

# Investigative Report of Steve Black

Date Posted to Web: November 7, 2014

This is a version of the report prepared for public release.

## **SYNOPSIS**

In March 2013, we received information from special agents of the U.S. Fish and Wildlife Service (FWS) about potential improper influence by Steve Black, at the time a senior counselor to former Interior Secretary Ken Salazar and one of the Department's designated leads in energy matters. While investigating the death of a golden eagle at a NextEra Energy Resources wind farm in California, FWS agents learned that Black was dating NextEra lobbyist Manal Yamout and were concerned that the relationship may have influenced alternative energy decisions involving the company.

Our investigation sought to determine if Black gave preferential treatment to NextEra. We also examined the timing of his recusal from NextEra matters, which occurred months after he reportedly began dating Yamout. During our investigation, we discovered that Black was also friends with an attorney/lobbyist who conducted work for NextEra, and that they met on NextEra project-related issues. We examined whether this relationship also improperly affected any of Black's decisions or caused Black to improperly influence any decisions related to the company's projects.

We became aware of two other issues pertaining to Black during the course of our investigation. We learned that Black expressed interest in becoming chief executive officer of the American Wind Energy Association (AWEA) around the time he was interacting with AWEA officials in his Government capacity. In addition, some FWS and Bureau of Land Management (BLM) employees said they felt pressure from Black to move renewable energy projects forward despite environmental concerns. We incorporated these matters into our investigation of Black.

We found that Black dated Yamout for approximately 6 months before recusing himself from NextEra issues. According to U.S. Department of the Interior (DOI) ethics officials, Black's relationship with Yamout did not require a recusal as a "covered relationship," but they expressed concern to him numerous times about the appearance of the relationship due to his work in renewable energy. Black resisted a recusal, however, believing that it would interfere with his ability to do his job. Soon after outside sources contacted senior DOI officials about Black's relationship, ethics staff officially advised Black to recuse himself.

Before Black recused himself from NextEra, he was involved in permitting issues for two NextEra projects with millions of dollars of renewable energy tax credits at stake. He also referred a NextEra solar project to a White House list of priority projects. We found that this occurred right around the time that NextEra transferred Yamout from California to Washington, DC, where Black resided. We did not find evidence, however, that Black influenced this transfer.

Yamout stated that she recused herself from DOI issues at NextEra shortly after she and Black began dating; however, emails show that she continued to have some involvement in NextEra's DOI-related projects. We did not find evidence that she lobbied DOI employees.

We found that in NextEra emails, company officials sometimes referred to the NextEra attorney/lobbyist's friendship with Black when discussing project issues and requested the attorney/lobbyist contact Black. None of the Federal employees we interviewed who were

involved in permitting, however, reported any evidence of Black giving preferential treatment to the company. In addition, none said they felt pressured to make decisions that specifically benefited the company, and permitting decisions appear to have been assigned to regional personnel, not to Black's office.

After his recusal, Black accepted items of value, totaling \$1,183, from NextEra. These items included hotel rooms and dinners during trips with Yamout while she was conducting NextEra business. After our first interview of Black, he reimbursed NextEra for the expenses.

Regarding Black's employment discussions with AWEA, a DOI ethics official stated that he did not find that Black violated any regulations on seeking employment since his actions as a DOI official did not appear to directly financially benefit AWEA.

Some FWS and BLM employees relayed concerns about receiving pressure from Black to reexamine their scientific opinions and make unsupportable changes to renewable-energy-related projects. We documented those concerns in our report.

Black resigned from DOI in May 2013. We brought these issues to the U.S. Attorney's Office for the District of Columbia for review; the Office declined to prosecute the case. We referred this report to the Secretary of the Interior for her review and any action deemed appropriate.

## **DETAILS OF INVESTIGATION**

We initiated this investigation after U.S. Fish and Wildlife (FWS) agents contacted our office in March 2013 about potential improper influence by Steve Black, at the time a senior counselor to former Secretary Ken Salazar, U.S. Department of the Interior (DOI). While investigating the death of a golden eagle at a NextEra Energy Resources wind farm in California, FWS agents discovered that Black was dating NextEra lobbyist Manal Yamout and became concerned that this relationship may have influenced alternative energy decisions involving the company.

Our investigation sought to determine if Black gave preferential treatment to NextEra. We also reviewed the timing of his recusal from NextEra, which occurred months after he reportedly began dating Yamout. In addition, we reviewed other issues that arose during our investigation, including Black's interest in becoming chief executive officer of the American Wind Energy Association (AWEA) around the time when he was interacting with AWEA officials in his Government capacity, and pressure that some FWS and Bureau of Land Management (BLM) employees said they felt from Black to move renewable energy projects forward despite environmental concerns.

## Black's Relationships with NextEra Lobbyists

Manal Yamout

According to Black and Yamout, they first met in 2009 while working together on the Renewable Energy Policy Group, composed mostly of Federal and State regulators from California working together to streamline permitting for renewable energy projects. At the time,

Black was tasked with furthering renewable energy at DOI, and Yamout was the special advisor to the Governor of California on renewable energy. The two worked closely together for 2 years and socialized with other Group members.

In April 2011, NextEra's then-executive director of regional and political affairs, who later that year became the company's VP of Government affairs, began recruiting Yamout to work for NextEra. In May, he emailed another NextEra executive that he had been "working" Yamout and she was "very tight with Steve Black." On July 12, 2011, Yamout accepted a position with the company, working on Government affairs issues for certain western States, but she continued to work from California.

**Agent's Note:** We interviewed the VP of Government affairs once during our investigation, but we were unable to ask him about the email concerning Yamout and Black because we obtained it after the interview and he declined to speak with us again.

In mid-August 2011, Black and Yamout attended a trip to the Grand Canyon with another member of the Renewable Energy Policy Group. According to Black and Yamout, they began a romantic relationship during this trip. Both said their relationship had been professional up until then, and we found no evidence to indicate otherwise.

Yamout told us that on August 30, 2011, she informed the VP of Government affairs, who was her supervisor, that she and Black were dating and that she needed to be "screened out" from DOI-related issues at NextEra. Black, however, did not notify DOI's Ethics Office about his relationship with Yamout until late September 2011. According to Yamout, NextEra transferred her to Washington, DC, on November 7, 2011, to work for NextEra's parent company, NextEra Energy, Inc., and she registered as a lobbyist the same day. We discuss these subjects in detail later in this report.

Black did not recuse himself from NextEra issues at DOI until March 8, 2012. On March 17, 2012, the Los Angeles Times reported that Black had been instructed to refrain from dealing with NextEra due to a romantic relationship with a lobbyist at the firm. He resigned from DOI in May 2013.

## NextEra's VP of Government Affairs

Initially, we focused our investigation on Black's relationship with Yamout. Later, however, we discovered emails in which NextEra's VP of Government affairs emphasized having a personal relationship with Black.

According to the VP of Government affairs, he first met Black sometime in 2010 or early 2011, most likely at a Renewable Energy Policy Group meeting. He later interacted with Black on numerous project issues involving NextEra's North Sky River wind project and its Genesis and McCoy solar projects, which we discuss later in this report. He eventually moved to Washington, DC, became NextEra's vice president of Government affairs on September 26, 2011, and registered as a lobbyist with the firm. After his move, he continued to meet with Black on NextEra project issues.

We learned that after moving to Washington, DC, the VP of Government affairs told NextEra officials in a September 29, 2011 email that he was "easing into a friendship" with Black. He also emailed the executives on January 9, 2012, that he was "very close" to Black and had dinner with him every few weeks. On February 23, 2012, he emailed the chairman of NextEra about the Genesis solar project, reiterating that he had a personal relationship with Black and often dined with him. We attempted to interview the VP of Government affairs again to discuss these emails, but he declined. On October 21, 2013, an attorney for NextEra informed us that as of that date, the VP was leaving NextEra and "pursuing other opportunities."

We also interviewed an attorney and lobbyist with the firm Hogan Lovells who was friends with Black, conducted work for NextEra, and worked with the VP of Government affairs. When shown some of the emails referencing the VP's relationship with Black, the attorney/lobbyist stated that he believed the VP and Black were simply acquaintances, not good friends. He thought the VP exaggerated his relationship with Black to NextEra executives, and that the VP's departure from NextEra did not appear to be his choice.

Black acknowledged having dinner with the VP of Government affairs on a few occasions, usually with the VP's wife and Yamout also attending. He also acknowledged attending a NextEra holiday party at the VP's home after he began dating Yamout. Black stated, however, that he did not consider the VP to be a close friend.

#### Attorney/Lobbyist

Soon after we initiated this investigation, we discovered that Black was also friends with an attorney/lobbyist whom NextEra hired to perform work related to DOI projects. We were also informed that the attorney/lobbyist had a friendship with Secretary Salazar.

According to the attorney/lobbyist, he formally met Black in early 2007 when Black was working for Salazar in the U.S. Senate. Black was handling natural resource issues for the Senator, and the attorney/lobbyist was conducting work in this field. In 2008, he said, he began to develop a friendship with Black. In total, he said, he had gone to dinner with Black a few times, and they sometimes went to lunch or had coffee together. Black acknowledged during his interview that he was friends with the attorney/lobbyist and had attended his wedding, his daughter's bat mitzvah, and other events.

The attorney/lobbyist said that he and Salazar were professional colleagues who knew each other from their work on natural resource issues. He said he considered Salazar to be a friend, but the two never had a private meal together. When interviewed, Salazar told us that the attorney/lobbyist was an acquaintance, but the two did not socialize one on one. Salazar thought the attorney/lobbyist might have attended some of his campaign events. Records show that the attorney/lobbyist contributed \$500 on April 13, 2007, and \$500 on December 1, 2007, to Salazar's U.S. Senate campaign.

The attorney/lobbyist said he began doing work for NextEra in 2005 and had steadily conducted work for the company since then. Between 2010 and 2012, he interacted with Black on issues surrounding NextEra's North Sky River wind project and Genesis solar project. He said that he

registered as a lobbyist for certain companies that he represented when the Lobbying Disclosure Act required it, but he did not do so for NextEra.

