

From: POLITICO Pro Energy
To: megan_bloomgren@ios.doi.gov
Subject: Morning Energy, presented by ExxonMobil: Today's the day for the Paris showdown — Energy lobbying booming in the Trump era — Democrats gear up for Peoples Climate March
Date: Thursday, April 27, 2017 4:46:54 AM

By Anthony Adragna | 04/27/2017 05:42 AM EDT

With help from Esther Whieldon

ARE WE STAYING IN PARIS? President Donald Trump's senior advisers are slated to meet this afternoon to hash out a recommendation on whether the U.S. should stick with the Paris climate agreement or pull out of the international pact. Though a final list of attendees is not clear, Secretary of State Rex Tillerson, Chief Strategist Steve Bannon, Jared Kushner, EPA Administrator Scott Pruitt, National Economic Council Director Gary Cohn, National Security Adviser H.R. McMaster and Energy Secretary Rick Perry are expected to be at the meeting. ME readers will remember this is the second crack at the meeting after it got postponed last week so several advisers could travel with the president to Wisconsin.

What does Rep. [Kevin Cramer](#) think will happen? "If I was to handicap it, I would say the meeting will tilt toward staying in, but the president will make the decision based on all that information," the Trump campaign's former energy adviser told ME.

That's what members of the Climate Solutions Caucus want: Twenty-one members, including four Republicans, of the bipartisan climate advocacy group sent Trump [a letter](#) Wednesday urging him to keep the U.S. in the pact. "It is imperative that we maintain our seat at the table in global discussions of how to address the threats posed by climate change," they wrote.

Some are ambivalent (or indifferent?): That includes House Energy and Commerce Committee Vice Chairman [Joe Barton](#). "If the secretary and the president want to renegotiate that's fine. If they want to withdraw, I'm fine with that too," he told ME.

ENERGY LOBBYING BOOMING: Oil, natural gas and refining companies and trade associations have boosted their lobbying spending by about 28 percent over the same period last year, Pro's Ben LeFebvre [reports](#). That includes a lobbying increase of more than 75 percent at the American Petroleum Institute, the industry's main trade association. "Whenever there is a change in administrations, especially from one party to another, folks are going to ramp up their expenditures to make sure they are covered," said Stephen Brown, the top lobbyist for refining company Tesoro.

Overall, the companies and associations spent \$19.4 million lobbying Congress and the Trump administration over the first three months of this year. One oil industry source said it was a surprise to see the lobbying figures rise as much as they did given the administration's slow pace at filling roles at key agencies like the Interior Department and EPA and in the White House. "I wouldn't have been surprised if the numbers were down because of sheer lack of political connections" for lobbyists to make in the new administration, the source said.

WELCOME TO THURSDAY! I'm your host Anthony Adragna, and McGuireWoods' Brian Vanderbloemen was first to identify Wilmer "Vinegar Bend" Mizell as the former baseball player turned North Carolina congressman. For today: What 1948 gold medalist in track and

field went on to serve as a California congressman for four terms? Send your tips, energy gossip and comments to aadragna@politico.com, or follow us on Twitter [@AnthonyAdragna](https://twitter.com/AnthonyAdragna), [@Morning_Energy](https://twitter.com/Morning_Energy), and [@POLITICOPro](https://twitter.com/POLITICOPro).

New! Day Ahead: POLITICO Pro's comprehensive rundown of the day's congressional schedule, including details on legislation, votes, as well as committee hearings and markups. Day Ahead arrives in your inbox each morning to prepare you for another busy day in Washington. [Sign up to receive Day Ahead](#).

BISHOP'S THOUGHTS ON MONUMENT ORDER: House Natural Resources Chairman [Rob Bishop](#) found stuff to like and dislike in [Trump's Wednesday order](#) calling for the review of national monument designations — but still hopes for more fundamental changes to the underlying Antiquities Act statute. "At some point, I would hope that the other side realizes that it is good for them to finally come to the negotiating table and make some amendments to modernize the Antiquities Act," he told ME after the announcement. "And the problem is the Antiquities Act is done in secret and it's a gotcha announcement."

That goes for Bears Ears, too: Bishop reiterated his view that Interior Secretary Ryan Zinke could completely rescind the controversial Bears Ears National Monument if he wanted — "We'd win the litigation. That, to me, is not a concern" — but stressed the need for a more permanent legislative fix. "Even if it's rescinded, it needs a fix," Bishop said. "And if it's shrunk, it needs that fix." He indicated Sen. [Orrin Hatch](#) had expressed interest in taking the lead on such an approach in the Senate, which he welcomed.

