



August 26, 2019

Council on Environmental Quality  
730 Jackson Place NW  
Washington, DC 20503  
Attn: Docket No. CEQ-2019-0002  
*VIA Regulations.gov*

**RE: Draft National Environmental Policy Act Guidance on Consideration of Greenhouse Gas Emissions [Docket No. CEQ-2019-0002]**

The Natural Gas Supply Association and the Center for Liquefied Natural Gas (collectively, the “Joint Natural Gas Trades”) respectfully submit the following comments in support of the Council on Environmental Quality’s (CEQ) 2019 draft guidance on consideration of greenhouse gas emissions for evaluating proposed major Federal actions in accordance with the National Environmental Policy Act (“2019 draft guidance”). For the reasons discussed below, the Joint Natural Gas Trades encourage CEQ to adopt the draft guidance, which provides for a balanced, meaningful and pragmatic approach to the environmental review process.

The Joint Natural Gas Trades support the Administration’s effort to provide guidance that will assist federal agencies in better navigating the environmental review process, which is a critical aspect of ensuring a proposed project is in the public interest. The Joint Natural Gas Trades have a strong appreciation for the environmental review process and believe that it is important for federal agencies to conduct thorough assessments when fulfilling their requirements under the National Environmental Policy Act (NEPA). If adopted, this guidance will provide agencies with the tools to effectively address the consideration of greenhouse gas

(GHG) emissions and to make well-informed decisions in the permitting of energy infrastructure needed to serve consumers.<sup>1</sup>

### **Interest of NGSA and CLNG**

Founded in 1965, the Natural Gas Supply Association (NGSA) represents integrated and independent energy companies that produce, transport and market domestic natural gas and is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA's members trade, transact and invest in the U.S. natural gas market in a range of different manners. NGSA members transport and/or supply billions of cubic feet of natural gas per day on interstate pipelines and could be greatly impacted by the outcome of this proceeding.

The Center for Liquefied Natural Gas (CLNG) advocates for public policies that advance the use of liquefied natural gas (LNG) in the United States, and its export internationally. A committee of the Natural Gas Supply Association, CLNG represents the full value chain, including LNG producers, shippers, terminal operators and developers, providing it with unique insight into the ways in which the vast potential of this abundant and versatile fuel can be fully realized.

### **Comments**

#### **A. CEQ's Proposed Draft Guidance Provides for a Meaningful and a Pragmatic Approach to the Environmental Review Conducted Under NEPA**

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<sup>1</sup> Pursuant to the March 28, 2017 Executive Order "Promoting Energy Independence and Economic Growth," the 2016 "Final Guidance for Federal Departments and Agencies on Consideration of Greenhouse Gas Emissions and the Effect of Climate Change in National Environmental Policy Act Reviews" was withdrawn in April 2017. CEQ is proposing to replace the 2016 guidance and is seeking comment on its draft guidance to assist Federal agencies in their consideration of GHG emissions when evaluating proposed major Federal actions in accordance with the National Environmental Policy (NEPA) Act.

The Joint Natural Gas Trades support the Administration's proposed guidance because it provides for a pragmatic and meaningful environmental review within the bounds of NEPA. The 2019 draft guidance balances two very important goals: a thorough review of the climate impacts of proposed projects as well as ensuring that projects that are in the public interest are permitted in a timely manner. CEQ's draft achieves these goals by providing comprehensive guidance directing agencies to consider both direct and reasonably foreseeable indirect GHG emissions of a proposed project, as well as how to determine whether a quantitative or qualitative analysis is most appropriate for its review. This process acknowledges that federal agencies have the expertise to best determine what data provides them with the most valid and meaningful assumptions to assess the project impacts and to decide whether the project is in the public interest.

Given that environmental reviews are a central component to the project approval process, we appreciate CEQ's effort to align the guidance with decades of NEPA precedent and long-established practices by federal agencies, so that agencies have the clarity and certainty they need to conduct meaningful environmental reviews.

### **B. Natural Gas Continues to Play a Key Role in Supporting Our Nation's Energy Needs.**

Federal guidance that establishes an efficient and transparent permitting process is essential for investment the natural gas market needs to ensure that we can reliably meet anticipated demand. The natural gas industry is a dynamic market that serves electric generation, home heating, manufacturing, LNG exports, industrial plants and more. Pipeline infrastructure enables the reliable delivery of natural gas to serve these customers and provides numerous economic and environmental benefits.

Demand for natural gas-fired generation is growing and having infrastructure in place to meet those demands is essential. The Energy Information Administration in its latest Annual Energy Outlook shows that demand for natural gas will continue to grow over the next 20 years in the industrial and power generation sectors, and most notably for LNG exports.<sup>2</sup> Further, analysts estimate that rising gas demand and production levels could spur the need for up to 21 billion cubic feet per day of new gas pipeline infrastructure.<sup>3</sup>

## **Conclusion**

As detailed above, the Joint Natural Gas Trades support CEQ's draft guidance on the consideration of GHG emissions in the environmental assessments for proposed infrastructure projects. We encourage CEQ to adopt and finalize its draft guidance, which will provide for a balanced, meaningful and pragmatic approach to the environmental review process.

Sincerely,

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<sup>2</sup> Demand for LNG exports is steadily increasing, with an expected 175% in growth over the next 20 years. See Energy Information Administration, 2019 Annual Energy Outlook, January 2019.

<sup>3</sup> See 'The Role of Natural Gas in the Transition to a Lower-Carbon Economy,' The INGAA Foundation, May 2019, found [here](#).