Numerous NextEra employee emails referred to the attorney/lobbyist's friendships with Black and others at DOI. In a May 10, 2011 email, a NextEra official described the attorney/lobbyist as a "close personal friend" of Black's when discussing a North Sky River issue. In a June 1, 2011 email pertaining to North Sky River, NextEra's VP of Government affairs told other NextEra officials that the attorney/lobbyist had "the Colorado mafia/DC/DOI stroke that you/we may need either right away or right around the corner." In a May 13, 2012 email, the VP of Government affairs told a NextEra executive that "in a second Obama term," the attorney/lobbyist was critical to NextEra. When the other executive asked why the attorney/lobbyist would still be critical if his "buddies" from Colorado were leaving, the VP of Government affairs said that the attorney/lobbyist was NextEra's "best external lobbyist hire," and his relationships went "beyond his old friends in Denver." He said that the attorney/lobbyist could "make a phone call with complete discretion" and get events to happen in NextEra's favor.

#### Black's Potential Preferential Treatment of NextEra

When we first initiated this investigation, we focused on the period between when Black and Yamout began dating (mid-August 2011) and when Black recused himself from NextEra issues (March 8, 2012). After we became aware of Black's friendship with the attorney/lobbyist, we broadened our review to look at Black's involvement in NextEra issues beginning in 2010.

We found that during this time, Black was involved in three NextEra projects. One was the North Sky River wind energy project, which NextEra was trying to permit through BLM. The second was the Genesis solar energy project, which had construction halted after cultural artifacts were discovered at the site. The third project Black was involved in was the McCoy solar energy project, which was being considered for DOI's renewable energy priority projects list and a White House infrastructure priority projects list.

We also saw that during this time, NextEra officials met privately with Salazar and then-Deputy Secretary David Hayes on project issues, so we examined these meetings and whether NextEra received any special access to DOI leadership because of personal relationships.

## North Sky River Project

In 2010, NextEra worked with BLM to process a right-of-way application for its North Sky River wind project, based in the Tehachapi Mountains in Kern County, CA. According to FWS staff, the company originally considered building turbines on Federal land but later changed this plan when BLM insisted that an environmental impact statement (EIS) be done and FWS be consulted on endangered species issues, which included the potential effect of the turbines on the California condor. The company wanted to perform a less-intensive environmental assessment, which would not analyze the turbines. An EIS would have taken longer and potentially jeopardized the company's receipt of wind production tax credits.

Two other issues surfaced that affected whether an EIS was necessary for the project. First, NextEra planned to use a generator tie line on Federal land to connect the electrical systems at the project to an electrical substation. BLM maintained that if NextEra used the tie line, an EIS would have to be done due to the Federal land connection. Second, NextEra wanted to use a BLM road to access the project, and BLM needed to determine whether this road was a "connected action," or integral part, of the wind project. If it was, again, an EIS would have to be done. Ultimately, NextEra dropped the generator tie line on Federal land, and BLM decided that the Federal road was not a connected action. As a result, an environmental assessment, not an EIS, was conducted, focusing on the BLM road that was to be used. The environmental assessment found that NextEra's planned improvements to the BLM road would have "no significant impact" on the environment, and NextEra was able to move forward with construction of the wind farm. To determine whether Black gave any preferential treatment to NextEra, we reviewed his involvement in the EIS issues.

We also examined Black's involvement in NextEra's decision not to obtain an "eagle take" or "kill" permit for North Sky River. The Bald and Golden Eagle Protection Act essentially allows eagle take permit holders to kill a certain number of eagles when it cannot be avoided, such as when an eagle flies into a wind turbine. The Act requires permit applicants to submit plans for avoiding eagle deaths. The Act also provides criminal penalties for those who kill an eagle without a permit. After a golden eagle died at North Sky River in January 2013, FWS agents initiated a criminal investigation into the issue.

In addition to Black's work on this project, we also examined Yamout's and the attorney/lobbyist's involvement and any interaction they had with Black.

*North Sky River Timeline.* The following is a timeline of events related to the North Sky River project. It is based on our interviews and on our review of emails, calendar entries, and documents we received from DOI employees and NextEra.

Date	Event
October 28, 2010	Black met with NextEra officials, including the company's then-CEO and
	its VP of environmental services, about North Sky River; the then-CEO
	later thanked Black for his advice and asked that Black remain personally
	and directly involved in the project.
Late November	The attorney/lobbyist became engaged in the North Sky River project.
2010	According to an undated NextEra document, his purpose on this project
	was to "guide strategy" and ensure contact and meetings with DOI
	leadership.
November 30, 2010	The FWS Region 8 director sent a draft memo on North Sky River,
	which was emailed to staff, stating that the project faced "likely
	insurmountable issues" related to the California condor and the golden
	eagle.
April 15, 2011	BLM requested a recommendation from FWS on whether FWS should
	consult on California condor issues at North Sky River. Doing so would
	result in an EIS that would examine the entire wind farm.

Date	Event
May 10, 2011	Reportedly in response to the April 15 memo, NextEra's president emailed NextEra staff, stating: "This is nutty we need your help on this with the administration asap. It is wacky beyond belief." NextEra's VP of environmental services wrote back that this was one of the BLM biologists' "way of delaying or killing the project," and said that NextEra was using every contact it had to "rein her in." The then-CEO responded that the VP of Government affairs was "all over this," and that the attorney/lobbyist was "a close personal friend" of Black's and would follow up with the NextEra team.
May 13, 2011	The VP of environmental services emailed another NextEra official about North Sky River, writing that he supported a call between the then-CEO and Black. He said that hopefully NextEra could get Black to "intercede" before a position on the EIS got "locked in." The NextEra official responded that the then-CEO needed to suggest a course of action to Black: "contact [BLM] and tell them x, or call [FWS] and tell them y."
May 13, 2011	The VP of Government affairs emailed the then-CEO that Black was NextEra's "path to a solution" on North Sky River issues and that the attorney/lobbyist would contact Black that day.
May 20, 2011	Black forwarded the attorney/lobbyist a copy of an FWS internal memo to BLM. In it, FWS officials discussed North Sky River's potential for eagle mortality. The attorney/lobbyist forwarded the email to the VP of Government affairs, who forwarded it to the then-CEO and wrote: "We got the continued green light we were expecting." The VP added: "You mentioned that you may want to reach out to Steve Black to thank him for his help and involvement."
May 24, 2011	The NextEra chairman's calendar noted that he called Secretary Salazar.  The VP of environmental services said during his interview that they spoke about North Sky River issues during the call.
May 26, 2011	The chairman wrote a letter to Salazar thanking him for the opportunity to speak and noting that an EIS would cause a multi-year delay for the North Sky River project.
June 1, 2011	The VP of Government affairs emailed others at NextEra regarding North Sky River, stating that the attorney/lobbyist and another attorney had the "Colorado mafia/DC/DOI stroke" that NextEra might need.
June 10, 2011	The VP of Government affairs emailed another NextEra official that the next steps on North Sky River should be to work with "outside counsel" to use political relationships and "avoid whacky application of law or discretion."
June 10, 2011	The attorney/lobbyist emailed Black and requested a quick call to "catch up" on NextEra business.
June 20, 2011	The California Department of Fish and Game issued a report to Kern County that North Sky River's site was "inappropriate for wind development because existing data indicate unacceptable risk of bird or bat fatalities."

Date	Event
June 22, 2011	Black forwarded the California Department of Fish and Game report to the attorney/lobbyist.
July 5, 2011	The VP of Government affairs emailed the NextEra president that significant progress had been made on North Sky River. He wrote that he had contacted Yamout (who was working for the California Governor's office and not yet employed by NextEra) to get "background intel and guidance" and had conversations with Black, via the attorney/lobbyist, over a 72-hour period. The VP of Government affairs also wrote that during a call with Black on June 27, it was agreed that NextEra would move the generator tie line off Federal land and BLM would agree to an environmental assessment instead of an EIS.
July 12, 2011	Yamout accepted a position with NextEra.
Mid-August 2011	According to Black's and Yamout's interviews, they began dating.
August 30, 2011	Yamout stated during her interview that she recused herself from working on DOI-related issues.
September I, 2011	The VP of Government affairs emailed other NextEra officials that he had met with Black, who seemed to be acting as an advocate for completion of North Sky River and was guiding the company on how to "pull everything together" for its approval. He said that Black needed assurances that NextEra would move its generator tie line off Federal land. He also said that Black told him FWS staff would continue to resist the project, and NextEra needed to keep "hitting on all cylinders" to ensure the Secretary could keep FWS' position "in check."
	<b>Agent's Note:</b> We were unable to ask Black and the VP about this email because they declined to be interviewed again.
September 6, 2011	Black had dinner with the then-CEO of NextEra, the VP of Government affairs, and the attorney/lobbyist. According to the VP, Black paid for his portion of the meal.
September 29, 2011	Yamout emailed the VP of Government affairs that she had talked to FWS' Region 8 assistant regional director for ecological services, who wanted to know more about what NextEra was doing with radar.
October 11, 2011	Yamout emailed the VP of Government affairs her priority project list, which included "help in any way possible" on North Sky River.
October 13, 2011	Yamout's calendar noted that she had a call to "discuss North Sky River and environmental groups."
December 21, 2011	BLM issued a finding of "no significant impact" for the North Sky River access road.
December 22, 2011	A NextEra executive thanked Black for all he had done to help the project get a "no significant impact" finding for its environmental assessment.
February 3, 2013	A NextEra employee reported to others at the company that an eagle appeared to have been struck by a wind turbine at North Sky River.
February 26, 2013	NextEra was awarded \$100,923,890 in Recovery Act monies for North Sky River.

Black's Involvement in the North Sky River EIS Issue. We interviewed 12 FWS and BLM employees involved in the North Sky River project, from field-level biologists to bureau directors. Despite NextEra's emailed statements about Black's influence on the North Sky River project, none of the BLM or FWS employees knew of instances where Black showed favoritism or gave preferential treatment to NextEra during the project. Many were not certain that Black had been involved in the EIS issues and felt that the relevant decisions were in the hands of regional personnel. No one that we interviewed recalled receiving pressure by Black specifically on North Sky River issues, but many expressed feeling a general pressure to move quickly on all renewable energy projects.

