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The oil and gas industry is quickly amassing power in Trump's Washington

By Juliet Eilperin, Steven Mufson and Philip Rucker December 14 at 7:49 PM

After eight years of being banished and sometimes vilified by the Obama administration, the fossil fuel industry is enjoying a remarkable resurgence as its executives and lobbyists shape President-elect Donald Trump's policy agenda and staff his administration.

The oil, gas and coal industries are amassing power throughout Washington — from Foggy Bottom, where ExxonMobil chief executive Rex Tillerson is Trump's nominee to be secretary of state, to domestic regulatory agencies including the departments of Energy and Interior as well as the Environmental Protection Agency.

"It feels like the grizzly bear in 'The Revenant' has been suddenly pulled off our chest," said Luke Popovich, a spokesman for the National Mining Association.

The energy sector is no stranger to political influence. The oil industry once claimed a president as its own: George H.W. Bush, who co-founded and ran Zapata Oil before becoming the nation's 41st commander in chief.

But the industry's breathtaking power grab during the first month of Trump's transition is palpably different — and has alarmed environmentalists, who fear the new administration will undo what they see as a decade of progress in combating climate change.

Donald Trump will enter the White House with an environmental policy agenda opposed to that of the Obama administration and many other nations that have pledged support to the Paris climate agreement. The Washington Post's Chris Mooney breaks down what a Donald Trump presidency will mean when it comes to climate change. (Daron Taylor/The Washington Post)

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A slew of Obama administration policies on fossil fuels are expected to be reversed after Trump is sworn into office on Jan. 20. Eliminating these regulations — which limit carbon emissions on power plants and restrict oil, gas and coal extraction — would represent major gains for the industry.

At a rally Tuesday night in West Allis, Wis., Trump vowed to "eliminate all wasteful job-killing regulations. On energy, we will cancel the restrictions on the production of American energy, including shale, oil, natural gas and clean beautiful coal."

Oil and gas favorites have been nominated to lead the Cabinet agencies that regulate the industry: former Texas governor Rick Perry as energy secretary, Oklahoma Attorney General Scott Pruitt as EPA administrator and Rep. Ryan Zinke (R-Mont.) as interior secretary.

Energy executives are advising Trump in more informal ways, including Harold Hamm, a billionaire who heads the major oil producer Continental Resources, and Carl Icahn, a billionaire investor who owns a pair of oil refineries. Both men are friends of Trump's and helped him devise energy and economic policies during the campaign.

Other industry officials and allies, who have been sidelined and stigmatized during the Obama
years, are working on Trump's transition team to shape the next administration's agenda and
look to enjoy ready access to the Republican White House.

On Capitol Hill, Democrats plan to use whatever power they have in the minority of both chambers to serve as an aggressive check on the executive branch's power, especially on energy and environmental policies.

Incoming Senate Minority Leader Charles E. Schumer (D-N.Y.) said Trump "is rigging the Cabinet top to bottom with allies of the oil industry."

"It's pretty clear that the bottom line of oil companies is going to take precedence over clean air and water protections for American families," Schumer said in an email. "We're going to fight hard to make sure that the Senate is a bulwark against those who want to undo environmental protections next year."

Trump transition officials did not respond to several requests for comment.

While Trump's energy and environment picks have already come under sharp criticism from the left, Ben Bulis, president of the American Fly Fishing Trade Association, said he was hopeful Zinke would compromise when it comes to wildlife protection.

"He's going to come with a balanced approach to it," Bulis said. "As an industry, we're not opposed to responsible oil and gas development."

Registered lobbyists are banned from serving on Trump's transition team, but some energy lobbyists are serving as informal liaisons between transition staffers and the industry.

For instance, Michael McKenna — a lobbyist who represents the utility giant Southern Co. — recently accompanied the head of Trump's Energy Department transition team, Thomas Pyle, to an official meeting on the nation's security grid with representatives from President Obama's Energy Department and utility executives.

McKenna, who had to quit Trump's transition team because he did not want to relinquish his lobbying work, said he made a brief appearance at Washington's Mandarin Oriental hotel, where the Electricity Subsector Coordinating Council was meeting Nov. 29, to introduce Pyle to Southern's chief executive, Thomas A. Fanning. After doing so, he left, he said.

Pyle is not a paid lobbyist, but he once was one for Koch Industries, the oil and gas company owned by Charles and David Koch, who have funded a wide array of libertarian groups and think tanks. Pyle also has worked for American Energy Alliance and its sister group, the Institute for Energy Research, both with strong ties to the oil industry.

Paul Bledsoe, an energy consultant who served as a climate change adviser in the Clinton White House, said the permeation of "big oil" in the emerging Trump administration reflects the president-elect's vision of geopolitics.

"Trump seems to view fossil fuels as at the center of U.S. economic power at home and abroad, providing cheap energy for the dream of increased domestic manufacturing and also lucrative export markets for U.S. oil, natural gas and coal," Bledsoe said. "Overseas, he appears stuck in a '70s-era world view of oil and gas power plays, where flows of energy are the key to global geopolitics — perhaps because Russia and other traditional foes are so dependent on oil and gas revenues."

