The Latest from Washington DC

EEI National Key Accounts
2018 Spring Workshop
March 27, 2018
Orlando, FL

Chris Hickling // @chriswhickling
A Lot Has Happened
Still Tweeting

This memo totally vindicates “Trump” in probe. But the Russian Witch Hunt goes on and on. Their was no Collusion and there was no Obstruction (the word now used because, after one year of looking endlessly and finding NOTHING, collusion is dead). This is an American disgrace!

Andrew McCabe FIRED, a great day for the hard working men and women of the FBI - A great day for Democracy. Sanctimonious James Comey was his boss and made McCabe look like a choirboy. He knew all about the highest levels.

North Korean Leader Kim Jong Un just stated that the “Nuclear Button is on his desk at all times.” Will someone from his depleted and food starved regime please inform him that I too have a Nuclear Button, but it is a much bigger & more powerful one than his, and my Button works!

I will be announcing THE MOST DISHONEST & CORRUPT MEDIA AWARDS OF THE YEAR on Monday at 5:00 o’clock. Subjects will cover Dishonesty & Bad Reporting in various categories from the Fake News Media. Stay tuned!

....Actually, throughout my life, my two greatest assets have been mental stability and being, like, really smart. Crooked Hillary Clinton also played these cards very hard and, as everyone knows, went down in flames. I went from VERY successful businessman, to top T.V. Star.....

....to President of the United States (on my first try). I think that would qualify as not smart, but genius....and a very stable genius at that!
President Trump Year One*

- **Tax Reform** – Biggest Bill Since 1986
- **Health Care** – Repeal of ACA Individual Mandate
- **Energy** – Approval of Keystone XL pipeline, Opening ANWR
- **Judges** – Gorsuch & 12 Fed Appeals (Record For First Year of a Presidency)
- **Regulatory Roll Back** – 15 CRAs; 2/1 = 22/1
“With passage of an enormous budget bill, the GOP-controlled Congress all but wrapped up its legislating for the year. ... Lawmakers left town for a two-week recess that marks the unofficial end of the legislating season having shelved resolution of other issues.” – Associated Press
What Is Possible? A Recap

- Approps – Must Do // They Did*
- Tax Reform – Maybe // Indeed
- Infrastructure – Perhaps // Same
- Energy Bill – Possibly // See Above
- Immigration – Imaginably // ???
Bipartisan Budget Act – February 2018

- Sets Spending Levels for 2 years; turns off across the board cuts, increases defense & non-defense spending ~$300B/2 Years.
- $89.3B for Disaster Relief for Hurricanes Harvey, Irma, Maria and California wildfires.
- 10 yr. extension of CHIP

FY2018 Appropriations – March 2018

Trump Budget vs. Omnibus

- DOE EE/RE: $1.3B cut / 15% increase to $2.3B
- Energy Star: Eliminated / Level Funded
- LIHEAP: Eliminated / $250M inc. to $3.64B

I am considering a VETO of the Omnibus Spending Bill based on the fact that the 800,000 plus DACA recipients have been totally abandoned by the Democrats (not even mentioned in Bill) and the BORDER WALL, which is desperately needed for our National Defense, is not fully funded.

As a matter of National Security I've signed the Omnibus Spending Bill. I say to Congress: I will NEVER sign another bill like this again. To prevent this omnibus situation from ever happening again, I'm calling on Congress to give me a line-item veto for all govt spending bills!
Tax Reform Results

- Reduces the Corporate Rate – Reduced from 35% to 21%
- Maintains Interest Deductibility for Corporate Debt
- Maintains Deductibility for State and Local Taxes
- Maintains Tax Normalization
- Keeps Dividend Tax Rates Low and on Par with Capital Gains Tax Rates
“I ask the Congress to act soon on infrastructure bill that will:
- stimulate at least $1.5T new investment over the next 10 years,
- shorten the process for approving projects to 2 years or less,
- address unmet rural infrastructure needs,
- empower State and local authorities, and
- train the American workforce of the future.”