While it appears from emails that Black may have been involved in discussions with NextEra about removing the generator tie line from Federal land for the project, the supervisory projects manager for BLM's California Desert District Office said that he was actually the one who suggested that NextEra put its lines through private land to avoid a more time-consuming EIS. NextEra's VP of environmental services also said that Black did not promise NextEra that an environmental assessment would be done if the generator tie line was removed; Black simply communicated the consensus within DOI's bureaus.

We interviewed numerous FWS and BLM employees about the issue of whether the BLM access road that NextEra wanted to use for its project should have been deemed a connected action, which would cause it to require an EIS. None reported any specific involvement by Black in this issue. The planning and environmental coordinator for BLM's California State Office said that she ultimately made the recommendation that the BLM road should not be a connected action, and she never felt any pressure about it.

We also asked NextEra representatives about the May 10, 2011 email stating that a BLM biologist needed to be "reined in" about North Sky River. The VP of environmental services said he probably talked to everyone he could, including the attorney/lobbyist and Black, about the biologist, who viewed the project negatively. The attorney/lobbyist also recalled telling Black that NextEra was concerned that individuals reviewing the project might not understand all of the facts, but he said he did not name the biologist. He believed that Black did contact BLM and FWS regional managers about the issue.

When asked, the BLM biologist said that Black never contacted her directly to discuss issues related to North Sky River. She said, however, that Black spoke frequently with her supervisors, and that they would ask her how confident she was with her findings and whether she would be able to articulate her logic. She was uncertain whether her supervisors' questions might have been the result of pressure from Black.

The former NextEra CEO said that overall, Black was not very influential on North Sky River, and the time NextEra spent with local government officials was what got the project approved. When asked why he sought out a dinner with Black on September 6, 2011, he said it was to thank Black for doing his job. He said that Black supported NextEra and its efforts in renewable energy. He recalled Black paying for his own meal.

When interviewed about the EIS issues surrounding North Sky River, Black said he did not make the decision to do an environmental assessment instead of an EIS, and he did not recall whether he contributed to discussions on the matter. NextEra initially came to him in 2010 to understand how best to navigate the Federal permitting process, and he referred the company to regional FWS and BLM managers. Black declined our subsequent interview request, so we were unable to speak to him in more detail on these issues, including the content of some of the emails noted in the timeline.

Black's Involvement in North Sky River Eagle Take Permit Issues. We also interviewed BLM and FWS employees to determine Black's involvement in NextEra's decision not to obtain an eagle take permit. According to some at FWS, NextEra was told numerous times that it needed to obtain an eagle take permit for North Sky River because the wind farm was being built in an area that was risky for eagles.

FWS and BLM employees disagreed, however, about when wind companies could obtain the permits. Some believed companies could have applied for permits as early as 2009, when they were first made available, while others stated that it was not until 2011 that the groundwork had been laid for the permitting process. According to others, wind companies did not feel encouraged to apply for the permits since FWS had never actually issued one. FWS Director Daniel Ashe said the wind industry wanted to know, "from an investor standpoint," how long it would take to obtain an eagle take permit, but FWS could not offer any guarantees. Because of this, he said, companies chose to operate without the permits.

Almost everyone we interviewed on this subject, with two exceptions, had no knowledge of Black's guidance to NextEra on this issue. NextEra's VP of environmental services informed us that at one of his first meetings with Black in 2010, Black told NextEra that FWS might be able to issue an eagle take permit at some point but could not do so at the time. Black's initial advice to the company, the VP said, was to do an "Avian and Bat Protection Plan." In addition, FWS' Region 8 deputy division chief for migratory birds and habitat said she had heard from a NextEra contractor that Black told NextEra it did not need an eagle take permit for North Sky River.

Black said he never told NextEra not to get an eagle take permit for North Sky River and never told companies that they could "cut corners." Black said he told all wind companies that obtaining an eagle take permit was voluntary, and he said he would have told NextEra that FWS had not implemented its permitting program and the company's best protection would be to provide an Avian and Bat Protection Plan.

*Yamout's Involvement in North Sky River.* As noted in the timeline, Yamout continued to work on North Sky River matters after she recused herself from DOI issues.

Yamout told us she informed NextEra's VP of Government affairs on August 30, 2011, that she needed to be "screened out" of DOI-related issues because she was dating Black. She said the main reason she recused herself from DOI was she did not want to create the appearance of a conflict of interest. She said that after she and Black began dating, they did not discuss work-related issues. The VP also stated that after Yamout told him about her relationship with Black,

he decided to keep her from getting involved in DOI-related issues because he did not want the appearance of a conflict.

On October 18, 2013, attorneys representing NextEra informed us that Yamout was leaving the company. After this, Yamout declined a second interview, and we were unable to question her about some of the emails noted in the timeline.

We interviewed the attorney/lobbyist about Yamout's recusal. He recalled that the VP of Government affairs, and possibly Yamout, approached him about Yamout recusing herself, and he understood that Yamout was not going to work on any DOI-related matters. He said he had no knowledge of Yamout working on any DOI issues after she began dating Black, but he was surprised to hear her voice on a teleconference about NextEra's Genesis solar project. We discuss Genesis in the next section of this report.

We also spoke with FWS' Region 8 assistant regional director for ecological services about his reported conversation with Yamout about radar. He did not specifically recall the topic of the conversation but said he remembered speaking with her sometime after she began working for NextEra, and he thought she had contacted him. He said he probably took the opportunity to tell her that she needed to get NextEra to use radar to avoid condors, which was his major concern at the time. He said that he did not feel Yamout acted inappropriately during the conversation, and he was not concerned about anything they discussed.

The Attorney/Lobbyist's Involvement in North Sky River. During his interview, the former NextEra CEO explained that relationships were important in business and he knew that the attorney/lobbyist and Black were friends. He said that he had created many business relationships himself as CEO but had not had time to do so with Black. He explained that he and "thousands of other developers" were competing for Black's attention, and "the last thing I want is to have my message on the bottom of the pile." If the attorney/lobbyist contacted Black, he said, NextEra would get a "return phone call." The former CEO also stated that the attorney/lobbyist understood the Federal permitting process.

According to NextEra's VP of environmental services, the attorney/lobbyist often met with DOI officials and knew many people at DOI, including Black. He said that NextEra hoped to obtain access at DOI by working with the attorney/lobbyist, and the attorney/lobbyist represented NextEra effectively. "[He] was able to get meetings with people," he said. When asked, the VP said he was not aware of any favoritism that resulted from the attorney/lobbyist's relationship with Black. He later said that the attorney/lobbyist did help with the success of the North Sky River project.

The attorney/lobbyist stated that he did not believe his friendship with Black benefited NextEra. He said there were times when Black did not return his calls, and meetings with Black on projects were not always pleasant. He also said that he was not able to guarantee meetings with key DOI leadership and did not believe that his personal relationships at DOI increased his ability to set up meetings.

According to the attorney/lobbyist, Black's role at DOI was to facilitate regulatory processes for renewable energy development. Some DOI bureaus had different missions related to these projects, he explained, which created tensions that Black helped resolve. He said that Black was a facilitator on the North Sky River project and nothing more. He believed that the project would have been permitted without Black's assistance.

We asked the attorney/lobbyist about Black forwarding him Government documents on the North Sky River project, as noted in the timeline, and the attorney/lobbyist recalled Black doing this twice. When asked if it was typical for him to receive this type of information from a DOI official, he said it was not unheard of, but it was not something that happened every day.

Overall, the attorney/lobbyist characterized some of the internal NextEra emails referencing his abilities and relationship with Black as inaccurate and "naïve." He felt that the VP of Government affairs' reference to the "Colorado mafia" was offensive and inappropriate.

We asked Black if the attorney/lobbyist received any special access at DOI, and he said: "I have no idea. As you know, in this town, everything depends on relationships. And people hire other people for their relationships. . . . That's the way this town works." Black stated, however, that he would not meet with the attorney/lobbyist's clients simply because the attorney/lobbyist represented them. Black said he had an "open door" policy and met with anyone regardless of their relationships.

# Genesis Project

In November 2010, BLM approved construction of NextEra's Genesis solar project, located on approximately 1,950 acres of public land in Riverside County, CA. Approximately 1 year later, American Indian cultural artifacts were discovered at the project site, and the company stopped construction. NextEra began meeting with BLM and DOI officials and tribes to reinitiate work. Each day that the Genesis site remained on hold reportedly cost the company considerable money because it was paying labor costs but not operating.

For our investigation of potential preferential treatment by Black regarding Genesis, we examined his involvement in project meetings, discussions, and decisions after construction was halted. We also examined Yamout's and the attorney/lobbyist's involvement in the project and any interaction they had with Black.

*Genesis Timeline*. The following is a timeline of events related to the Genesis project. It is based on our interviews and on our review of emails, calendar entries, and documents we received from DOI employees and NextEra.

Date	Event
November 17, 2011	During excavation activities on the Genesis solar project site, evidence of an ancient American Indian site was found.
November 23, 2011	NextEra's VP of environmental services emailed the new NextEra CEO about his visit to the Genesis site, stating that construction had not halted on most of the site and "it could have been much worse." The new CEO replied that he wanted to understand the process for advising the "highest levels of the 'friendly' organizations" so that they might "help us out here."
November 24, 2011	The VP of environmental services emailed NextEra executives stating that he would discuss the Genesis issues as they pertained to BLM with the attorney/lobbyist, who was "very close to Steve Black." He wrote: "Steve helped us in the permitting and I'll talk to [the attorney/lobbyist] about talking with him on this." The VP of Government affairs responded that while doing so was a "great next move," he thought the "best person internally to use" was Yamout, adding: "Let's talk instead of writing."
November 30, 2011	An email referenced Yamout participating in a call on Genesis issues.
December 13, 2011	Black emailed BLM's California State deputy director about Genesis: "What is the status of the earlier stop-work order? What work can continue pending consultation with the tribes?"
December 14, 2011	Black met with the attorney/lobbyist, the VP of environmental services, and others on Genesis.
January 10, 2012	The VP of Government affairs emailed the new CEO that Yamout was on "every Genesis call" after the new CEO informed him of the "troubles" NextEra was having on the project. The new CEO stated that it was important for Black to understand how important Genesis was to NextEra and how Black's involvement was appreciated. "A couple of calls from him to the field every week on Genesis status would probably help," he wrote.
January 18, 2012	The VP of Government affairs emailed Black and his deputy that the new CEO wanted to meet with them and Salazar. The next day, he emailed another NextEra official that the attorney/lobbyist should mention the meeting request to Black. Black's deputy later replied that the request was with Salazar's scheduler.
January 25, 2012	A meeting was scheduled with Black, the VP of Government affairs, the new CEO, and others.

