

# United States Senate

WASHINGTON, DC 20510

November 4, 2021

The Honorable Cecilia Rouse  
Chair  
Council of Economic Advisors  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

The Honorable Shalanda Young  
Acting Director  
Office of Management and Budget  
725 17<sup>th</sup> Street, NW  
Washington, DC 20503

The Honorable Dr. Eric Lander  
Director  
Office of Science and Technology Policy  
Eisenhower Executive Office Building  
1650 Pennsylvania Avenue, NW  
Washington, DC 20504

Dear Chair Rouse, Acting Director Young, and Director Lander,

We write to request that you, the “Interagency Working Group on the Social Cost of Greenhouse Gases” (Working Group) Co-Chairs, provide the Working Group’s recommendations regarding “areas of decision-making, budgeting, and procurement by the Federal Government” where “Social Cost of Greenhouse Gases” (SC-GHG) may or are expected to be used.<sup>1</sup>

President Biden’s Executive Order (E.O.) 13990 required the Working Group to provide those recommendations to the President by no later than September 1, 2021.<sup>2</sup> That deadline has lapsed and no insights have been offered to Congress or the American public on when and what to expect in these recommendations. This Administration has repeatedly failed to live up to its own commitment to transparency and “sharing accurate information with the American people.”<sup>3</sup> The opaque decision-making process this Administration has chosen on this significant issue will result in policies that ultimately hurt American consumers who are already facing rising energy and grocery prices, slow economic growth, and uncontrolled inflation.

Given the potential wide-reaching application of the SC-GHG in decision-making, budgeting, and procurement, it is critically important for the Working Group to be transparent and accountable in its actions. The recommendations, if acted upon, will implicate serious policy decisions across the Executive Branch—decisions that will also have significant burdens and

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<sup>1</sup> The SC-GHG consist of the “Social Cost of Carbon” (SCC), “Social Cost of Nitrous Oxide” (SCN), and “Social Cost of Methane” (SCM).

<sup>2</sup> Exec. Order No. 13990, *Protecting Public Health and the Environment and Restoring Science To Tackle the Climate Crisis*, 86 Fed. Reg. 7037, 7040 (Jan. 20, 2021).

<sup>3</sup> *Biden White House pledges data, transparency, respect for free press*, REUTERS (Jan. 20, 2021), <https://www.reuters.com/article/us-usa-biden-briefing/biden-white-house-pledges-data-transparency-respect-for-free-press-idUSKBN29Q08S>.

costs for state and local governments and the private sector and likely require funding or authorization from Congress.

As the Working Group continues to work behind closed doors, agencies are already using SC-GHG calculations in regulatory actions that impact all Americans.<sup>4</sup> EPA has even gone so far as to strongly recommend the Federal Energy Regulatory Commission (FERC) use the SC-GHG in the certification of natural gas infrastructure and environmental impact statements.<sup>5</sup> The use of SC-GHG and other derivations thereof will be cited in many regulatory actions this Administration is pursuing to implement its plans to take a “whole-of-government” approach to climate. EPA Administrator Michael Regan has confidently stated that regardless of any action by Congress “EPA is already aggressively using its rulemaking authority” and would be willing to wield broader regulatory authority to deliver on the Administration’s climate goals, especially the 50 to 52 percent emissions reduction goal outlined by the White House’s Nationally Determined Contribution (NDC).<sup>6</sup>

Lawmakers—including members of the Senate Committee on Environment and Public Works—have repeatedly requested that the White House release the information and potential regulatory actions underpinning the NDC projections, but have received no response.<sup>7</sup> This reaction from the White House is disturbingly similar to the Administration’s response on SC-GHG to date.

As a critical part of our oversight responsibilities, we need to know whether, how, and when the Administration plans to use these figures moving forward. It is vital that the American public have confidence in the Working Group’s activities, and we must understand the government’s justifications for future policies utilizing the SC-GHG that could exacerbate many of the ongoing economic challenges and labor disruptions the policies of this Administration have already caused. Fulfilling our request to provide the recommendations to Congress is a necessary step for the Working Group to maintain public credibility and necessary transparency as it implements President Biden’s agenda.

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<sup>4</sup> E.g., U.S. Environmental Protection Agency, *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards*, 86 Fed. Reg. 43726 (Aug. 10, 2021); U.S. Environmental Protection Agency, *Phasedown of Hydrofluorocarbons: Establishing the Allowance Allocation and Trading Program under the American Innovation and Manufacturing Act*, 86 Fed. Reg. 55116 (Oct. 8, 2021); U.S. EPA, *U.S. to Sharply Cut Methane Pollution that Threatens the Climate and Public Health* (Nov. 2, 2021), <https://www.epa.gov/newsreleases/us-sharply-cut-methane-pollution-threatens-climate-and-public-health>; U.S. Dep’t of Interior, Bureau of Land Mgmt., *Bureau of Land Management Announces Next Steps, New Analyses For Upcoming Oil And Gas Lease Sales* (Oct. 29, 2021), <https://www.blm.gov/press-release/bureau-land-management-announces-next-steps-new-analyses-upcoming-oil-and-gas-lease>.