Democrats condemn it: Thirty-one Democratic senators, led by [Tom Udall](#), condemned the order and [asked](#) for an "open, transparent and public" review process. "Despite claims to the contrary, all the national monuments designated during the past eight years were designated after public meetings were held and input was gathered from local communities, and each of these monuments had broad local support," they wrote.

Spotted at the signing earlier Wednesday: Vice President Mike Pence; Utah delegation Republicans — Senate Finance Chairman [Orrin Hatch](#), Bishop and Sen. [Mike Lee](#) — Senate Energy and Natural Resources Chairman [Lisa Murkowski](#), Del. [Amata Radewagen](#), National Cattlemen's Beef Association Senior Vice President of Government affairs Colin Woodall and Govs. Gary Herbert of Utah, Paul LePage of Maine and Eddie Baza Calvo of Guam.

GEARING UP TO MARCH: Democrats across the Hill are hosting a series of events urging climate action ahead of Saturday's Peoples Climate March in Washington and nationwide. At 9 a.m., Sens. [Sheldon Whitehouse](#), [Ed Markey](#), [Ron Wyden](#) and [Jeff Merkley](#) speak at a rally with 21 youth plaintiffs on the steps of the Supreme Court to discuss their lawsuit suing the federal government over climate inaction. Just down the street at the House Triangle at the same time, 17 members of the House Sustainable Energy and Environment Coalition will highlight what they say are Trump's anti-environmental actions during his first 100 days and urge climate justice.

Later in the morning, Sens. [Bernie Sanders](#) and Merkley gather at 10:30 a.m. in the Senate swamp to [introduce their legislation](#) phasing out the use of fossil fuels and transitioning to 100 percent clean energy by 2050. And then at 1:15 p.m. in the House Triangle, Reps. [Donald McEachin](#), [Nanette Barragán](#) and [Pramila Jayapal](#) announce the United for Climate Task Force to draw attention to the disproportionate environmental impact climate change has on communities of color and low-income families.

FUNDING FIGHT STILL UNSETTLED: There are still a number of major unresolved items as Congress seeks to avoid a government shutdown Friday, Pro's Budget & Appropriations Brief [reports](#). On the Senate floor Wednesday morning, Minority Leader [Chuck Schumer](#) warned Democrats wouldn't stand for "rollbacks of protections for clean air and clean water." Later in the day, the [White House told lawmakers](#) that it will continue paying Affordable Care Act cost-sharing subsidies, potentially defusing a major conflict between Democrats and Trump administration officials.

CR introduced: Lawmakers late Wednesday introduced a short-term continuing resolution ([H.J. Res. 99](#)) that would keep the government open through May 5. It extends health care benefits for retired coal miners for its duration so they don't lose coverage.

COAL ENTERS U.S.-CANADA FEUD: British Columbia Premier Christy Clark sent [a letter](#) to Canadian Prime Minister Justin Trudeau asking him to block shipments of U.S. coal from entering Canada as retaliation for a tariff placed on softwood lumber by Trump earlier this week. "It's not good for the environment, but friends and trading partners cooperate," she wrote. "Clearly, the United State is taking a different approach." The call for a coal ban comes amid increasing tensions between the two nations on everything from NAFTA to the dairy industry.

INTERIOR NAMES COMING SOON? Bishop said he'd been told Zinke was "moving forward" on filling out his political appointees and expected names would be coming shortly. The two men have had "one great sit-down meeting" and he expects the Utah delegation will "soon" meet with Trump in person. But Bishop said he's never chatted with Trump at length about major issues and also said he's never met Donald Trump Jr., who's seen as [exerting influence](#) on Interior.

Don't hold your breath: Trump told the [Washington Examiner](#) on Wednesday he had no plans to fill all the vacancies scattered throughout federal agencies. "We don't want to fill all of the vacancies, we won't fill all of the vacancies," the president said. "We don't need so many of these people."

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NO GAMBLE: Pruitt met with Republican Nevada Gov. Brian Sandoval Wednesday to discuss hard-rock mining regulations, a potential visit to the state and the possible designation of a Superfund site. "Everyone out there in the state should be appreciative of Administrator Pruitt and his staff and their willingness to listen and their willingness to work with us and solve problems immediately," Sandoval said after the meeting.