Date	Event
January 25, 2012	The new CEO emailed the NextEra chairman and president that he met with Black on Genesis and that Black agreed to stay informed on the project. "I do think his involvement is helping, if for no other reason than BLM folks are having to continually update him on progress," he wrote. The president responded that he would not wait long to call Salazar, "more in the spirit of 'steve b has been very helpful, but we are getting very concerned about the delay." He added: "It has the potential to cost us 50 to 100 mm if it is not resolved expeditiously." The chairman responded: "[W]e need to give Steve a chance and it would be great to know directly what the tribes are thinking."
January 29, 2012	According to NextEra records, Black met with the new CEO regarding Genesis.
February 3, 2012	The VP of Government affairs emailed Salazar's scheduler, stating that the attorney/lobbyist, his "friend and trusted advisor," had suggested he write to her and seek a time for the chairman to meet with Salazar regarding the Genesis project.
February 9, 2012	Yamout emailed the VP of Government affairs with guidance for the chairman for his call with Salazar. Her email also referred to a planned meeting between DOI Deputy Secretary David Hayes, Black, and the VP.
February 12, 2012	The new CEO informed the VP of Government affairs of the dates he was available to meet with Hayes and Black. The VP forwarded the email to the attorney/lobbyist, who replied: "Working on it."
February 21, 2012	The attorney/lobbyist's calendar noted a call with Black.
February 23, 2012	A teleconference was held between Salazar, Black, the NextEra chairman, and the attorney/lobbyist.
February 24, 2012	The VP of Government affairs emailed the chairman that in light of Salazar's comments (purportedly at the teleconference) that NextEra should direct future concerns to Black, he wanted to alert the chairman that he was friends with Black: "While [the attorney/lobbyist's] relationship is superior to mine, and of longer standing, Steve and I have dinner in Washington every two or three weeks." The chairman responded: "That is great. Between you and [the attorney/lobbyist], we should be able to keep this project on track."
February 27, 2012	The chairman sent a letter to Salazar thanking him for speaking at the teleconference: "I know how much you, Steve Black, [Black's deputy], and your team have done to work alongside NextEra Energy We are very grateful for everything your team in Washington has done to shepherd the process surrounding our ongoing development efforts."
March 5, 2012	According to the attorney/lobbyist's calendar, he was scheduled to call Black.
March 6, 2012	NextEra officials were scheduled to meet with Black and Hayes.
March 8, 2012	Black recused himself from involvement in NextEra projects.
April 18, 2012	The attorney/lobbyist, Hayes, the new CEO, the VP of Government affairs, and then-DOI Chief of Staff Laura Davis met about Genesis.

Black's Involvement in Genesis Issues. Similar to the North Sky River project, none of the BLM employees we interviewed about Genesis saw any evidence that Black gave preferential treatment to NextEra or did anything for the company that he would not have done for others. Despite NextEra's emails about Black's involvement in and influence over Genesis, we were told the actual decisions related to the project were made by regional personnel, and none said they saw any improper behavior by Black.

We interviewed the chair of the Advisory Council on Historic Preservation, who consults with Government agencies to ensure the protection of cultural resources on Federal lands, about his involvement in Genesis. He did not recall any pressure by Black to rush the process so that work could resume. At some point, he said, Black began recusing himself from NextEra projects due to his relationship with Yamout. He said he did have concerns about Black's relationship with Yamout because they could have exchanged "inside information" about Genesis, although he had no knowledge of this ever occurring. He stated that much was at stake for Genesis because it had to be operating by the end of 2012 in order to get its tax credit, so the company had several hundred million dollars at stake.

We also interviewed James Kenna, BLM California State Office Director, who oversaw issues pertaining to the Genesis project. He said he never received pressure from Black to reinitiate construction. Kenna explained that he emphasized integrity in BLM's decisionmaking process, and said he felt that BLM upheld Federal principles for tribal consultation and that he had been firm with NextEra.

NextEra's VP of environmental services said Black's guidance on Genesis was clear: NextEra needed to understand that DOI viewed the issue as a Nation-to-Nation consultation with the tribes. He said Black told NextEra to work with Kenna on issues, and Black had full confidence in Kenna to handle everything.

Black stated during his interview that NextEra came to him after the cultural artifacts were discovered because the company did not feel that BLM was following its protocols. Black said the role he played was to encourage BLM and NextEra to discuss the issue. We attempted to reinterview Black and ask more-detailed questions about Genesis, but he declined our request.

Yamout's Involvement in Genesis Issues. As noted in the timeline, Yamout appears to have worked on issues pertaining to Genesis after she recused herself from involvement in DOI issues. We were unable to interview Yamout about the emails referenced in the timeline, however, because she declined a second interview.

The attorney/lobbyist recalled hearing Yamout's voice on a conference call about Genesis. He said he was surprised at this because he had understood she would not be working on DOI matters due to her relationship with Black, but he never heard of her being involved in Genesis issues after this meeting.

NextEra's VP of environmental services said he had no knowledge of Yamout contacting DOI on Genesis issues, and he did not recall Yamout interacting with Black on the project. He said that during a meeting in late summer or early fall 2011, Yamout left in the middle of a discussion

and later told him that she did so because she was dating Black and his name was being discussed at the meeting. She told him that she could not work on anything related to DOI, he said, but she did advise him on issues related to Genesis. When asked, he said it did not appear to him that the VP of Government affairs was trying to use Yamout's relationship with Black to his advantage on Genesis.

*The Attorney/Lobbyist's Involvement in Genesis Issues.* We asked the attorney/lobbyist about his involvement in Genesis in 2011 and 2012. He said he began counseling NextEra in December 2011 on restarting operations at the site after the cultural artifacts were discovered.

We showed the attorney/lobbyist the February 23, 2012 email, referenced in the timeline, in which the VP of Government affairs talked to the NextEra chairman about Genesis and stated: "While [the attorney/lobbyist's] relationship is superior to mine, and of longer standing, Steve and I have dinner in Washington every two or three weeks." The attorney/lobbyist said the email was "wildly optimistic of the way the world works." He said he did not believe NextEra received any benefit from Black related to Genesis.

The attorney/lobbyist said he set up the March 6 and April 18, 2012 meetings between NextEra and DOI Deputy Secretary Hayes. The topic at the March 6 meeting was NextEra's concern that BLM was not meeting the terms in its programmatic agreement with the company, he said. He did not believe anything changed as a result of this meeting. According to the attorney/lobbyist, the message the company received at the April 18 meeting was that NextEra needed to continue working with BLM.

The attorney/lobbyist also discussed the February 23, 2012 teleconference with Salazar. He said he did not set up the meeting but did participate in the call, and he did not remember any changes to the project after this meeting. We showed him the email sent just prior to the meeting, from the VP of Government affairs to Salazar's scheduler, in which the VP said that the attorney/lobbyist was his "friend and trusted advisor" and suggested that he contact the scheduler to set up a meeting between the NextEra chairman and the Secretary. The attorney/lobbyist said that he gave the scheduler's email address to the VP but did not tell the VP to use his name. The VP had not needed to do so, he said; the name NextEra should have spoken for itself.

## McCoy Project

In the summer and fall of 2011, DOI officials were considering NextEra's McCoy solar energy project, on BLM land in Riverside County, CA, for placement on DOI's list of renewable energy priority projects as well as a White House list of priority infrastructure projects.

For our investigation of potential preferential treatment by Black regarding the McCoy project, we examined his involvement in the project's placement on the two lists. We also examined his potential involvement in Yamout's transfer to Washington, DC, which occurred in November 2011, just after McCoy was referred to the White House.

In addition, we investigated Yamout's involvement in these issues. We did not see any involvement by the attorney/lobbyist on the McCoy project.

*McCoy Timeline*. The following is a timeline of events related to the McCoy project. It is based on our interviews and on our review of emails, calendar entries, and documents we received from DOI employees and NextEra.

Date	Event
July 19, 2011	The VP of Government affairs emailed Yamout: "Still open minded about
	DC?" She responded: "So when are we moving?" He wrote back: "Just
	keep an open mind, is all I'm saying."
Mid-August 2011	According to Black and Yamout during their interviews, they began dating.
August 31, 2011	The President issued a Presidential Memorandum directing Federal
	agencies to identify "high-impact, job-creating infrastructure" projects that
	could be expedited through permitting processes.
September 1, 2011	Black's deputy gave Black DOI's 2012 priority projects list. McCoy was on
	the list.
September 8, 2011	Black, Black's deputy, Salazar, Davis, Hayes, and others met to review
	potential projects for the White House list, according to an October 11,
	2011 memo from Black to DOI Ethics Officer Melinda Loftin.
September 13, 2011	Black emailed the VP of Government affairs and other NextEra officials,
	stating: "As discussed, we are inclined to identify the McCoy solar project
	in response to the President's August 30 infrastructure memo."
September 14, 2011	A NextEra employee emailed the VP of Government affairs that the "last
	thing" NextEra wanted was to expedite the McCoy project or highlight it
	as a job creator, and "Federal pressure will make it worse."
September 14, 2011	Yamout checked a colleague's work and provided advice on a McCoy
	project spreadsheet that was to go to Black and his deputy.
September 16, 2011	NextEra's VP of solar business development questioned the "wisdom" of
	McCoy being placed on the President's list. Another NextEra official
	responded: "Obviously, it's just a matter of will the help speed things up
	and is it worth it commercially? If this is a money maker for us, then
	probably worth it to take the help Why wouldn't we take the help if
	someone offers." The VP of Government affairs later asked the VP of
	solar development: "Can we have Black help us with our issue?"
September 22, 2011	Yamout emailed the VP of Government affairs that she was willing to
	move herself to Washington, DC.
September 27, 2011	Black and the VP of Government affairs had dinner in Washington, DC.
	Both said in their interviews with us that they discussed Yamout being
	transferred to DC during the dinner, among other issues.
September 28, 2011	The VP of Government affairs emailed NextEra officials: "Just got word
	that we will be on this list Once this is announced, every federal
	agency can be expected to be an advocate for our project." The NextEra
	president stated: "That is great for permitting."
September 28, 2011	The VP of Government affairs emailed Black about Yamout's potential
	transfer, stating: "Planted the seed up here Well received. Next, down
	to [NextEra headquarters]." Black asked him to "wall [him] off from any
	discussion of this topic."