Funding and Financing - $200 billion

- **$100 million Incentives Program** “to encourage increased State, local, and private investment”

- **$50 million Rural Infrastructure Program** “to address its unique infrastructure challenges, rebuilding and modernizing bridges, roads, water and wastewater assets, water resources, waterways, power generation assets, and broadband”

- **$20 billion Transformative Projects Program** “to spur competition around bold, innovative, and truly transformative projects”
Infrastructure – President’s Plan

Funding and Financing - $200 billion

- $20 billion (existing) Financing Programs like Transportation Infrastructure Finance and Innovation Act (TIFIA), Water Infrastructure Finance and Innovation Act (WIFIA), and Rural Utilities Service (RUS).
- $10 billion Federal Capital Revolving Fund “to establish a mandatory revolving fund to finance purchases, construction or renovation of federally owned domestic civilian real property.”
Infrastructure – Democratic Plans

A Blueprint to Rebuild America’s Infrastructure
Creating Over 15 Million New Jobs

Overview of investments that will create 15 million new jobs over the next 10 years:

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconstruct Roads &amp; Bridges</td>
<td>$1.00B</td>
</tr>
<tr>
<td>Revitalize Main Street</td>
<td>$1.00B</td>
</tr>
<tr>
<td>Expand TIGER</td>
<td>$1B</td>
</tr>
<tr>
<td>Rehabilitate Water and Sewer</td>
<td>$1.10B</td>
</tr>
<tr>
<td>Modernize Rail Infrastructure</td>
<td>$0.91B</td>
</tr>
<tr>
<td>Repair &amp; Expand Transit</td>
<td>$1.39B</td>
</tr>
<tr>
<td>Vital Infrastructure Program</td>
<td>$2.00B</td>
</tr>
<tr>
<td>Rebuild Public Schools</td>
<td>$7.5B</td>
</tr>
</tbody>
</table>

“The Senate Democrats’ “Blueprint to Rebuild America’s Infrastructure” would make a historic $1 trillion federal investment to modernize our crumbling infrastructure and create more than 15 million jobs that our economy desperately needs.”


“a bold, comprehensive plan to make a historic $1 trillion federal investment to rebuild our crumbling infrastructure and create more than 16 million American jobs.”

https://dpcc.house.gov/abetterdeal
Congressional Energy Bill

- Last major energy bill passed in 2007.
- House and Senate both passed large energy bills last Congress. Went to conference, but negotiations fell apart.
- Senate has advanced bill to the floor ("put me in coach")
- Part of infrastructure package?
2018 Industry Priorities

INFRASTRUCTURE

SMART COMMUNITIES

GRID SECURITY & RESILIENCE

ELECTRIFICATION
Pivotal Midterm Elections
Current Partisan Breakdown

Senate:
51 R…49 D/I

House:
238 R…194 D
3 Vacant (1D/2R)
2018 Senate Election Map

35 Seats Up For Reelection (26 D/I, / 9 R)

10 D in Trump States

1 R in Clinton State

Source: CQ Roll Call
2018 Senate Elections

Democrats
- Nelson (FL)
- Donnelly (IN)
- McCaskill (MO)
- Heitkamp (ND)
- Manchin (WV)
- Smith (MN)

Republicans
- Heller (NV)
- Open (AZ) [Flake]
- Open (TN) [Corker]
- Hyde-Smith (MS)
- Cruz (TX)

Since ‘82 midterm: 96.5% of Senators of the Opposing Party Won General Elections (110/114) vs. 80.5% from same party (103/128)

Source: 538
2018 House Elections

Democrats need 23-seat flip to win majority
2016: 97% of Incumbents Won Reelection
Midterms Usually Bad for President

“...Since the 1930s, one of the most dependable regularities in American politics has been midterm loss, a swing against the party of the incumbent president. Whether due to a reaction to the sitting president’s agenda or to voters seeking a counterweight to the president, the party not holding the presidency has made gains in the House in the midterm elections in every election but two since 1934. ...”
"Democrat Conor Lamb's victory in a district that voted for President Trump by nearly 20 points has many House Republicans sitting in less Trump-friendly districts on heightened alert. Of the 120 Republicans sitting in districts where Trump won by less in 2016, 19 aren't running for reelection and 70 more were first elected after 2008 -- in other words, they haven't had to run in this type of political environment before."