<sup>5</sup> See Letter from Victoria Arroyo, U.S. EPA to FERC on the Certification of New Interstate Natural Gas Facilities (May 26, 2021); Letter from Mark Austin, U.S. EPA, to FERC on the Iroquois Pipeline Enhancement by Compression Project (Aug. 9, 2021); Letter from Jonna Polk, U.S. EPA, to FERC on the East Lateral Xpress Project (Aug. 16, 2021).

<sup>6</sup> Maxine Joselow, *EPA head says he’ll act on climate even if Congress doesn’t*, WASH. POST (Oct. 12, 2021), <https://www.washingtonpost.com/politics/2021/10/12/epa-head-says-he-act-climate-even-if-congress-doesnt/>.

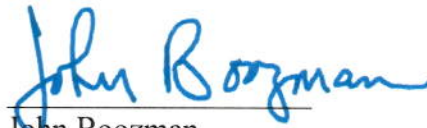
<sup>7</sup> See e.g., Letter from Hon. Shelley Moore Capito, Cathy McMorris Rodgers, Jim Inhofe & David McKinley to President Joseph R. Biden (Sept. 9, 2021), [https://www.epw.senate.gov/public/\\_cache/files/1/c/1c487b1f-5235-4e65-89e0-969e9f15727e/317C002059CE4F84F140C2BFE5681CE1.2021-09-09-letter-to-wh-on-ndc-calculations.pdf](https://www.epw.senate.gov/public/_cache/files/1/c/1c487b1f-5235-4e65-89e0-969e9f15727e/317C002059CE4F84F140C2BFE5681CE1.2021-09-09-letter-to-wh-on-ndc-calculations.pdf); Letter from Hon. Jim Inhofe to President Joseph R. Biden (May 17, 2021), <https://www.inhofe.senate.gov/newsroom/press-releases/inhofe-urges-biden-to-bring-transparency-to-paris-climate-pledge-process>.

We ask that you provide the Working Group's recommendations, as required by E.O. 13990, no later than November 11, 2021. We look forward to your reply.

Sincerely,



Shelley Moore Capito  
Ranking Member  
Committee on Environment and Public Works



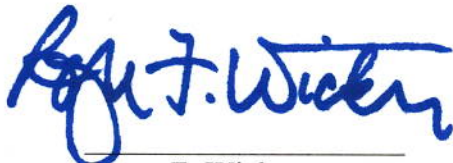
John Boozman  
Ranking Member  
Committee on Agriculture, Nutrition, and Forestry



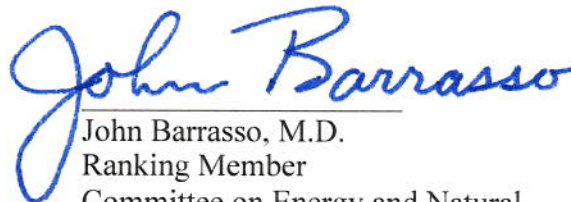
Pat Toomey  
Ranking Member  
Committee on Banking, Housing, and Urban Affairs



Lindsey O. Graham  
Ranking Member  
Committee on the Budget



Roger F. Wicker  
Ranking Member  
Committee on Commerce, Science, and Transportation



John Barrasso, M.D.  
Ranking Member  
Committee on Energy and Natural Resources



Mike Crapo  
Ranking Member  
Committee on Finance



Richard Burr  
Ranking Member  
Committee on Health, Education, Labor and Pensions



Rob Portman  
Ranking Member  
Committee on Homeland Security and  
Governmental Affairs

cc: The Honorable Janet Yellen, Secretary of the Treasury  
The Honorable Deb Haaland, Secretary of the Interior  
The Honorable Tom Vilsack, Secretary of Agriculture  
The Honorable Gina Raimondo, Secretary of Commerce  
The Honorable Xavier Becerra, Secretary of Health and Human Services  
The Honorable Pete Buttigieg, Secretary of Transportation  
The Honorable Jennifer Granholm, Secretary of Energy  
The Honorable Brenda Mallory, Chair of Council on Environmental Quality  
The Honorable Michael Regan, Administrator of the Environmental Protection Agency  
The Honorable Gina McCarthy, National Climate Advisor  
Mr. Brian Deese, Director of the National Economic Council