TEEING UP INFRASTRUCTURE: The House Natural Resources Committee today is expected to advance 13 pieces of legislation boosting U.S. water and power infrastructure. "Current regulatory policies and endless red tape undermine critical water supply and storage projects and threaten access to reliable and affordable power generation," Bishop told ME in a statement. "This slate of bills will make significant strides to overcome these barriers and help assure that future investment in our nation's infrastructure is a wise investment, not forever lost in bureaucratic purgatory." The [markup](#) convenes at 10 a.m. in 1324 Longworth.

JOHNSON WANTS INFO FROM PERRY: House Science ranking member [Eddie Bernice Johnson](#) sent [a letter](#) to Energy Secretary Rick Perry Wednesday seeking information on the status of the ARPA-E program. Pros [learned earlier this week](#) the agency had started withholding money on grants already approved under the program. "Taken together with the President's recent budget request that proposes to eliminate ARPA-E, these reports appear to suggest that the administration is attempting to shut down the agency without congressional authorization," she wrote. "Such an action would be both ill-advised and potentially illegal."

UNMOVED: Don't expect House Energy and Commerce Environment Subcommittee Chairman [John Shimkus](#) to change his mind about linking Yucca Mountain licensing to permitting the federal government to pursue nuclear waste storage sites, Pro's Darius Dixon [reports](#). "There will be linkage. I can guarantee you that," he told reporters Wednesday afternoon after Rep. [Paul Tonko](#), his subpanel's ranking Democrat, [raised concerns](#) about that language during an earlier hearing. He said he didn't know when a final version of his draft legislation would be released.

REPORT: AIR QUALITY WILL SURVIVE: Oren Cass, a senior fellow with the Manhattan Institute for Policy Research, is out with [a report](#) this morning arguing the nation's gains in air quality will continue throughout the Trump administration. "This progress has continued across Democratic and Republican administrations, EPA expansions and EPA cuts, aggressive federal action and delegation to states, and it will continue under a Trump administration as well," he writes.

QUOTABLE: Perry to [ABC7's Scott Thuman](#): "I don't wake up in the middle of the night and think 'Oh my God, I don't have a deputy yet.'"

TRUMP FUNDRAISER ADDS ENERGY CLIENT: Ballard Partners, the Florida lobbying firm run by Brian Ballard, a top fundraising lieutenant on Trump's campaign, has signed Citizens for Responsible Energy Solutions, a GOP nonprofit that advocates for clean energy, as a client (h/t POLITICO Influence).

MOVER, SHAKER: Sen. [John Barrasso](#) announced Wednesday that Christopher Barkley will serve as policy director for the Senate Republican Policy Committee.

QUICK HITS

- Human waste dumped near Florida springs. [TC Palm](#).
- Automakers to meet with U.S. transportation, EPA chiefs. [Reuters](#).
- Germany Calls Rick Perry's Push to Rework Paris Climate Agreement 'Absurd'. [Bloomberg](#).
- New Jersey Regulators Deem Pipeline Application Incomplete. [The Associated Press](#).
- India's Energy Landscape Is Rapidly Changing. [E&E News](#).
- Judge orders Exxon to pay \$20M in air emissions suit. [FuelFix](#).

HAPPENING TODAY

9:00 a.m. — Our Children's Trust and Earth Guardians host a "[Youth Climate Lawsuit Speak-](#)

[Out](#)" on the steps of the Supreme Court, U.S. Supreme Court

9:00 a.m. — Members of the House Sustainable Energy and Environment Coalition hold [press conference](#) against Trump's first 100 day environmental actions, House Triangle

10:00 a.m. — "[Outdoor Recreation: Vast Impact of the Great Outdoors](#)," House Energy and Commerce Digital Commerce and Consumer Protection, 2123 Rayburn

10:00 a.m. — House Natural Resources Committee [markup](#) on multiple bills, 1324 Longworth

10:00 a.m. — [Hearing](#) to receive testimony on H.R. 339, the Northern Mariana Islands Economic Expansion Act, Senate Energy and Natural Resources, 366 Dirksen

10:30 a.m. — Sen. Bernie Sanders and Jeff Merkley [introduce](#) 100 percent clean energy bill, The Senate Swamp