Date	Event
September 28, 2011	According to the October 11, 2011 memo from Black to Loftin, as well as Loftin's notes, Black told her that he was dating a NextEra employee. He subsequently showed Loftin the "planted the seed" email from the VP of Government affairs.
September 29, 2011	The VP of Government affairs emailed NextEra officials that he and Black were "easing into a friendship" and they had "plans to see each other socially the week after next." He added: "If you think we should, we can make the ask."
September 29, 2011	Black submitted the final list of DOI projects to the White House, according to the memo from Black to Loftin.
October 5, 2011	NextEra's counsel to the chairman told the VP of Government affairs to "find out how McCoy got on the list" and "how to get off of it."
October 5, 2011	NextEra's VP of solar business development wrote that he spoke with "Steve," who understood NextEra's concern and would raise it with the White House. According to Black's memo to Loftin, NextEra's then-CEO resigned the same day, which Black believed was a significant change for the company, so he wrote a note to this effect to the White House.
October 10, 2011	The counsel to the chairman emailed the NextEra chairman that he had "good reason" to believe McCoy would not be on the list, adding: "Just don't ask how."
October 11, 2011	Black sent a memo to Loftin about his work on NextEra projects and his relationship with Yamout. He stated that he had identified the McCoy project for the President's list and that NextEra did not lobby him on the issue: "There is no connection whatsoever between my relationship with [Yamout] and my recommendation to include the McCoy project on the [White House] list."
November 7, 2011	According to Yamout, NextEra transferred her to Washington, DC, to work for NextEra's parent company, NextEra Energy, Inc. She also registered as a lobbyist, according to one of her emails.

DOI Renewable Energy Priority Projects List. After Salazar became Secretary of the Interior in 2009, he signed an order that established renewable energy as a priority for DOI. Black and his deputy chaired a renewable energy "strike team" with members from different bureaus, including BLM and FWS, which met every week to ensure renewable energy projects moved forward. According to strike team members, the team developed a list of renewable energy priority projects each year. One FWS official stated that every company "desperately" wanted to be on DOI's priority list.

The renewable energy project manager for BLM's California Desert District Office said that he was responsible for referring the McCoy project to DOI's priority list and that no one, including Black, had pressured him to do so. BLM California State Director Kenna also stated that he did not receive any pressure to put McCoy on DOI's priority list, which he submitted to BLM headquarters. The manager of BLM's National Renewable Energy Coordination Office said that McCoy was placed on DOI's priority list because it was in a "solar energy zone," not because of any influence by Black.

Black said he believed the strike team vetted the McCoy project for DOI's 2012 priority list in August 2011. He said projects were chosen for the list based on whether they could be permitted and issues could be worked out. According to Black, McCoy was a good example of a priority project that met those criteria, and the decision to choose the project was unanimous.

White House Priority Infrastructure Projects List. As stated in the timeline, in August 2011 the President directed certain agencies to identify job-creating projects that could be expedited through permitting processes. The Departments of Commerce, Agriculture, Housing and Urban Development, Interior, and Transportation each had to select up to three projects that already had the needed funding and that could be completed within 18 months.

In the October 11, 2011 memo to Ethics Officer Melinda Loftin, Black outlined his involvement in referring the McCoy project to the White House priority infrastructure projects list. He stated that he led the effort, on behalf of Salazar, to assemble DOI's project recommendations to the White House. He wrote that he recommended McCoy based on the criteria outlined in the Presidential Memorandum.

DOI officials and BLM employees had differing views on whether McCoy should have been on the White House list. The supervisory project manager for BLM's California Desert District Office said he did not think McCoy was ready for the White House list. BLM's California State deputy director also said that he was "shocked" to see McCoy on the White House list and that it had not been discussed at BLM. He said he knew his office could not meet the White House's project timetable. Some at BLM noted that being on the White House list did not provide a material benefit to a company.

Former Deputy Secretary Hayes stated that he was involved in developing the list of DOI projects that went to the White House. Nominating McCoy was not a "momentous decision," he said, and he recalled McCoy being an obvious candidate since it was already a priority project at DOI. Laura Davis, who had been Black's immediate supervisor, said she was confident that the process used to select the White House projects was rigorous and that those on the list met the required criteria.

We interviewed NextEra's VP of solar business development, counsel to the chairman, and VP of Government affairs about McCoy's referral to the White House. When we asked the VP of solar business development if there was a benefit to being on the list, he said he did not know if it would have actually sped up the permitting process. When we asked him about the reference in the September 16, 2011 email to Black helping with NextEra's "issue," he stated that the company became concerned about the appearance of McCoy being on the White House list since the NextEra chairman was on the President's Jobs Council.

The counsel to the chairman said he did not know how McCoy first ended up on the White House list, but when he realized that it was and that the chairman was on the Jobs Council, he did not like the appearance and wanted to get it off the list. We showed him the October 10, 2011 email where he said he had "good reason" to believe McCoy would not be on the list, "Just don't ask how," but he said he could not recall what happened or who told him McCoy would not be on the list.

The VP of Government affairs stated that NextEra decided it did not want to be on the White House list because it did not want the added pressure of following through on the project. We were unable to interview him further about the issue or the emails noted in the timeline because he declined a second interview. Consequently, we were also unable to determine what he was referring to when he wrote: "If you think we should, we can make the ask," in the September 29, 2011 email.

All of the NextEra officials we interviewed about the subject said they had no knowledge of Black's relationship with Yamout influencing McCoy's initial placement on the White House list.

Black stated that Hayes originally asked him if McCoy should be considered for the White House list and Black ultimately recommended McCoy. He explained that unlike some other projects, McCoy was already on DOI's priority projects list, had a power purchase agreement, and had financing. He said that despite these attributes, McCoy was not added because the NextEra chairman was on the President's Jobs Council and NextEra did not want the pressure of being on the list if the project was not successful.

Black told us that no one lobbied him to put McCoy on the White House list, that there was no benefit to being on the list, and that it would not have changed BLM's or FWS' processes or sped up timeframes for the project. We asked Black if he had been worried about the appearance of dating Yamout while he was referring McCoy to the White House, and he said no. He said his relationship with Yamout did not affect any of his actions regarding the project and that he had done nothing for McCoy that he would not have done for another company.

*Yamout's Transfer.* As stated in the timeline, the VP of Government affairs emailed Black on September 28, 2011, that he had "planted the seed" with NextEra officials about transferring Yamout to Washington, DC. The following day, Black submitted to the White House the final list of DOI projects, which included the McCoy project. A little over a month later, NextEra transferred Yamout to DC.

During his initial interview on this issue, Black said that the day before he received the VP of Government affairs' email, they had dinner together at the VP's request. This was a "get-to-know-you" dinner, Black said, since the VP was new to Washington, DC. According to Black, the VP wanted to get some advice on extending Federal tax credits for wind production. Black said he paid for his own meal.

Black stated that at some point during the dinner, they talked about Yamout moving to Washington, DC. He said the VP told him that he liked Yamout, she was doing well working for the company, and he wanted to bring her to DC to work with him. Black said he never asked the VP to move Yamout. He said he had no personal interest in Yamout coming to DC at the time because he was considering moving back to Colorado, where he had a home.

When asked about his dinner with Black, the VP said he had just reported to work in Washington, DC, and he had "no friends" and wanted to get some contacts and advice for getting

the wind-production tax credit extended by Congress. He also said they did not discuss the McCoy project at dinner.

The VP said that he told Black during dinner that he wanted to bring Yamout to Washington, DC, to work, but he knew that she and Black were dating and that Black was planning to return to Colorado. The VP explained that he was worried about how Black would feel about the transfer. He said that Black told him that Yamout was "excellent." When asked what this meant, the VP said he felt that Black was "being unselfish" in supporting the move. According to the VP, Black never asked that Yamout be transferred, and Yamout's subsequent transfer, which took place in early November 2011, had nothing to do with Black. As stated in the timeline, we found that the VP emailed Yamout on July 19, 2011, asking if she was "still open minded about DC," indicating that they had spoken about a potential transfer before her relationship with Black reportedly began.

We asked the VP and Yamout about the "planted the seed" email he sent to Black after their dinner together. The VP said he sent the email because he wanted Black to know he was working on moving Yamout, but he acknowledged that he should not have emailed Black about the issue. Yamout said the VP showed "poor judgment" by sending Black the email. She described the VP as a "schmoozer type" and said he was probably trying to improve his relationship with a Government official. She described the email as "stupid" and "professionally offensive." She stated that Black was not a factor in her decision to move, and it would have been better for her relationship if she had stayed in her old position because she would have more flexibility with where she lived.

Black said the "planted the seed" email was unexpected. The email troubled him, he explained, because it misrepresented their conversation. He said he immediately called the attorney/lobbyist and told him about the email and said he had no interest in the VP bringing Yamout to Washington, DC, because he wanted to move to Colorado. Black told us that the VP had made an "innocent mistake" in sending the email, and that while he was probably trying to be helpful and discreet, the results were awkward.

