COMMENTS OF ATTORNEYS GENERAL OF THE STATES OF CALIFORNIA, WASHINGTON, NEW YORK, THE COMMONWEALTH OF MASSACHUSETTS, ARIZONA, COLORADO, CONNECTICUT, DELAWARE, ILLINOIS, MAINE, MARYLAND, MICHIGAN, MINNESOTA, NEW MEXICO, OREGON, RHODE ISLAND, VERMONT, THE DISTRICT OF COLUMBIA AND HARRIS COUNTY, TEXAS

August 1, 2025

## **VIA REGULATIONS.GOV**

Stephen G. Tryon Director, Office of Environmental Policy Department of the Interior

Re: Department of Interior Interim Final Rule, Docket Number DOI-2025-0004

To Whom It May Concern:

The Attorneys General of the States of California, Washington, New York, the Commonwealth of Massachusetts, Arizona, Colorado, Connecticut, Delaware, Illinois, Maine, Maryland, Michigan, Minnesota, New Mexico, Oregon, Rhode Island, Vermont, the District of Columbia and Harris County, Texas (collectively, States) respectfully submit these comments in opposition to the Department of the Interior's (Agency) Interim Final Rule (the Rescission Rule or Rule) rescinding most of the Agency's regulations implementing the National Environmental Policy Act (NEPA), 42 U.S.C. §§ 4321–4347.

NEPA has long supported informed and transparent agency decision-making and allowed for meaningful public participation in developing and reviewing proposed federal actions.<sup>2</sup> Congress enacted NEPA to advance a national policy of environmental protection by requiring federal agencies to conduct thorough and careful review of their actions' environmental impacts.<sup>3</sup> As the Supreme Court has explained, Congress intended NEPA's "action-forcing procedures" to help "[e]nsure that the policies [of NEPA] are implemented."<sup>4</sup> In order to implement NEPA within the work of the Agency, the Agency promulgated regulations.<sup>5</sup> The Agency's abrupt action to repeal most of its longstanding NEPA regulations will disrupt and

<sup>&</sup>lt;sup>1</sup> The Agency's interim final rule is titled "National Environmental Policy Act Implementing Regulations," 90 Fed. Reg. 29,498 (July 3, 2025), Docket ID No. DOI-2025-0004.

<sup>&</sup>lt;sup>2</sup> U.S. Gov't Accountability Off., GAO14-369, National Environmental Policy Act: Little Information Exists On NEPA Analyses, 16 (2014), https://www.gao.gov/products/gao-14-370 (last visited July 20, 2025) ("[a]ccording to studies and agency officials, some of the qualitative benefits of NEPA include its role in encouraging public participation and in discovering and addressing project design problems that could be more costly in the long run."); Implementation of Procedural Provisions: Final Regulations, 43 Fed. Reg. 55,978 (Nov. 29, 1978) (hereinafter the 1978 Final Rule).

<sup>&</sup>lt;sup>3</sup> 42 U.S.C. §§ 4331, 4332.

<sup>&</sup>lt;sup>4</sup> Andrus v. Sierra Club, 442 U.S. 347, 350 (1979) (quoting S. Rep. No. 91-296, at 19 (1969)); see also Robertson v. Methow Valley Citizens Council, 490 U.S. 332, 349 (1989) ("Simply by focusing the agency's attention on the environmental consequences of a proposed project, NEPA ensures that important effects will not be overlooked or underestimated, only to be discovered after resources have been committed or the die otherwise cast.").

<sup>&</sup>lt;sup>5</sup> Implementation of the National Environmental Policy Act (NEPA) of 1969, 73 Fed. Reg. 61,292 (Oct. 15, 2008).

undermine the implementation of NEPA across the country.