12:00 p.m. — The Senate and House Outdoor Recreation Caucuses, Outdoor Industry Association, Public Land Solutions, and The North Face host briefing on outdoor economy, 485 Russell

1:15 p.m. — Reps. [Donald McEachin](#) (D-Va.), [Nanette Diaz Barragan](#) (D-Calif.) and [Pramila Jayapal](#) (D-Wash.) host a press conference to officially launch the United for Climate Task Force, House Triangle

1:30 p.m. — "Cracking a Frozen Debate: Where's the Political Consensus on Clean Energy Policy?" Information Technology & Innovation Foundation, G-11 Dirksen

1:45 p.m. — Sens. Markey, Menendez and Nelson hold a press conference on Trump's offshore drilling executive order, Senate Radio and TV Gallery

2:30 p.m. — "[Making the Connection: Hurricanes, Seasonal Changes and Fuel Delivery](#)," The Fuels Institute, 2253 Rayburn

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<https://www.politicopro.com/tipsheets/morning-energy/2017/04/todays-the-day-for-the-paris-showdown-022553>

Stories from POLITICO Pro

Big Oil's big league lobbying [Back](#)

By Ben Lefebvre | 04/27/2017 05:03 AM EDT

President Donald Trump's vow to "drain the swamp" in Washington hasn't stopped energy

interests from making it rain on K Street.

The nation's largest oil, natural gas and refining companies and trade associations spent about \$19.4 million lobbying Congress and the Trump administration over the first three months of this year — a 28 percent increase compared to the same period of last year, according to a POLITICO analysis of federal disclosure records. Lobbying spending jumped more than 75 percent at the American Petroleum Institute, the industry's main trade association.

The increase comes as Trump's election and the GOP congressional majority gives Republican unified control of Washington for the first time in more than a decade, and the new administration has already delivered on several of the oil industry's biggest priorities.

"Whenever there is a change in administrations, especially from one party to another, folks are going to ramp up their expenditures to make sure they are covered," said Stephen Brown, the top lobbyist for refining company Tesoro. "Thus, more lobbyists get hired than probably need to because no one wants to get caught not having the talent you think you might need."

Tyson Slocum, energy program director for watchdog group Public Citizen, said the industry appears to be taking advantage of its rare opportunity to lobby a receptive audience throughout the federal government.

"It's not surprising at all that big oil would see election of Donald Trump as an opportunity to push its agenda," Slocum said. "They have at least two years to push all their top line legislative priorities. They had to expand their expenditures: Hire more staff, bring on more people to make sure they cover all the ground they can."

In his first weeks in office, Trump signed legislation blocking an Obama-administration anti-corruption rule that would have forced energy and mining to disclose their payments to foreign governments. He green-lit the Keystone XL and Dakota Access pipelines. And he opened the door to reversing a broad swath of his predecessor's rules targeting the oil industry, including fuel-efficiency limits for cars and trucks, air quality standards designed to reduce smog exposure and a rule designating which streams and wetlands are subject to federal regulation.

On Friday, Trump is scheduled to check one more item off the industry's wishlist, when he signs an executive order directing his administration to look for ways to expand oil and gas drilling in federal lands and waters. And next week, Senate Republicans say they expect to send him legislation that would reverse an Obama-era rule to reduce methane emissions from oil and gas drilling.

The ranks of Trump advisers are stacked with former oil executives and lobbyists, including Secretary of State Rex Tillerson, the former CEO of Exxon Mobil; special adviser Carl Icahn, who is pushing changes to the ethanol mandate that would benefit his refining company; and White House aide Mike Catanzaro, who was listed as lobbying for the Keystone XL pipeline in the weeks before he joined the administration. The White House and Catanzaro's old firm, CGCN Group LLC, both said his name was listed in error on the firm's disclosure form.

Trump's energy agenda is one of the few areas where he has shown results in his first 100 days in office, as larger tax, healthcare and infrastructure proposals remain stalled.

One oil industry source said it was a surprise to see the lobbying figures rise as much as they did, given Trump's slow pace in filling the senior ranks at key agencies like the Interior

Department and EPA, as well as the White House.

"I wouldn't have been surprised if the numbers were down because of sheer lack of political connections" for lobbyists to make in the new administration, the source said.

Still, some of the issues companies are lobbying on reflect the industry's wariness about some of the proposals that have come from the Trump administration.

