## **Overview of CEQ Guidance on Greenhouse Gases and Climate Change**

March 30, 2017 (IN10554)

## **Related Author**

• Linda Luther

Linda Luther, Analyst in Environmental Policy (<u>lluther@crs.loc.gov</u>, 7-6852)

In <u>1997</u>, the White House Council on Environmental Quality (CEQ) informed federal agencies that, to ensure compliance with the <u>National Environmental Policy Act</u> (NEPA), they may need to consider whether their actions may affect or be affected by climate change. CEQ issued revised draft guidance in <u>2010</u> and again in <u>2014</u>. On August 1, 2016—after receiving public comments and other feedback from Members of Congress, state agencies, tribes, corporations, trade associations, and other stakeholders—CEQ released final <u>guidance</u> (hereinafter, the Guidance) on consideration of greenhouse gas (GHG) emissions and climate change impacts in NEPA reviews.

The Guidance was rescinded via an executive order issued by President Trump on March 28, 2017. It is difficult to determine the effect of that rescission. The Guidance was intended to assist federal agencies in determining how and under what circumstances they should consider climate change impacts in their NEPA reviews. The Guidance itself did not establish new requirements. As a result, the rescission may change *how* agencies identify and consider climate-related impacts, but not necessarily *whether* they will determine that such analysis must be included in their NEPA reviews.

## Background Regarding NEPA

NEPA requires federal agencies to identify and consider the environmental impacts of their proposed actions and share with the public information about those impacts before making final decisions on those actions. CEQ regulations implementing NEPA, applicable to all federal agencies, establish procedures to ensure compliance with NEPA's mandates. For example, federal agencies must:

- prepare a detailed environmental impact statement (EIS) for actions <u>significantly</u> affecting the <u>human</u> <u>environment</u>, or, if impacts are uncertain, they may prepare an environmental assessment (EA) to determine if an EIS is needed;
- implement a public scoping process to determine the scope of issues to be analyzed;
- discuss details of the proposal and its reasonable alternatives, including measures to mitigate adverse impacts; and
- identify <u>direct and indirect</u> environmental effects of the proposal and alternatives, including any <u>cumulative</u> <u>impacts</u>.

<u>Federal actions</u> subject to NEPA include approval of site-specific projects to receive federal funding or regulatory approvals or the adoption of official policies, rules, plans, or programs. Each federal agency <u>adopted and supplemented</u> CEQ's NEPA regulations to reflect their respective <u>decisionmaking authorities</u>.

CEQ's draft guidance in 1997 called on federal agencies to consider climate change impacts in NEPA reviews. It then provided more detail on when and how to do so in its 2010 and 2014 guidance. During the 2000s, when the CEQ guidance remained in draft and courts found that agencies must consider climate-related impacts in their NEPA reviews, federal agencies <u>began to modify their NEPA procedures</u> to do so. Many agencies currently include some level of analysis of climate impacts in their EAs and EISs. Those analyses generally quantify direct GHG emissions from a proposed action and its alternatives. CEQ's final Guidance built on its past guidance and was intended, in part, to ensure more consistent evaluation of climate change impacts.

## Key Elements of the Guidance

To determine a federal action's potential to affect climate change, the Guidance recommended that agencies use existing tools to quantify GHG emissions. It also recommended that agencies coordinate with CEQ to identify actions they approve that normally warrant or do not warrant quantification of GHG emissions. Further, the Guidance recommended that agencies consider a proposal's GHG emissions via the following elements of the NEPA process:

- Scoping process—Identify the scope broadly enough to ensure that reasonably <u>connected actions</u> affecting GHG emissions are assessed.
- Alternatives analysis—Identify and consider alternatives that mitigate GHG emissions.
- Impact analysis—When direct and indirect GHG emissions can be quantified, use those data when analyzing the proposal's direct and indirect effects. (Those data would also indicate cumulative impacts.)
- Mitigation measures—Identify verifiable, enforceable activities that could reduce a proposal's GHG emissions.

When data regarding foreseeable impacts of climate change are available, the Guidance also recommended that agencies consider those impacts on the proposal and its impacts on the environment. Such data may be relevant when identifying the <u>environment affected by the proposal</u>. For example, if a project requires water from a local stream, the project's future operation and its impact on the local community may change if water availability is affected by drought. Further, the Guidance recommended that agencies use information developed during the NEPA review to identify alternatives that would make the action and affected communities more resilient to the effects of climate change.

The Guidance noted that implementing its recommendations would not require agencies to develop new NEPA procedures, but it recommended that agencies review and update their procedures as necessary. Further, when it released the guidance, CEQ stated that it anticipated that individual agencies would implement the Guidance in accord with their existing NEPA procedures and policies. CEQ noted that agencies have discretion in how they would tailor their NEPA reviews to accommodate recommendations in the Guidance.

Many federal agencies already included some analysis of climate impacts in their respective environmental reviews. Some do so in response to previous judicial action. As a result, it is difficult to determine whether or the degree to which federal agencies currently implement procedures similar to what CEQ recommended. Now that the Guidance has been rescinded, it is uncertain how agencies may respond. As noted, the absence of guidance from CEQ recommending *how* an agency may quantify and consider GHG emissions does not necessarily mean that agencies will no longer do so, particularly if they are currently performing such analysis as a result of some court directive or according to existing agency-specific regulations.