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TODD YOUNG CHIEF OF STAFF **H.S.** House of Representatives

Committee on Natural Resources Washington, DC 20515

October 17, 2012

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JEFFREY DUNCAN DEMOCRATIC STAFF DIRECTOR

Mr. Jacob Lew Chief of Staff The White House 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

Dear Mr. Lew:

Upon taking office, President Obama issued a memorandum to Department and Agency heads entitled "Scientific Integrity"¹ that stated: "The public must be able to trust the science and scientific process informing public policy decisions. Political officials should not suppress or alter scientific or technological findings and conclusions. If scientific and technological information is developed and used by the Federal Government, it should ordinarily be made available to the public."

For more than two years, the Committee on Natural Resources ("Committee") has sought information and documents to help explain the Obama Administration's decision imposing a moratorium on oil and gas drilling in the Gulf of Mexico and the circumstances surrounding the editing of a May 2010 Department of the Interior ("Department") report, entitled "Increased Safety Measures for Energy Development on the Outer Continental Shelf" ("Drilling Moratorium Report"), that incorrectly suggested peer reviewers supported the moratorium. This moratorium cost thousands of jobs and led to decreased oil and gas production in the Gulf of Mexico.

To date, the Committee has received copies of communications between the Department and the peer reviewers as well as documents related to a 2010 investigation conducted by the Department's Office of Inspector General ("IG"); Committee staff have also been allowed to inspect a small number of emails reflecting communications with the White House about edits to the peer review language. However, the Department's refusal to fully comply with the Committee's requests for documents or to make staff available for transcribed interviews by majority oversight staff necessitated the Committee voting earlier this year to authorize subpoenas to compel the production of documents and witnesses before the Committee.

¹ http://www.whitehouse.gov/the-press-office/memorandum-heads-executive-departments-and-agencies-3-9-09

The Committee's investigation has confirmed that political appointees at the White House and the Department were responsible for altering the Drilling Moratorium Report in a way that incorrectly implied engineering experts who had reviewed the report's technical safety recommendations also had reviewed and supported the moratorium decision when in fact they did not. However, one central question of the investigation that remains unanswered is whether the peer reviewer language was intentionally misrepresented to provide political cover for the economically devastating moratorium, as the peer reviewers themselves have asked.

The moratorium decision – which cost thousands of jobs and led to decreased oil and gas production in the Gulf of Mexico – apparently was made by political appointees in the Obama Administration without any scientific, technical, economic, or safety review to ensure that it would in fact increase safety of offshore drilling. The fact that President Obama supported the moratorium decision² is well known. Little known and less understood is the role played by White House political staff in analyzing and recommending the moratorium as a way to improve safety in offshore drilling in the first place and in developing and editing the Drilling Moratorium Report to misstate the peer reviewers' role.

The separate 2010 investigation by the IG "determined that the White House edit of the original DOI draft Executive Summary led to the implication that the moratorium recommendation had been peer reviewed by the experts." The IG's investigators interviewed three current or former Department officials, each of whom said that staff working for Assistant to the President for Energy and Climate Change Carol Browner were involved in editing the Drilling Moratorium Report to insert the incorrect and misleading peer review language.

The IG's investigators also obtained a limited number of documents from one of the Department officials who was interviewed, Counselor to the Secretary Steve Black. Included in these documents were copies of seven emails that were sent to or from White House staffers Joe Aldy, Heather Zichal, and Dan Utech between the dates of May 26 and May 27, 2010. At a September 13, 2012, full Committee oversight hearing, two Department officials confirmed the involvement of White House officials in several aspects of the Drilling Moratorium Report as well as the existence of other emails between Department and White House officials beyond the limited number obtained from Mr. Black by the IG during its investigation.

Although Department officials told the IG's investigators that they had not intended to misrepresent the work of the peer reviewers to provide cover for the moratorium decision, the IG was unable to independently verify the truthfulness and completeness of these witnesses' statements.

It now appears, based on information obtained by the Committee, that the IG's lead investigators were unable – or directed not – to obtain all documents and information they felt necessary to pursue the investigation, including an interview with Mr. Aldy. Significant questions have also been raised during the course of this investigation into the actions and independence of the Acting Inspector General, Mary Kendall, including the accuracy and

² White House Press Conference Call, May 27, 2010. See, <u>http://www.whitehouse.gov/the-press-office/secretary-salazar-and-assistant-president-energy-and-climate-change-carol-browner-h</u>.

completeness of testimony she gave to the Committee in June 2010. The Council of Inspectors General on Integrity and Efficiency is conducting an investigation into these questions. Ms. Kendall testified at a full Committee oversight hearing on August 2, 2012, that she is interested in having the President nominate her for the permanent Inspector General position.

According to a November 1, 2010 email from Deputy Secretary David Hayes to Ms. Kendall, Mr. Hayes said he had spoken with the White House Counsel's Office about the release of the aforementioned email exchanges involving White House officials and the potential for the IG's investigators to interview Mr. Aldy. The email concluded with Mr. Hayes saying that the Secretary's Office expected a reply from the White House Counsel's Office the following day. Ultimately, the IG's investigators were not allowed to interview Mr. Aldy, and the IG issued its final report on November 10, 2010 without having obtained any information from the White House.

A number of unanswered questions remain about how the moratorium decision was made without any apparent technical justification and the circumstances surrounding the editing of the Drilling Moratorium Report by political appointees at the White House and the Department. It is expected that current and former White House officials would be in a unique position, based on their involvement in the moratorium decision and developing and editing the Drilling Moratorium Report, to answer these questions.

The Committee has already contacted Mr. Aldy about scheduling a transcribed interview with Committee majority oversight staff, or in the alterative, appearing at a Committee oversight hearing. It is requested that the White House agree, by October 24, 2012, to make Ms. Zichal and Mr. Utech available for transcribed interviews with Committee majority oversight staff, at a mutually agreed upon time and place to occur no later than October 31, 2012.

In addition, the Committee requests complete and unredacted copies of the following documents by close of business on October 26, 2012:

- 1) All documents related to any request by the Department of the Interior, including the Office of Inspector General, to interview or obtain documents from any White House officials, including Carol Browner, Heather Zichal, Joe Aldy, and Dan Utech related to the IG's investigation of the drilling moratorium report.
- 2) All emails and other documents discussing or otherwise concerning edits to the Drilling Moratorium Report, including drafts of the report, changes to the peer review language, or responses to the peer reviewers' complaints, created, sent, or received by Carol Browner, Heather Zichal, Joe Aldy, and Dan Utech.
- All documents, including calendar entries, agendas, minutes, or notes, of any meetings, concerning the accuracy of Ms. Kendall's Congressional testimony, her handling of the moratorium investigation, and her suitability for the permanent Inspector General position.

President Obama pledged to conduct the most transparent administration in history and that the Administration's decisions will be based on sound science, not politics. It is expected that the Administration will adhere to these pledges in complying with this request. Please contact me, or have your staff contact Byron R. Brown, Senior Counsel for Oversight, Office of Oversight and Investigations, on (202) 225-2761 to make arrangements for scheduling an interview with Ms. Zichal and Mr. Utech and producing the requested documents.

Sincerely,

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Doc Hastings Chairman