Several companies said they were lobbying on NAFTA, which benefits U.S. oil and gas companies with suppliers, customers or operations in Mexico and Canada. Trump is [considering](#) an executive order that would effectively tear up the agreement.

Another issue drawing lobbying dollars was the border adjustment tax the House Ways and Means Committee proposed — but which was not mentioned in the tax outline the administration [released](#) Wednesday.

Then there were some not-as-common issues.

Exxon Mobil, alone among energy companies, included on its lobbying laundry list a pair of Russia-related bills, S. 27 and S. 94, both introduced by Sen. [Ben Cardin](#) (D-Md.) in January. One would establish an independent commission to examine the extent of Russian attempts to interfere in last year's election; the other would sanction Russia over hacking and "other aggressive activities." It also lobbied on Sen. [Lindsey Graham](#)'s (R-S.C.) S. 341, another bill dealing with Russian sanctions.

Exxon had been seeking waivers to continue working in Russia after the Obama administration placed sanctions on the country due to its interference with the U.S. election. Treasury Secretary Steve Mnuchin last week said no energy companies would receive such waivers.

Overall, Exxon boosted its in-house lobbying by nearly 5 percent, to \$3.4 million for the quarter. Exxon spokesman Alan Jeffers said the company did not have a specific reason for boosting its lobbying dollars.

"We provided information on how potential legislation could impact Exxon Mobil's business and wanted to ensure there aren't unintended consequences that place U.S. companies at a competitive disadvantage to non-U.S. companies," Jeffers said of the Exxon's lobbying on Russia-related issues.

A spokeswoman for the industry trade association also said there was no particular reason for its large lobbying jump this year.

"Our expenditures are always fluctuating as our priorities evolve," said API's Brooke Sammon.

API spent \$2.9 million on lobbying between January and March — 75 percent more than it spent in the same period last year. That is more than double the \$1.27 million it spent during former President Barack Obama's first three months in office.

POLITICO tallied up the lobbying spending from the 10 largest oil, gas and refining companies and their main trade associations, API and American Fuel and Petrochemical Manufacturers. The industry as a whole increased its spending 28 percent.

But the biggest percentage gain came in the group of independent refiners Valero Energy, Tesoro Corp., Phillips 66 and Marathon Petroleum. These refiners spent \$4.8 million, a 38 percent gain from the year before, with much of the attention being paid to the Renewable Fuel Standards. CVR Energy, the refiner owned by Icahn, did not file a lobbying disclosure report, and ethics experts have [raised questions](#) regarding the billionaire investor's efforts to broker a deal related to the ethanol mandate in his capacity as a Trump adviser.

The six largest oil companies — BP, Chevron, ConocoPhillips, Exxon Mobil, Marathon Oil and Shell — increased their combined lobbying budget by just shy of 25 percent.

Disclosure forms also showed that Catanzaro worked on six energy-related accounts for his old firm of CGCN Group LLC. Catanzaro formally joined the Trump White House in February as a special assistant to the president for energy and environmental policy, after serving as a senior adviser on his transition team.

Catanzaro was listed as a member of small lobbying teams working on behalf of Devon Energy, Noble Energy, AFPM and TransCanada. The form said he visited the White House Council on Environmental Quality and EPA to discuss TransCanada's Keystone XL pipeline, a project Trump revived with a January 24 executive order just before Catanzaro joined the White House.

CGCN partner Patrick O'Connor said Catanzaro did not lobby on behalf of TransCanada this year and was mistakenly included on the disclosure form, which the firm would reissue.

But O'Connor said Catanzaro most likely continued his lobbying for the other energy companies until he officially joined Trump's staff.

"He started the quarter repping those guys," O'Connor said. "Presumably he would have been working for them until he went to the White House."

A White House spokeswoman said that Catanzaro did not lobby at all in January.

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Trump orders Interior to launch national monument reviews [Back](#)

By Esther Whieldon | 04/26/2017 11:48 AM EDT

President Donald Trump today ordered his administration to consider whether to shrink or eliminate national monuments that have placed millions of acres of federal land off limits to development.

Trump signed an executive order directing Interior Secretary Ryan Zinke to review two dozen monuments that were created since the Clinton administration. The president also asked Zinke to come up with possible legislative fixes to the 1906 Antiquities Act, which gives presidents wide latitude to establish national monuments on federal lands.