According to Black, after he received the email, he went to see Loftin because he wanted to avoid any appearance of a conflict of interest and he wanted to ask Loftin what steps he needed to take. He said this began a 6-month conversation with Loftin about a potential recusal from issues related to NextEra.

Loftin stated that in late September 2011, Black came to her office and told her about his relationship with Yamout. She said he informed her that he had recently gone to dinner with Yamout's boss and later received an email in which the boss said he would try to have her transferred to Washington, DC. Loftin said Black was upset and told her he had never asked for this gesture. During her discussion with Black, Loftin said, she told him that she did not know if he needed to recuse himself from NextEra and that she needed more information.

We interviewed a former deputy solicitor from the General Law Division, DOI Office of the Solicitor, who said Black also showed him the email from the VP of Government affairs. The former deputy solicitor said Black was disturbed by the email because it implied that Yamout

would be transferred to Washington, DC, to benefit Black. Black told the former deputy solicitor that he had never asked for this.

According to the former deputy solicitor, he and Loftin asked Black to explain the situation further, and they realized that Black was dating Yamout while he was handling matters related to NextEra. Black appeared to have already reviewed the ethics rules, the former deputy solicitor said, and he told them he had not violated any. The former deputy solicitor said that he and Loftin became concerned when Black informed them that he was involved in referring McCoy to the White House for the priority list; he said that they "took a deep breath" after realizing the White House was involved and told Black he needed to be concerned because the "potential to splash back is a real one."

The former deputy solicitor said that before Black received the email from the VP of Government affairs, Black did not think that the relationship was a problem and believed that he could manage the situation. The former deputy solicitor and Loftin opposed this belief, he said, telling Black that when he took action on McCoy it had created at least an appearance of a conflict of interest. He said he and Loftin would have preferred Black to have come to them at the beginning of the relationship with Yamout and before he referred McCoy to the White House.

According to the former deputy solicitor, Black later talked about whether he could or should take McCoy off the list. The former deputy solicitor said he told Black that trying to take the project off the list for personal reasons was not a good idea. He said Black then discussed the idea of instead informing the White House that a change of leadership was coming at NextEra and that it might not be a good idea for NextEra to be the "banner company that the White House touts." As mentioned in the timeline, NextEra's former CEO resigned from his position on October 5, 2011, and Black submitted a note to the White House about this as a significant change to the company.

Yamout's Involvement in McCoy. As noted in the timeline, on September 14, 2011, Yamout edited a spreadsheet pertaining to McCoy, which was later sent to Black. This occurred after she recused herself from DOI issues. We were unable to interview her further about this issue since she declined a second interview. We did interview NextEra's VP of solar business development, who received Yamout's spreadsheet comments. He said he did not know that Yamout had been recused from DOI projects or whether Yamout ever discussed the spreadsheet with Black.

#### NextEra Meetings With DOI Officials

We analyzed NextEra's meetings with high-level DOI officials, particularly those meetings that the attorney/lobbyist set up or attended. As stated previously, NextEra officials appear to have had two teleconferences with Salazar (one on North Sky River and one on Genesis) and two meetings with then-Deputy Secretary Hayes (both on Genesis) between 2011 and 2013.

Based on emails, calendar entries, and entry logs for DOI's Main Interior Building, we found that the attorney/lobbyist had at least 32 scheduled meetings or contacts with DOI officials between September 2010 and April 2013. A few of these meetings were attempted contacts or

calls, which may or may not have actually occurred. Based on calendar notes or the individuals attending, 14 of the contacts appeared to involve NextEra business. Black was also scheduled to meet or talk with the attorney/lobbyist 14 times between December 2010 and March 2012, and some of these contacts involved coffee or dinner.

During his interview, the attorney/lobbyist said that he and Black always met at the Main Interior Building when discussing business and met for coffee when they wanted to have personal conversations. The attorney/lobbyist said that when he met with Black on business, he normally briefed Black on the status of specific projects, discussed the processes occurring at DOI's bureaus, and then listened to Black's thoughts.

The attorney/lobbyist said he did not set up any of NextEra's meetings with Salazar, but he did set up the meetings with Hayes. For those meetings, he said, he contacted Hayes's special assistant at the time. When asked about the reason for NextEra's meetings with Salazar and Hayes, the attorney/lobbyist said that some of his clients thought it was important to speak with agency heads, but he was judicious about when to seek that type of meeting. He acknowledged that meetings at this level did bring more attention to a company's projects.

We asked the attorney/lobbyist if his personal relationships at DOI increased his ability to meet with high-level DOI officials, and he said he did not believe so. He said he was not just setting up meetings for NextEra at the Main Interior Building; he was preparing litigation strategy and analyzing State and regulatory obligations.

We interviewed officials from three other renewable energy companies and an American Wind Energy Association (AWEA) representative about potential preferential treatment given by DOI to NextEra. None of the company officials recalled meeting with Salazar or Hayes about project issues; however, none appeared to have requested meetings at this level. Two of the officials found it surprising and unusual that NextEra was meeting about project issues at this high level, but the other official and the AWEA representative did not find it strange due to Salazar's emphasis on renewable energy and NextEra's position as the largest renewable energy developer in the United States.

We also interviewed the meeting schedulers for Salazar and Hayes. The former special assistant to Hayes said it would not have been unusual for NextEra to meet with Hayes, who had an "open door" policy and often met with renewable energy companies about project issues. She knew of the attorney/lobbyist but was not aware of any preferential treatment that he or NextEra might have received. She did acknowledge seeing the attorney/lobbyist at DOI headquarters frequently.

We also spoke with Salazar's former scheduler and special assistant, who said that she knew the attorney/lobbyist from Colorado and that he appeared to be a friend of Salazar's and had donated to Salazar's campaigns. She recalled the attorney/lobbyist coming to DOI on occasion for meetings with Salazar, Davis, or Black, but she did not know the nature of the meetings. She assumed he was a lobbyist and acknowledged that he appeared to meet more often with DOI officials than other lobbyists did. She did not feel, however, that he had any special access to Salazar. She said that all requests for meetings with Salazar were processed in the same manner and vetted through Davis' office.

We interviewed Salazar about NextEra's meetings at DOI and the attorney/lobbyist's access. He only recalled one teleconference with the NextEra chairman and did not remember what the conversation was about. He said that the attorney/lobbyist was an acquaintance, but the two did not socialize one on one. Salazar recalled seeing him at the Main Interior Building a few times but did not recall meeting with him. He did not feel that the attorney/lobbyist received any special treatment or access when it came to meetings with him.

Salazar initially stated that it was not unusual for him to have meetings with renewable energy companies on project problems, but he later acknowledged that companies requesting such meetings were more likely to be denied than approved. He explained that he did not meet with many companies on these types of issues because his schedule was tight, but he did meet with renewable energy companies other than NextEra. When asked, Salazar said that NextEra's meetings with him had nothing to do with personal relationships between NextEra and DOI officials.

#### Black's Recusal Issues

We examined why Black did not recuse himself from NextEra projects until 6 months after he started dating Yamout. We also investigated whether he abided by his recusal and refrained from conducting work related to NextEra.

The Recusal. During Black's first interview, he stated that he did not believe that the mere existence of a personal relationship warranted a recusal and that a financial interest had to exist, which was not the case in his situation. He explained that he and Yamout did not share a residence or any other financial interests. He acknowledged that he opposed recusing himself and felt it was unnecessary, and said he also had concerns that a recusal from NextEra would interfere with his ability to do his job. Loftin initially agreed that he did not need a recusal from the company, he said, but later changed her mind.

Black said that after his recusal, his deputy also had to be recused from NextEra issues because she was friends with Yamout. He stated that Yamout and his deputy had taken a personal trip together, but he did not believe that the friendship should have been a basis for a recusal.

The former deputy solicitor stated during his interview that he and Loftin initially questioned Black about whether he should continue to work on matters involving NextEra, and Black "didn't really want to hear that." They asked Black to write a narrative on his relationship with Yamout and involvement in NextEra projects, and Black completed a draft dated October 11, 2011. The former deputy solicitor said he and Loftin felt there were "holes" in the document and still had questions. He said the discussions with Black on this document took months, and Black submitted another version in February 2012.

The former deputy solicitor said that he and Loftin suggested to Black that he recuse himself from the beginning, but Black did not want to do that. "If Steve heard something that was going to get between him and doing what he viewed his job would be, he was testy," he said. "So we got the kind of cold, very clear understanding . . . he did not want to recuse."

The former deputy solicitor said it should have been clear to Black that he and Loftin preferred that Black recuse himself. "I don't believe that either Melinda or I ever left a meeting with him without expressing concern about going forward," he said. "We did bring up recusal, and he said no." He said that he and Loftin did not, however, put anything in writing about their views.

When asked why it took 6 months for Black to recuse himself, the former deputy solicitor said that Black was busy and that Black also did not believe he had a problem. He said Black felt that if the former deputy solicitor and Loftin could not point to a regulation outlining that a violation existed, Black thought he could make his own decision. "And that was the decision he made," he said. "We expressed to him that we didn't think it was the best decision." The former deputy solicitor said that had Black not received the "planted the seed" email from NextEra's VP of Government affairs, he probably never would have come to him and Loftin for advice.

The former deputy solicitor explained that a potential recusal at that time for Black was still only due to "an abundance of caution," and was not a requirement under any regulations. He said he discussed Black's recusal with DOI Solicitor Hilary Tompkins, but he did not know if she addressed the issue further.

Loftin said that during a meeting with Black and the former deputy solicitor in mid-January 2012, Black told her that Yamout had moved to Washington, DC, and she became concerned that Yamout was closer to Black. She noted that she later learned that Yamout was also a lobbyist. According to Loftin, she and the former deputy solicitor agreed that 18 U.S.C. § 208, "Acts Affecting a Personal Financial Interest," did not appear to apply to Black's situation, nor did 5 C.F.R. § 2635.502, "Personal and Business Relationships, Consideration of Appearances by the Employee." Loftin said, however, that she was leaning toward requiring a recusal due to the appearance issue. Black told Loftin he did not want a recusal and was willing to accept the risk of not having one, she said.

