next five years.

The bill also sets up a new "fish habitat conservation" program, to be guided by a 25-member National Fish Habitat Board and provided with \$7.2 million a year for grants.

"The 'HELP for Wildlife Act' addresses many issues that are important to our nation's sportsmen and women," said Carper, who voted for the bill despite the gray wolf provisions.

The authorizations do not guarantee funding, and the Trump administration has proposed cuts in the existing Interior Department programs.

By voice vote, the committee added an amendment today by Sen. Tammy Duckworth (D-Ill.) to authorize \$15 million annually for the U.S. Geological Survey's Great Lakes Science Center.

Over some opposition, the committee by voice vote also approved an amendment by Sen. Dan Sullivan (R-Alaska) to permit the importation of polar bear trophies taken from legal hunts in Canada prior to ESA protections for the species.

In a nod to rural constituents, the legislation protects farmers from being held liable for bird baiting for hunting purposes if they adhere to state and federal best practices, and it promotes the building and expansion of public target ranges.

The bill now goes to the Senate floor, though Barrasso said after the markup that it probably won't happen until after the August recess. The Senate, he noted with a smile, currently has a few other items on its plate.

A comparable package has not been introduced in the House, although individual bills addressing specific issues like the gray wolf delisting and reauthorization of the North American Wetlands Conservation Act have been.

<http://bit.ly/2eOs2zN>

11. Committee approves union bill, punts on reg reform measure

Kevin Bogardus, E&E News reporter

Published: Wednesday, July 26, 2017

Legislation to have federal agencies disclose union work by their employees took another step closer to becoming law today.

This morning, the Senate Homeland Security and Governmental Affairs Committee passed Florida Republican Rep. Dennis Ross' **H.R. 1293** to require the Office of Personnel Management to issue an annual report on "official time." That's paid work hours used by federal workers when participating in union activities. The bill passed the Senate panel by voice vote. The House approved it in May, also without significant dissent (*E&E Daily*, May 25).

The Homeland Security and Governmental Affairs Committee also moved through a raft of bills on an en-banc voice vote, including **H.R. 195**, the "Federal Register Printing Savings Act."

It would reduce printing costs for the *Federal Register* by having members of Congress only get copies of the document if they ask for a specific issue or request an annual subscription. It passed the House in May by voice vote.

Sen. Claire McCaskill (D-Mo.), the committee's ranking member, said she wanted to move through legislation later this year that would cut down on printing costs by eliminating the physical printing of bills and resolutions for members and committees of Congress.

"We are physically printing hundreds and hundreds of copies of bills, and no one is using them," McCaskill said. "There is a huge amount of printing that's going on that is the definition of waste itself."

Lawmakers this morning also approved other workforce and disaster relief bills on a voice vote (*E&E Daily*, July 24). Sen. Steve Daines (R-Mont.), however, pulled S. 288 from consideration.

His bill would define a "longstanding interpretive rule" in the Administrative Procedure Act as a rule that has been in effect for at least a year, which would have it subject to APA provisions like general notice and comment.

Daines said he pulled the bill because he wanted to work on it more with Sen. Heidi Heitkamp (D-N.D.), another regulatory reform proponent, to help secure bipartisan support.

"We will have that ready to go in September," Daines said. "We'll iron out a few of our differences."

<http://bit.ly/2w0WutB>