Trump's posture represents a turnabout from the Obama years, when fossil fuel industries and the White House navigated tense relations.

While it is not clear whether these policies can revive the sagging U.S. industry, which faces significant global market pressures, it could boost domestic energy production broadly and translate into higher carbon emissions.

Jack Gerard, president of the American Petroleum Institute, said it was not just a matter of policy. It was, he said in his own energy-centric state of the union talk in January, because the Obama administration "continues to adhere to last century's thinking that pits increased energy

production against climate goals." Obama, he said, had a "tendency to place ideology over experience."

Yet the oil and gas industry fared reasonably well. Obama did not move to curtail shale oil and gas drilling and lifted the 40-year-old oil export ban. And industry executives have had ready entree. Tillerson, for example, met with half a dozen or more of the most senior White House officials early in the administration, and he continued to meet others later.

The energy industry has ambitious plans to overhaul energy and environmental policies almost immediately after Trump's inauguration.

Pyle mapped out an agenda that he described as "a big change" in a Nov. 15 email to supporters, which was obtained by the Center for Media and Democracy. In it, Pyle predicted that the Trump administration would withdraw from or stop participating in the Paris climate accord, lease more federal lands for drilling, lift the moratorium on coal leases on federal lands, push a "reset" button on the Obama administration's Clean Power Plan for reducing carbon dioxide emissions and give states greater say in managing federal lands.

Pyle's note also said the new administration would stop using the "social cost of carbon," a method the EPA uses in calculating the cost and benefits of climate change. It added that Trump's government would relitigate the 2007 Supreme Court ruling that carbon dioxide was a pollutant under the Clean Air Act and that the EPA was obligated to regulate it as a result.

Michael Catanzaro, a lobbyist with CGCN Group who had recused himself from the Trump DOE transition team, recently spoke on behalf of the transition at a meeting in Washington of the Edison Electric Institute, the utility industry's main trade group.

During that session, Catanzaro identified himself as a member of Trump's "policy implementation team" and outlined some of the legal tools the new administration would use to undo Obama policies, according to multiple individuals who spoke on the condition of anonymity because the meeting was private. Catanzaro said the incoming administration has a "100-day plan" and "200-day plan" to roll back policies, including the Clean Power Plan and social cost of carbon.

Catanzaro could not be reached for comment Wednesday.

In the final months of Obama's presidency, his administration has finalized several rules designed to bolster and protect his environmental legacy. They include an Interior Department restriction on the flaring of methane, a powerful greenhouse gas, during oil and gas operations on federal land. The department also issued a five-year leasing plan that bars drilling in the Chukchi and Beaufort seas off Alaska, as well as in waters off the southeast Atlantic coast.

And the Army Corps of Engineers recently denied Energy Transfer Partners — on whose board Perry sits — a crucial permit to complete the controversial Dakota Access pipeline on the Great Plains.

All of these measures could be overturned, either through the Congressional Review Act, which allows a congressional majority to vacate a regulation within 60 legislative days of it being issued, or through other means.

The industry may expect favorable treatment from the Trump administration and congressional Republicans after heavily supporting their campaigns.

Under Tillerson, <u>ExxonMobil's PAC gave</u> \$1.8 million this election cycle, according to the Center for Responsive Politics, with 91 percent of donations to federal candidates going to Republicans.

The three politicians Trump has appointed to relevant Cabinet positions have taken in large campaign contributions from the energy sector.

In Oklahoma, Pruitt received more than \$318,000 from fossil fuel companies since 2002, and his 2013 reelection campaign was chaired by Hamm, federal campaign finance filings show.

Nearly half of the donations made over the past two years to Pruitt's affiliated super PAC, Liberty 2.0, came from the energy sector.

The oil and gas industry gave more than \$2.6 million to Perry's two presidential campaigns, according to the Center for Responsive Politics, while Kelcy Warren, the chief executive of Energy Transfer Partners, donated \$5 million to a pro-Perry super PAC in the 2016 race. After his White House run ended, Perry joined the company's board.

In Montana, the oil and gas industry is Zinke's largest-single industry contributor, giving him \$345,136 for his campaigns, according to an analysis by the Center for Responsive Politics.

Zinke has been a vocal proponent of coal extraction, representing a region, the Powder River Basin, where much of the federal government's coal is leased.

Popovich, the mining industry spokesman, said that given Zinke's roots "he obviously understands the importance of natural resources like coal — too important to be 'kept in the ground,' as [the Obama] administration proposes to do."

 $https://www.washingtonpost.com/politics/the-oil-and-gas-industry-is-quickly-amassing-power-in-trumps-washington/2016/12/14/0d4b26e2-c21c-11e6-9578-0054287507db_story.html?hpid=hp_rhp-top-table-main_fossilfuel-905pm%3Ahomepage%2Fstory&utm_term=.fc59176af2d3$