At the signing at the Interior Department, Trump said former President Barack Obama had abused the Act to implement a land grab that placed 265 million acres under the control of the federal government.

"Today we are putting the states back in charge," Trump said

Conservation groups [worry](#) Trump and Zinke could weaken the underlying law that has been a conservation tool for 16 past presidents and potentially open up sensitive areas to fossil fuel development. Legal experts say it is unclear whether Trump could fully revoke previous monument designations, but he may be able to shrink the size of protected areas. Congress would have to implement any changes to the Antiquities Act itself.

Ahead of the signing, Zinke said "somewhere along the way, the Act became the tool of political advocacy rather than public interest, and it is easy to see why some designations are viewed negatively by those most impacted."

WHAT'S NEXT: Zinke is directed to come back with an interim report within 45 days and a final report in 120 days, and any actions Trump takes as a result are likely to face legal challenges, especially if he tries to revoke previous designations.

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White House to continue Obamacare payments, removing shutdown threat [Back](#)

By Burgess Everett, Heather Caygle and Josh Dawsey | 04/26/2017 10:43 AM EDT

The White House is telling lawmakers that it will continue paying Affordable Care Act cost-sharing subsidies, potentially defusing a bruising conflict between Democrats and Trump administration officials that had sparked a new round of shutdown fears in Washington on Wednesday.

House Minority Leader Nancy Pelosi confirmed the news Wednesday afternoon after word started spreading around the Capitol. It was not immediately clear how long the White House planned to keep the money flowing.

"Our major concerns in these negotiations have been about funding for the wall and uncertainty about the CSR payments crucial to the stability of the marketplaces under the Affordable Care Act," Pelosi said in a statement after two phone calls with White House chief of staff Reince Priebus. "We've now made progress on both of these fronts."

With Congress closing in on an agreement, lawmakers were expected to buy another week to finish the deal as a Friday evening shutdown deadline loomed, two sources said. Leaders are leaning toward passing a one-week extension of funding at current levels.

"More progress needs to be made on some of our priorities, and we continue to be concerned about poison-pill riders that are still in this legislation," Pelosi said.

On Tuesday evening, Pelosi and President Donald Trump's budget director clashed in a phone call over the Obamacare subsidies threatening delicate bipartisan negotiations to fund the government, according to sources familiar with the matter. The solution to the row appears to be to continue the status quo: paying for the subsidies outside of the congressional spending process. That would give Trump some future leverage over Obamacare while allowing Democrats to say they've protected the law, if only temporarily.

And it would allow Republicans to avoid blame for causing chaos and confusion in the insurance markets.

"If we pull the subsidies ... I think there would be nobody with a health insurance plan next year." said Rep. Phil Roe (R-Tenn.).

But some Republicans slammed the White House decision, saying it undermines the party's position in an ongoing lawsuit that the payments are unconstitutional.

The administration choosing to continue paying the subsidies without congressional approval "is both clearly illegal and unconstitutional," Rep. Mark Walker (R-N.C.), chairman of the conservative Republican Study Committee, said in a statement.

The movement was unlocked after the Tuesday call between Pelosi and Office of Management and Budget Director Mick Mulvaney. The California Democrat told Mulvaney that she could not support a spending bill that doesn't include a commitment to continuing the subsidies for Americans with low incomes, according to a high-ranking Republican source briefed on the conversation. Mulvaney responded that Trump would not sign a bill to fund the government through September that includes those payments, called cost-sharing reductions, the source said.

"She's giving him back some of his own medicine," the source said, referring to Mulvaney's hard-edged tactics during the 2013 shutdown, which Mulvaney supported as a conservative House member. But Mulvaney "delivered [the] message that Trump would not sign a bill with CSRs."

A Democratic aide confirmed the call, but said the Trump administration didn't commit to continuing to pay for crucial Obamacare subsidies starting next month, which could upend the insurance markets.

"Mulvaney indicated that, while the Trump administration had continued the CSR payments, they had not yet decided whether they would make the May payment. Mulvaney made clear that, absent congressional action, the judge's order would stand and the administration would cease making payments," the Democratic aide said. The GOP-led House filed a lawsuit against the Obama administration last year, arguing the subsidy payments were unconstitutional. Republicans won an initial ruling in the courts, but the decision was put on hold pending appeal.

Mulvaney, through a spokesman, said the Democratic assertion that he said the administration would stop making the subsidies next month is "false."