– David Wasserman, Cook Political Report

Source: [Cook Political Report House Race Rankings](http://cookpolitical.com/analysis/house/house-overview/march-house-update-ratings-changes-10-districts)
## Retirements and Primaries

<table>
<thead>
<tr>
<th>Retiring</th>
<th>Resigned</th>
<th>Running For Other Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luis V. Gutierrez</td>
<td>D, IL</td>
<td>Xavier Becerra</td>
</tr>
<tr>
<td>Niki Tsongas</td>
<td>D, MA</td>
<td>John Conyers Jr.</td>
</tr>
<tr>
<td>Sander M. Levin</td>
<td>D, MI</td>
<td>Trent Franks</td>
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<tr>
<td>Rick Nolan</td>
<td>D, MN</td>
<td>Tom Price</td>
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<tr>
<td>Carol Shea-Porter</td>
<td>D, NH</td>
<td>Mike Pompeo</td>
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<tr>
<td>Ruben Hinojosa</td>
<td>D, TX</td>
<td>Ivan Pulice</td>
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<tr>
<td>Robert A. Brady</td>
<td>D, PA</td>
<td>Pat Tiberi</td>
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<tr>
<td>Gene Green</td>
<td>D, TX</td>
<td>Tim Murphy</td>
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<tr>
<td>Darrell Issa</td>
<td>R, CA</td>
<td>Mick Mulvaney</td>
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<td>Ed Royce</td>
<td>R, CA</td>
<td>Jason Chaffetz</td>
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<td>Techane Ros-Lehtinen</td>
<td>R, FL</td>
<td>Paul R. Stamper</td>
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<td>Tom Rooney</td>
<td>R, FL</td>
<td>Todd Rokita</td>
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<td>Dave Trott</td>
<td>R, MI</td>
<td>Kevin Cramer</td>
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<td>Greg Harper</td>
<td>R, MS</td>
<td>Steve Pearce</td>
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<tr>
<td>Rodney Frelinghuysen</td>
<td>R, NJ</td>
<td>Martha McSally</td>
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<tr>
<td>Frank A. LoBiondo</td>
<td>R, NJ</td>
<td>Paul Broun</td>
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<tr>
<td>Jim Bridenstine</td>
<td>R, OK</td>
<td>Kristi Noem</td>
</tr>
<tr>
<td>Charlie Dent</td>
<td>R, PA</td>
<td>Diane Black</td>
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<tr>
<td>Bill Shuster</td>
<td>R, PA</td>
<td>Martha Blackburn</td>
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<tr>
<td>Patrick Meehan</td>
<td>R, PA</td>
<td>Frank Guinta</td>
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<tr>
<td>Trey Gowdy</td>
<td>R, SC</td>
<td>Mark Sanford</td>
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<tr>
<td>Blake Farenthold</td>
<td>R, TX</td>
<td>Kevin Cramer</td>
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<tr>
<td>Sam Johnson</td>
<td>R, TX</td>
<td>Charlie Dent</td>
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<tr>
<td>Joe L. Barton</td>
<td>R, TX</td>
<td>Bill Shuster</td>
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<td>Lamar Smith</td>
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<td>Jeff Denham</td>
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<td>Ted Poe</td>
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<td>Marsha Blackburn</td>
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<td>Jeb Hensarling</td>
<td>R, TX</td>
<td>Steve Scalise</td>
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<tr>
<td>Robert W. Goodlatte</td>
<td>R, VA</td>
<td>Mark Meadows</td>
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<tr>
<td>Dave Reichert</td>
<td>R, WA</td>
<td>Steve Palazzo</td>
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</tbody>
</table>
The Edison Electric Institute (EEI) is the association that represents the U.S. investor-owned electric industry. Our members provide electricity for 220 million Americans, operate in all 50 states and the District of Columbia, and directly employ more than 500,000 workers. Safe, reliable, affordable, and clean electricity powers the economy and enhances the lives of all Americans.

The EEI membership also includes dozens of international electric companies as International Members, and hundreds of industry suppliers and related organizations as Associate Members.

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