



December 8, 2023

**To:** Council on Environmental Quality

**Re:** National Environmental Policy Act Guidance on Consideration of Greenhouse Gas Emissions and Climate Change, 88 Fed. Reg. 1196 (Jan. 9, 2023)

**Submitted:** Via e-mail to CEQ (and posted publicly on [policyintegrity.org](https://policyintegrity.org))

The Institute for Policy Integrity at New York University School of Law (Policy Integrity)<sup>1</sup> respectfully submits this supplemental comment letter on the Council on Environmental Quality’s (CEQ) interim guidance on analyzing climate change effects under the National Environmental Policy Act (Interim Guidance).<sup>2</sup> This letter recommends that CEQ endorse the Environmental Protection Agency’s (EPA) newly released social cost of greenhouse gases estimates when it finalizes the Interim Guidance—or, at a minimum, instruct agencies to use valuations that reflect recent science and economics.

The Interim Guidance instructs agencies to apply the social cost of greenhouse gases in environmental analysis.<sup>3</sup> Yet while the guidance recommends using “the best available estimates” and offers direction on discounting and geographic scope, it does not endorse specific climate-damage estimates.<sup>4</sup> Policy Integrity’s comment letter from April 2023 suggested that CEQ go further by “endorsing the latest climate-damages estimates from the Environmental Protection Agency.”<sup>5</sup> At that time, EPA’s values were unfinalized.

EPA finalized its climate-damage values earlier this month, following public comment and expert peer review.<sup>6</sup> EPA’s updated values are the most robust and comprehensive federal climate-damage estimates currently available. They implement the 2017 roadmap from the National Academies of Sciences for improving the existing Interagency Working Group

---

<sup>1</sup> Policy Integrity is a non-partisan think tank dedicated to improving the quality of government decisionmaking through advocacy and scholarship in the fields of administrative law, economics, and public policy. This document does not purport to present the views, if any, of New York University School of Law.

<sup>2</sup> National Environmental Policy Act Guidance on Consideration of Greenhouse Gas Emissions and Climate Change, 88 Fed. Reg. 1196 (Jan. 9, 2023) [hereinafter Interim Guidance].

<sup>3</sup> *Id.* at 1202.

<sup>4</sup> *Id.* at 1202 n.63.

<sup>5</sup> Inst. for Pol’y Integrity, Comments on National Environmental Policy Act Guidance on Consideration of Greenhouse Gas Emissions and Climate Change 1, 9–10 (Apr. 11, 2023) (CEQ-2022-0005-0348).

<sup>6</sup> ENV’T PROT. AGENCY, EPA REPORT ON THE SOCIAL COST OF GREENHOUSE GASES: ESTIMATES INCORPORATING RECENT SCIENTIFIC ADVANCES (2023).

estimates.<sup>7</sup> They also incorporate newer scientific and economic evidence.<sup>8</sup> Expert peer reviewers praised EPA’s numbers as a “huge advance,”<sup>9</sup> a “significant step,”<sup>10</sup> and a “much-needed improvement”<sup>11</sup> that “advanc[es] our state of knowledge”<sup>12</sup> and “represents well the emerging consensus in the literature.”<sup>13</sup> These estimates also fit with CEQ’s guidance on discounting and geographic scope.<sup>14</sup>

Because EPA’s updated climate-damage estimates are the best currently available from the federal government, CEQ should endorse them when it finalizes the Interim Guidance. Specifically, CEQ should recommend that agencies apply these valuations whenever they monetize climate damages in environmental review—preferably in the agency’s primary analysis, but at minimum in a supplemental or sensitivity analysis.

If CEQ chooses not to endorse particular valuations, it could alternatively instruct agencies to apply climate-damage valuations that reflect recent scientific and economic research. Such guidance would give agencies flexibility to adopt appropriate valuations that are global, recent, and sufficiently value the future.

Sincerely,

Peter Howard, Economics Director  
Max Sarinsky, Senior Attorney  
Andrew Stawasz, Legal Fellow

---

<sup>7</sup> NAT’L ACAD. SCI., ENGINEERING & MED., VALUING CLIMATE DAMAGES: UPDATING ESTIMATION OF THE SOCIAL COST OF CARBON DIOXIDE (2017).

<sup>8</sup> See ENV’T PROT. AGENCY, *supra* note 6, at 46 fig.2.3.1 (comparing publication year of studies underlying EPA’s estimates to those underlying Interagency Working Group estimates).

<sup>9</sup> FINAL COMMENTS SUMMARY REPORT, EXTERNAL LETTER PEER REVIEW OF TECHNICAL SUPPORT DOCUMENT: SOCIAL COST OF GREENHOUSE GAS 7 (2023) (comments of Dr. Maureen Cropper).

<sup>10</sup> *Id.* at 9 (comments of Dr. Chris E. Forest)

<sup>11</sup> *Id.* at 10 (comments of Dr. Catherine Louise Kling)

<sup>12</sup> *Id.* at 14 (comments of Dr. Wolfram Schlenker).

<sup>13</sup> *Id.* at 15 (comments of Dr. Gernot Wagner).

<sup>14</sup> See Interim Guidance, 88 Fed. Reg. at 1202 (endorsing climate-damage values with a global scope and that “discount future effects at rates that consider future generations”).