"Let me be clear: The only thing standing in the way of a landmark defense and border security bill is a handful of Democrats who are insisting on an eleventh-hour bailout of Obamacare. We can get this deal done today. There is no excuse not to," Mulvaney said. "This administration has made CSR payments in the past, and the only reason some are raising this now is to hold the government hostage and find an excuse to oppose a bipartisan agreement."

Senate Democratic leaders seemed less dug in and leaders have said that as long as the payments continue, they are less concerned about whether it's the administration or Congress making them.

"She's been the hardest driver on this," a Senate Democratic source said of Pelosi.

House Speaker Paul Ryan suggested Wednesday morning that the bill would not include the

Obamacare payments.

"CSRs, we're not doing that," Ryan said during a news conference. "That is not in an appropriation bill, that's something separate that the administration does."

Currently, the payments are made through the executive branch, but that's subject to a lawsuit that could disrupt the approximately \$7 billion in yearly payments.

Lawmakers also were finalizing language to extend insurance benefits for coal miners and aid Puerto Rico's ailing Medicaid system. Another sticking point is a GOP push to include legislation authored by Sen. Roy Blunt (R-Mo.) that would change food labeling regulations to shield companies from lawsuits if a product was incorrectly labeled, according to two Democratic sources.

Negotiators on both sides privately concede a short-term extension is likely in order to hammer out the final details of a government funding deal.

"I think we're very close," said Senate Majority Whip John Cornyn of Texas.

John Bresnahan, Seung Min Kim and Rachana Pradhan contributed to this report.

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Donald Trump Jr. taps hunting pal for Interior liaison [Back](#)

By Esther Whieldon | 03/17/2017 10:41 AM EDT

Donald Trump Jr. is still exerting influence at the Interior Department and has tapped a hunting buddy to serve as a go-between for the agency, sportmen's groups and his father's White House.

President Donald Trump's eldest son is an avid hunter and played a key role in picking Interior Secretary Ryan Zinke, who is also a hunter and fisherman. And now Donald Trump Jr. has asked Jason Hairston, a former San Francisco 49ers linebacker and founder of hunting gear company Kuiu, to serve as a liaison among himself, Zinke, sportsmen's groups and the White House on conservation and public lands issues, Hairston said on Thursday.

"I'm absolutely going to take the position," Hairston told POLITICO, but the job won't come with a salary, and he plans on staying in California where he lives and managing his business.

But an official with the Interior Department said there had "been no discussion of creating of a new role like this" and White House deputy press secretary Stephanie Grisham said in an email there were no new personnel announcements.

Hairston said Donald Trump Jr. had hoped to play the liaison role between Interior and the White House himself, but his decision to stick with running his father's business empire with his brother, Eric Trump, put a kink in that plan.

"It's really a role he was hoping to fill, but he can't because of conflict of interest," Hairston said.

Hairston and Donald Trump Jr. have been hunting buddies for at least two years — and

Donald Trump Jr. [tweeted](#) out his congratulations last year after Hairston's company was featured in a [Bloomberg news](#) article. The two have tracked game together in mountain ranges in the West and Canada, and Hairston helped to organize meetings between sportsman groups and Donald Trump during his campaign, including a February 2016 gathering in Las Vegas, Hairston said.

The president "knows that it's not just a sport, that it really is something that's more meaningful to hunters and how important wildlife and conservation are because of everything Don and Eric have experienced and shared with him," Hairston said. "So he's not just pacifying his kids over this. He understands it and gets it."

Outdoor recreation groups have recently stepped up their fight against efforts by some Western Republican lawmakers to force the Interior Department to transfer more of the vast amounts of public lands it controls in the West to states — a move the groups say would cut them off from prime hunting and fishing ground. And having Hairston as their advocate would give them a direct line to the White House.

While he said his position hasn't been given a formal starting day, Hairston said he has "already started with the work on it," including "meeting with different organizations to determine what challenges and issues we're facing and really just what we should be working on — what's important."

Hairston has met with Zinke twice: once before Zinke was confirmed as secretary and again on March 7 when Hairston traveled to Washington and talked with the heads of conservation and hunting organizations. Those included the National Rifle Association, Theodore Roosevelt Conservation Partnership, National Shooting Sports Foundation and Safari Club International.

