



U.S. Council on Environmental Quality Issues Climate Change Guidance for NEPA Reviews of Clean Energy Projects

In the January 9 Federal Register, the Council on Environmental Quality (CEQ) published updated [Guidance on Consideration of Greenhouse Gas Emissions and Climate Change](#) for the assessment and disclosure of climate impacts related to agency environmental reviews conducted pursuant to the National Environmental Policy Act (NEPA). The NEPA review focus of the guidance is federal agency permitting for clean energy and other infrastructure projects and is designed to provide more clarity and predictability for conducting agency reviews. The guidance highlights existing tools and best practices.

Other than the statutory authority to promulgate system-wide NEPA-related rules, the CEQ has no agency-specific rulemaking authority. Thus, the term “NEPA review” as used in the guidance includes the analysis, process, and documentation required under NEPA pursuant to each federal agency’s substantive authorities. Agencies are directed to analyze greenhouse gas (GHG) emissions and climate-resilient design issues early in the planning and development of proposed actions and projects under the respective agency’s substantive purview.

In part, the guidance addresses the appropriate use of the social cost of greenhouse gases to disclose climate impacts. Focusing on the administration’s goal of reaching “net-zero” carbon emissions by 2050, the CEQ provides specific recommendations for renewable and low greenhouse gas projects which are designed to keep agency reviews more focused, and to make projects more climate-smart and resilient.

The guidance replaces 2016 emissions guidance that had been withdrawn by the Trump administration and specifically:

- **Updates the 2016 guidance** consistent with developments in climate science, caselaw, and the urgency of the climate crisis;
- **Emphasizes a “rule of reason”** that the depth of analysis should be proportional to a project’s impacts and clarifies that projects that will reduce GHG emissions, such as certain renewable and low GHG projects, can have less detailed GHG emissions analysis;
- **Clarifies best practices** for analyzing climate change effects, including by clarifying the need to quantify indirect emissions, which will help projects avoid legal setbacks and provide transparency to help drive climate-smart decisions;
- **Recommends best practices** for communicating and providing context for climate impacts, such as by noting relevant climate action commitments and goals and using the social cost of GHGs to **generate monetary estimates of climate impacts**;
- **Recommends that agencies mitigate GHG emissions** to the greatest extent possible;
- **Advances environmental justice** by encouraging agencies to meaningfully engage with affected communities and incorporate environmental justice considerations into climate-related analysis; and,
- **Supports broad scale or programmatic approaches** that can make later reviews more efficient.

Although effective immediately, the public is invited to provide comments to the CEQ by March 10, 2023. CEQ intends to either revise the guidance in response to public comments or finalize the interim guidance.

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