In approximately early March 2012, Loftin said, Tompkins called her and told her that someone had approached her at a conference with concerns about Black's relationship with Yamout. Loftin said this was a "big trigger" for her and, along with Yamout's move to DC, caused her to determine that a recusal would be needed.

Loftin subsequently received permission from Tompkins to require the recusal, and she and Ed Keable, Deputy Solicitor for General Law, DOI Office of the Solicitor, who later replaced the former deputy solicitor as her supervisor, met with Black on or about March 6, 2012, and told him this. Even so, Loftin said, Black continued to resist the recusal; he also did not want a recusal for his deputy. During his interview, Keable said that renewable energy was one of the most important environmental issues for the Secretary and the President, and it would have been imprudent for Black to "lay that whole program open to attack" because he did not want to recuse himself.

Tompkins recalled meeting with a DOI official about Black's relationship with a NextEra employee. She remembered that at the time, Loftin was already reviewing Black's potential recusal. According to Tompkins, the official told her that a "contact in California" had complained about Black's relationship. We later interviewed this official, identified as Salazar's

counselor for America's Outdoors, who stated that an attorney with the Resources Law Group, a firm specializing in conservation and natural resources law, told him about an impending news article concerning Black's relationship with Yamout.

During his interview, Hayes said that in March 2012 he received a call from someone he knew in California who was involved in renewable energy. According to Hayes, this person stated that Black was dating a NextEra employee and there was talk that the relationship could be influencing the way Black was representing DOI on energy matters. Hayes said he immediately contacted Davis, who ensured a recusal was put into place. Hayes said his preference would have been for Black to have notified him of the relationship right away because the appearance of a conflict of interest could be "half the ballgame sometimes."

Davis stated that she found out about Black's relationship with Yamout from Hayes, and it soon became clear that Black needed to recuse himself. Subsequently, she advised Salazar of the relationship. Davis noted that she would have preferred to have learned about Black's relationship directly from him. She also said she did not think it was appropriate for Black's deputy to handle NextEra issues for him, although Black disagreed.

Salazar did not recall when he specifically found out about Black and Yamout's relationship but said Black had come to him about it. He did not recall Black telling him that Yamout was a NextEra employee; just that he was dating someone. Salazar also did not recall anyone telling him that Yamout was a lobbyist for the company. He said he had no knowledge of Black ever resisting a recusal.

During Black's second interview, he stated that prior to March 2012, he had the "green light" from DOI's Ethics Office to work on NextEra projects and meet with NextEra representatives. When asked whether Loftin ever said she thought he should recuse himself prior to March 2012, Black acknowledged that Loftin's style was to "think out loud," and she might have said: "If it were me, I would recuse," or "Out of an abundance of caution . . . you should recuse." Black said, however, that such statements were not a final decision. He reiterated that every time he spoke with Loftin and the former deputy solicitor, they always agreed to "keep talking" about the situation.

Black also said that he believed he talked to Salazar about the fact that he was dating Yamout around the same time he first spoke to Loftin, and Salazar was supportive of the relationship.

We asked Black if, looking back, he would have done anything differently regarding the recusal, and he said that he relied on the Ethics Office for a determination on the recusal and Loftin's instincts might have been to take the safest route and recuse. Black stated, however, that when he went to Loftin, he was not asking for the safest route, and Loftin did not initially direct him to recuse.

We attempted to interview Black's deputy, now a California Energy Commissioner, on numerous occasions. She initially agreed to talk with us, and agents flew to California to interview her. She cancelled her interview the day it was to occur, however, and we received no response to further interview requests.

Whether Black Abided by the Recusal. Neil Kornze, Principal Deputy Director of BLM at the time and also the individual responsible for NextEra issues after Black's recusal, stated that he did not know of any instances where Black continued to work on NextEra matters after he recused himself.

We found an email, however, indicating that Black might have been involved in issues pertaining to NextEra's potential agreement for shared use of a generator tie line with enXco (now EDF Renewables), another renewable energy company. On February 7, 2013, a NextEra representative emailed discussion notes about NextEra's Desert Sunlight project to the VP of Government affairs, stating that enXco was working with NextEra on a shared-use agreement. Under "next steps," it stated: "Steve Black – meeting with enXco."

BLM's National Renewable Energy Coordination Office manager and California State deputy director both said they were heavily involved in the potential shared-use agreement between NextEra and enXco. Neither knew of Black's involvement in that issue. We were unable to speak with the VP of Government affairs or Black about this issue because they declined further interviews.

## Items of Value Accepted From NextEra

The standards of ethical conduct for Executive Branch employees, outlined in 5 C.F.R. part 2635, state that an employee cannot accept gifts from prohibited sources, which include entities seeking business with or official action by the employee's agency. The term "gift" is defined as "nearly anything of market value." Employees may accept unsolicited gifts, however, with a market value of \$20 or less per occasion, totaling no more than \$50 in a calendar year from a source. Employees may also accept gifts motivated by family or personal relationships.

On January 23, 2009, Black signed an ethics pledge that he would not accept any gifts from registered lobbyists or lobbying organizations for the duration of his service as a political appointee. We sought to determine whether Black received any gifts or items of value from NextEra.

During his interview, the attorney/lobbyist denied ever giving Black anything of value in either a professional or a personal capacity, and we found no evidence to suggest otherwise. We did find, however, that Black accepted items of value from NextEra after his recusal from the company. These items, which totaled \$1,183 in value, included hotel stays and dinners during trips with Yamout while she was conducting NextEra business. After our first interview of Black, he reimbursed NextEra for these expenses.

*The Greenbrier.* We found that in September 2012, Black asked to attend a National Republican Senatorial Committee event with Yamout at the Greenbrier resort in White Sulphur Springs, WV. Yamout was attending the event as a NextEra lobbyist, and the company was paying for her attendance.

On September 13, 2012, Black emailed Loftin, Keable, and Davis, asking if he could attend the event, which began the following evening, as Yamout's personal guest. Loftin said she was upset

that Black contacted her about the event at the last minute, and she did not think it was good for him to go to the event. Davis also said she did not think Black should have attended the event because it raised appearance issues. She responded to his email: "Steve, at a minimum, I'd suggest the optics are not great in your attending an event such as this." She counseled him to be "scrupulously careful" about his interactions at the event and to provide paperwork showing he had reimbursed NextEra for expenses.

During Yamout's interview on March 28, 2013, she mentioned that Black had still not paid his portion of the expenses. She said she had not drafted an invoice for the trip because the office did not have an administrative assistant, but Black had been "asking about it." We obtained Yamout's calendar and saw that on September 25, 2012, and October 1, 2012, she had made entries about an invoice for Black.

On April 1, 2013, over 6 months after the event at the Greenbrier, Black wrote NextEra a check for \$472.67 for his expenses.

**Palm Beach.** During his second interview, Black said that in addition to the Greenbrier trip, he and Yamout attended a NextEra employee retreat together in West Palm Beach, FL, in August 2012. He said he did not attend meetings at the event, but he stayed in Yamout's hotel room and attended a dinner at the hotel hosted by the VP of Government affairs. Black said he also toured a NextEra solar facility and a natural gas facility with six or eight NextEra employees and their family members, and that they were transported there in a van provided by NextEra. According to Black, he had not yet reimbursed the company for these expenses, but he had requested an invoice so that he could.

We asked Black why he had not reimbursed NextEra at the time of the event, and he said that the event took place after his recusal, at Yamout's invitation, and he attended to maintain his relationship with her. He said he did not think about reimbursing the company at the time. We also asked him why he did not tell us about Palm Beach during his first interview, and he said he had not remembered it.

On May 24, 2013, approximately 9 months after the Palm Beach trip, Black reimbursed NextEra \$521.28 for his expenses.

*Other Expenses.* In addition to the Greenbrier and Palm Beach trips, we were informed that Black attended a hockey game paid for by NextEra, as well as NextEra holiday parties at the VP of Government affairs' home. Black reimbursed NextEra \$129 for the hockey game—the reimbursement date is unknown, but according to Black, he paid around the time of the event—and \$189.38 in June 2013 for his holiday party expenses.

Our email review revealed other occasions on which Black might have had the opportunity to accept items of value from NextEra. One email showed that on November 5, 2011, the VP of Government affairs asked another NextEra official if it was still okay to offer Black two tickets to an upcoming Notre Dame-University of Maryland football game. NextEra later informed us that Black did not receive a ticket for, or attend, the game. According to another email, dated January 16, 2013, Black was on a list to attend a NextEra inauguration event. NextEra attorneys

informed us that Black did not attend the event. We were unable to interview Black about the football tickets or inauguration event because he declined another interview.

# **American Wind Energy Association CEO Position**

During our investigation, we discovered that Black had sought the position of CEO of AWEA and a NextEra employee serving on the AWEA board reportedly forwarded his name for consideration. We also saw that Black met with AWEA officials in his Government capacity around this time, and we reviewed whether Black was abiding by regulations for seeking, and negotiating for, employment.

According to DOI's deputy designated agency ethics official, Federal employees are prohibited from participating "personally and substantially in any particular matter" that would directly affect the financial interest of a prospective employer. If an employee is actually negotiating with a potential employer, this becomes a criminal, versus an administrative, violation.

#### AWEA Timeline

The following is a timeline of events related to Black's potential employment with AWEA. It is based on our interviews and on our review of emails, calendar entries, and documents we received from DOI employees and AWEA.