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Sources: DOE freezes funds for ARPA-E projects [Back](#)

By Darius Dixon | 04/20/2017 08:10 AM EDT

The Energy Department has started withholding money on grants already approved under the agency's Advanced Research Projects Agency-Energy program, according to two sources who track the office closely.

ARPA-E, which has strong support on Capitol Hill, particularly from Senate energy spending cardinal Sen. [Lamar Alexander](#), selects energy technology projects and awards funding as those ventures meet a series of development milestones. But now, the sources said, even projects that received initial ARPA-E backing are expected to see their money withheld regardless of whether they meet their milestones because of a "procurement hold."

One source said the hold is believed to have been instituted last week, but it's unclear who ordered the move.

DOE did not directly comment on whether it had stopped the funding, but said the program was being reevaluated.

"As with any transition from administration to administration, we have undertaken a full review of all department programs, policies and taxpayer funded grants. This is nothing more than applying good governance principles to how these programs are being executed," the

agency said in a statement.

President Donald Trump's "skinny" budget last month called for eliminating ARPA-E entirely, but Congress was expected to restore the funding. ARPA-E's enacted budget for fiscal 2016 was \$291 million and the federal government has so far been operating under a continuing resolution for fiscal 2017.

ARPA-E's most [recent funding announcement](#) was in December, when it made up to \$70 million available to 26 projects.

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Shimkus unmoved by concern over linking Yucca to storage [Back](#)

By Darius Dixon | 04/26/2017 03:18 PM EDT

A decision on the Yucca Mountain nuclear waste project needs to happen before green-lighting work on storage sites, Rep. [John Shimkus](#) said — and don't expect that to change.

During a hearing on new [draft nuclear waste legislation](#), Rep. [Paul Tonko](#), the ranking Democrat on Shimkus' House Energy and Commerce subcommittee [aired concerns](#) about language in the bill requiring the Nuclear Regulatory Commission to decide whether to license Yucca Mountain before permitting the federal government to pursue storage sites.

But Shimkus made it clear that section wasn't up for debate.

"There will be linkage. I can guarantee you that," he told reporters this afternoon when asked about Tonko's concerns.

Those who strongly support the Yucca Mountain project have long been concerned that developing a storage facility would sap momentum from getting a final repository.

The Illinois Republican also didn't think there would be many other changes to the bill, or on language related to water rights flagged by members of the Nevada delegation today, before it's formally introduced.

"I think it's addressed in the text of the bill," he said. "I think the hearing today gave a lot of support for the current language."

He also said that he had "no doubt" that the Energy Department supports restarting the Yucca Mountain licensing process that had stalled out for most of the Obama administration.

WHAT'S NEXT: Shimkus said he didn't know when the final bill would be released, saying that that decision is up to House Energy and Commerce Chairman [Greg Walden](#).

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Tonko questions linkage between Yucca and storage site [Back](#)

By Darius Dixon | 04/26/2017 11:36 AM EDT

The top Democrat on the House Energy and Commerce subcommittee tackling new nuclear

waste legislation says its focus on Yucca Mountain could hamper efforts to open interim storage sites.

"I am not sure that the continued strong linkage between Yucca and an interim solution is the best option to limit further taxpayer liability," New York Rep. [Paul Tonko](#) said this morning at hearing on a [draft bill](#) to update the Nuclear Waste Policy Act.

But, he added: "I understand the urgency of this issue, and I understand the chair's genuine desire to help communities dealing with waste and protect taxpayers from any further need to make payments from the Treasury."

The Energy Department [estimates](#) that at least \$29 billion will be paid through 2071 to reimbursed power company for storing waste on-site.

The draft legislation from Rep. [John Shimkus](#) (R-Ill.) would require the Nuclear Regulatory Commission to decide whether to license Yucca Mountain before permitting the federal government to pursue storage sites.

"We know there are companies interested in pursuing interim storage, but this link may create unnecessary uncertainty to their financing and business model," Tonko said. "It would be possible for us to consider the merits of interim storage and a long-term repository on separate but parallel tracks."

Tonko also questioned language on water rights.

"This bill would declare the construction of a nuclear waste repository a beneficial use of water. I find this troubling," Tonko said. "It is not an issue we need to consider at this time."

WHAT'S NEXT: Shimkus is expected to formally introduce his bill in the coming weeks, although it remains to be seen whether it will make it to the House floor. A Senate companion has not yet been introduced.

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