States have a strong interest in robust NEPA compliance and the significant opportunities for public participation provided by the NEPA process allow states to protect their residents, property, and natural resources. The States and our residents are injured by the effects of environmental degradation, including effects exacerbated by climate change. The States also have a quasi-sovereign interest in preventing harm to the health of our natural resources and ecosystem and are entitled to "special solicitude" in seeking redress for environmental harms within our borders. States also have a strong interest in the Agencies' consultation process with state agencies that have jurisdiction or special expertise related to the federal permitting process. The CEQ regulations, by comparison, emphasized early participation, and participation throughout all stages of the process.

The Agency's Rescission Rule will undo this guiding framework for federal agencies' environmental review under NEPA to the detriment of the States. These comments describe how the Rescission Rule: (1) harms the States; (2) is arbitrary and capricious (3) fails to conform to the requirements for notice-and-comment rulemaking under the Administrative Procedure Act (APA); and (4) is contrary to law. In sum, the Rescission Rule is unlawful. For the reasons stated below, the States strongly oppose the Rescission Rule and request that it be withdrawn in its entirety.<sup>9</sup>

### I. BACKGROUND

Since 1969, NEPA has promoted informed, transparent, and coordinated agency decisionmaking and meaningful public participation in the development of major infrastructure projects. By requiring thorough environmental review prior to taking significant federal actions, NEPA has helped regulatory agencies and the American people evaluate and understand how such projects impact the environment and public health. NEPA's procedural safeguards have—among other things—protected drinking water from radioactive contamination, protected the public from exposure to harmful air pollutants and pathogens, and alerted agencies to wildfire risk so that damage from those fires could be mitigated. Across the country, Americans have

<sup>9</sup> By separate correspondence through Regulations.gov, on Mar. 14, 2025, California, Washington, New York, Colorado, Delaware, Illinois, Maine, Maryland, Minnesota, New Jersey, Oregon, Rhode Island, Wisconsin, the Commonwealth of Massachusetts, the District of Columbia, and Harris County, Texas, filed a letter requesting that CEQ extend the comment period for the Rescission Rule. Comment ID CEQ-2025-0002-17196.

<sup>&</sup>lt;sup>6</sup> Alfred L. Snapp & Son, Inc. v. Puerto Rico ex rel. Baez, 458 U.S. 592, 607 (1982); Maryland v. Louisiana, 451 U.S. 725, 737–38 (1981).

<sup>&</sup>lt;sup>7</sup> Massachusetts v. EPA, 549 U.S. 497, 519–22 (2007).

<sup>&</sup>lt;sup>8</sup> *Id.* at 520.

<sup>&</sup>lt;sup>10</sup> See Comments of Attorneys General of California, Illinois, Maryland, New Jersey, New York, Oregon, Vermont, and Washington, the Commonwealth of Massachusetts, and the Secretary of the Commonwealth of Pennsylvania Department of Environmental Protections on Update to the Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act, 83 Fed. Reg. 28,591, at 2–5 (Aug. 20, 2018) [hereinafter 2018 Multistate Comments], https://www.regulations.gov/comment/CEQ-2018-0001-11812; Comments of Attorneys General of Washington, California, New York, District of Columbia, Connecticut, Delaware, Guam, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, Oregon, Pennsylvania, Rhode Island, and Vermont on Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act, 85 Fed. Reg. 1684, at 8–12 (Mar. 10, 2020) [hereinafter 2020 Multistate Comments], https://www.regulations.gov/comment/CEQ-2019-0003-172704.

<sup>&</sup>lt;sup>11</sup> See Env't L. Inst., NEPA Success Stories: Celebrating 40 Years of Transparency and Open Government (2010), https://ceq.doe.gov/docs/get-involved/NEPA\_Success\_Stories.pdf; Elly Pepper, Never Eliminate Public Advice:

benefited from increased safety, preservation of natural resources, and long-term reductions in costs as a result of NEPA's review process.