Date	Event
January 6, 2013	NextEra's VP of development asked for the VP of Government affairs'
	opinion on Black becoming the next AWEA CEO.
January 2013	The VP of development stated during his interview that he asked Black if
	he should forward Black's name as a candidate for the position. He said
	Black agreed but asked that it be kept confidential.
January 11, 2013	The executive director of the California Wind Energy Association (a
	partner of AWEA) emailed Black that the wind industry was concerned
	that wind had been excluded from vast areas in the draft Desert
	Renewable Energy Conservation Plan (DRECP), a renewable energy plan
	for a 22.5-million-acre area in the Southern California desert.
January 17, 2013	According to a BLM employee, Black directed the State/Federal DRECP
	team to find more areas in the plan for wind development. The team
	then went back to the plan and looked at the more questionable areas,
	where not as much certainty existed as to whether they were good sites
	for renewable energy, and "gray areas" were later added to incorporate
	more places for wind.
February 11, 2013	AWEA's director of siting policy was scheduled to meet with Black and
	an FWS advisor.
February 20, 2013	Hayes forwarded Black an email from an AWEA recruiter regarding the
	CEO position. Hayes wrote: "Steve, are you potentially interested? I'm
	happy to put your name in, with a strong recommendation."
February 27, 2013	Black was scheduled to meet with the director of siting policy.

Date	Event
March 4, 2013	According to the deputy ethics official's notes and emails, Black met with him and Keable and said a recruiter for AWEA had contacted him about the CEO position. The recruiter reportedly only discussed the hiring process, and Black sent him his resume. The deputy ethics official informed Black that day that he was considered to be "seeking employment" with AWEA and should not engage in matters that affected AWEA's finances.
March 18, 2013	Black told the VP of Government affairs that he could give the VP of development Black's cell phone number.
March 20, 2013	According to the deputy ethics official's notes, he received a voicemail from Black that AWEA was concerned about his ability to act as CEO with his post-Government employment restrictions and therefore he was no longer seeking employment with AWEA.

## Black's Potential AWEA Employment

NextEra's VP of development, who was a board member at AWEA, said he was on the AWEA search committee to replace the CEO in 2013. He said AWEA hired Korn Ferry, an executive search firm in Washington, DC, to conduct the search, and the AWEA board created a list of potential candidates. According to the VP of development, when he saw that Black was essentially a peer of then-Deputy Secretary Hayes, he thought about including Black on the list.

The VP of development said he contacted the VP of Government affairs, who agreed with submitting Black for consideration. He also spoke to Yamout and asked her to have Black contact him. He said that sometime in January 2013 he had a brief conversation with Black, who said he was okay with the VP of development submitting his name but wanted it to be kept confidential.

According to the VP of development, the search for a new AWEA CEO went until April 2013, but Black never made the interview list. He said he was unaware of a Korn Ferry recruiter contacting Black about the position. We showed the VP of development a March 18, 2013 email in which Black approved the VP of Government affairs' giving the VP of development his cell phone number. The VP of development then recalled that he called Black to let him know he would not be getting the position.

During his interview, the Korn Ferry recruiter stated that on February 26, 2013, he contacted Hayes about potential candidates for the AWEA CEO position, and Hayes suggested he talk to Black. The recruiter said that the next day he spoke with Black, who said he was interested in the position. The recruiter said he did not tell Black the qualifications for the position or give any information on compensation or salary. After doing some research on Black and talking with others who knew of him, the recruiter decided not to pursue Black for the position and did not forward his name to the recruiter's supervisors for review. He explained that he had noticed news articles about Black's relationship with a renewable energy industry lobbyist.

We interviewed AWEA's director of siting policy to determine his and AWEA's interaction with Black while Black was reportedly seeking the CEO position. The director said he never heard that Black was being considered for the position. According to the director, between January and March 2013, he interacted with Black on three issues: finalizing guidance for the wind industry on eagle conservation plans, changing the duration of eagle take permits from 5 years to 30 years, and revising the 2009 Eagle Permitting Rule. These, he said, were the topics discussed during his meetings with Black in February 2013. He said he did not know of Black taking any action on these issues during this time, and Black simply acted as a liaison between wind stakeholders, conservation groups, and FWS staff.

During his interview, the deputy ethics official stated that he met with Black on March 4, 2013, to discuss employment issues regarding AWEA. When we informed this official that we were told Black had NextEra's VP of development forward his name for consideration in January 2013, he said that although Black was not required to notify him, Black could have sought ethics advice back in January. According to the official, Black was seeking employment with AWEA, but he did not appear to be at the negotiations stage, which was more of a two-way discussion in which both parties had an interest. Because Black was seeking employment, the official said, Black could not participate in matters that had a direct impact on AWEA's financial interests.

We showed the official the timeline of events pertaining to Black's involvement in AWEA issues, including his meetings with the siting policy director on eagle permitting and his reported involvement in the Desert Renewable Energy Conservation Plan (DRECP). The official stated that Black's actions needed to have a "causal effect" on AWEA's finances for a violation to exist. He stated: "Although it might be a relatively direct effect on [a wind] company . . . AWEA's interests are a step removed even from industry."

We were unable to speak with Black about AWEA because he declined to be interviewed again.

#### **Black's Science-Related Issues**

During our investigation, we asked BLM and FWS employees if they ever felt pressured by Black to do anything that they felt was not based on sound science. Some employees informed us that they had, and others said that while they did not feel compelled to violate scientific standards, Black crossed the line at times in his efforts to further renewable energy, particularly concerning the DRECP.

Desert Renewable Energy Conservation Plan

Certain employees at FWS and BLM expressed concerns about Black's involvement in the DRECP and the ultimate product being approved for public comment.

According to FWS' Region 8 deputy division chief of migratory birds and habitat, the DRECP was an effort to identify areas where renewable energy permitting could be streamlined in California. The deputy division chief explained that many parties were interested in ensuring that plenty of opportunity existed in the DRECP for renewable energy development. She said that politics was involved in the process because projects on lands that were not designated as part of

the DRECP would have a more difficult time being approved for development. She also said that most of the individuals working on the plan were biologists, and they planned to identify areas of "least environmental concern" for development. She added that pressure existed to "make [the plan] work."

The deputy division chief stated that Black did not want to "let go" of potential development areas that had environmental concerns, and the DRECP process had been delayed many times by his repeated requests to the team to reassess areas in which renewable energy acreage and megawatts could be added. She also said that in certain development areas that were being analyzed for the DRECP, renewable energy projects had already been proposed on BLM lands, and Black insisted that FWS employees review those areas repeatedly for their development potential.

We spoke to an FWS Region 8 biologist who said that the latest version of the DRECP included areas that FWS felt were not good for renewable energy development because these areas had environmental concerns. She said FWS employees felt pressured by Black to include these areas in the plan anyway. The biologist later said she never felt pressured by any DOI officials to do anything that went against scientific standards, but said of the DRECP: "We need to find a balance, [and] I'm not sure we're striking it right now."

FWS' Region 8 assistant regional director for ecological services said that Black's job was to "get renewable energy projects on the ground" and keep the DRECP on schedule, which was a "political" reality. The assistant regional director said that Black put pressure on FWS to keep certain areas in the DRECP for renewable energy development even though some FWS biologists had environmental concerns about them. He explained, however, that "we're early in the process," and said Black just wanted certain areas left in the plan "for now." He said the plan would be submitted for public comment.

Agent's Note: The public comment period on the DRECP opened on September 26, 2014.

California State Office Director James Kenna said he had heard that Black had contacted the DRECP program manager directly about DRECP issues. After he found out, he said, he told Black not to talk with field employees and to contact him instead. Kenna explained that he did not want his employees' judgment to be "colored by political considerations." He said that Black agreed that he had crossed the line and "backed off." Aside from this issue, he said, Black acted appropriately in his role.

According to the DRECP program manager, she and other DRECP team members disagreed with Black about adding certain areas for renewable energy development to the DRECP because the areas were not biologically supportable. She said that the areas were ultimately added, but the DRECP team decided to add requirements for them to mitigate the environmental issues. She said this was one of the ways the team "dealt" with Black's involvement. She stated that DOI officials, including Black, also asked the team to find more areas for wind development in the DRECP, but doing so would be difficult in the desert because the eagles and condors that lived there were "not real compatible with giant spinning blades."

The program manager said that Black and his deputy called her in the late summer of 2012 about adding certain renewable energy development areas to the DRECP, and she told them she disagreed. She said that at one point, Black told her he wanted her to add a particular area into the DRECP, and she refused. She said Kenna and BLM's California State deputy director told Black not to call her, and Black never did again. Overall, she said, because Kenna and the deputy director were supportive Black was unable to exert the influence he wanted to. She said she was comfortable with the biological integrity of the DRECP and the process used to create it.

#### Other Science-Related Issues

During his interview, FWS Director Daniel Ashe stated that he felt Black was being too forceful with a Bright Source solar project in the Ivanpah Valley, in California, and Ashe told then-Chief of Staff Laura Davis that Black needed to stop talking to FWS employees in the Ventura Field Office. He said the project involved a controversial FWS consultation on the desert tortoise, and it had come to his attention that people in the Field Office were feeling direct pressure from Black. "I told Laura that this is going to be a difficult project to get over the finish line," he said. "I don't need Steve leaning on my people." Ashe said that Davis was "very good" about the situation and Black stopped contacting the field staff.

During her interview, a BLM biologist said that Black pressured her to change her scientific opinion related to a project with the company First Solar, but she refused. She explained that during Renewable Energy Policy Group meetings, Black repeatedly asked questions about this project, which could have affected desert tortoise populations. She said she had to restate her opinion on the issue numerous times at the meetings, but Black continued to question it. She said, however, that she prevailed in the end and the original plan was kept.

We also asked Salazar about the reports that Black had pressured employees on scientific issues, and he said he did not know specifically about Black doing anything improper. He explained, however, that renewable energy was a high priority of the Obama administration, and he had placed pressure on DOI's bureaus to attain renewable energy goals—noting that he had been clear that the bureaus must attain these goals while abiding by laws and regulations. He said that competing views existed at DOI about how natural resources should be used, and decisionmakers could not make everyone happy.

Salazar said that Black "did a great job" as his senior counselor and was a hard worker and true performer, but he may have "rubbed some people the wrong way."

## **SUBJECT**

Steve Black, former Senior Counselor, U.S. Department of the Interior.

#### **DISPOSITION**

Black resigned from DOI in May 2013. We brought these issues to the U.S. Attorney's Office for the District of Columbia for review; the Office declined to prosecute the case. We referred this report to the Secretary of the Interior for her review and any action deemed appropriate.