# A. CEQ Adopted Regulations to Address Inconsistent Agency Practices and Interpretations

From 1978 to 2025, CEQ's regulations implementing NEPA guided environmental review for agencies across the federal government. This single set of overarching regulations ensured consistency across federal agencies' environment review of federal actions. <sup>12</sup>

CEQ began providing federal agencies with guidelines for consistent application of NEPA across agencies in 1970, soon after NEPA was enacted. After seven years of attempting to implement NEPA across agencies with only guidelines, however, CEQ found that inconsistent agency practices and interpretation of the law . . . impeded Federal coordination and made it more difficult for those outside government to understand and participate in the environmental review process. At To address those difficulties, President Carter issued Executive Order (E.O.) 11991, 3 C.F.R. 123 (1977) (E.O. 11991) in May 1977, directing CEQ to "[i]ssue regulations to Federal agencies for the implementation of the procedural provisions of [NEPA] (42 U.S.C. § 4332(2)). CEQ's regulations would serve to create a "uniform, governmentwide" approach to NEPA review; to "make the environmental impact statement process more useful to decisionmakers and the public; and to reduce paperwork and the accumulation of extraneous background data, in order to . . . focus on real environmental issues." CEQ issued final NEPA implementing regulations in 1978 (1978 Regulations).

The 1978 Regulations were binding on all federal agencies. <sup>19</sup> Agencies conformed their NEPA procedures accordingly: The regulations of the Agency, the Army Corps of Engineers, the Environmental Protection Agency (EPA), the United States Forest Service, the Federal Highway Administration, and other agencies referred to and in some cases explicitly incorporated CEQ's 1978 Regulations. <sup>20</sup> In addition to promoting uniformity across the federal government, CEQ's

NEPA Success Stories, NRDC (Feb. 1, 2015), https://www.nrdc.org/resources/never-eliminate-public-advice-nepa-success-stories.

<sup>&</sup>lt;sup>12</sup> Implementation of Procedural Provisions: Final Regulations, 43 Fed. Reg. 55,978 (Nov. 29, 1978).

<sup>&</sup>lt;sup>13</sup> CEQ issued interim guidelines for implementing NEPA to agencies in May 1970, Statements on Proposed Federal Actions Affecting the Environment: Interim Guidelines, 35 Fed. Reg. 7,390, 7,391 (May 12, 1970), pursuant to President Nixon's Executive Order directing CEQ to issue such guidelines, Exec. Order 11,514, 35 Fed. Reg. 4,247, 4,248 (Mar. 7, 1970). CEQ finalized the guidelines in 1971 and revised them in 1973. Statements on Proposed Federal Actions Affecting the Environment: Guidelines, 36 Fed. Reg. 7,724 (Apr. 23, 1971); Preparation of Environmental Impact Statements: Proposed Guidelines, 38 Fed. Reg. 10,856 (May 2, 1973).

<sup>&</sup>lt;sup>14</sup> 43 Fed. Reg. at 55,978.

<sup>&</sup>lt;sup>15</sup> Exec. Order No. 11991, 42 Fed. Reg. 26967 (May 24, 1977).

<sup>&</sup>lt;sup>16</sup> 43 Fed. Reg. at 55,978.

<sup>&</sup>lt;sup>17</sup> Exec. Order No. 11,991, 42 Fed. Reg. at 26,967.

<sup>&</sup>lt;sup>18</sup> 43 Fed. Reg. at 55978.

<sup>&</sup>lt;sup>19</sup> 43 Fed. Reg. at 55978.

<sup>&</sup>lt;sup>20</sup> See, e.g., 43 C.F.R. § 46.20 ("This part supplements, and is to be used in conjunction with, the CEQ regulations . . .") (Interior); 33 C.F.R. § 230.13(b) ("A supplement to the draft or final EIS should be prepared whenever required as discussed in 40 C.F.R. § 1502.09(c).") (Army Corps); 40 C.F.R. § 6.100(b) (". . . adopts the CEQ Regulations (40 CFR Parts 1500 through 1508) implementing NEPA . . . Subparts A through C supplement, and are to be used in conjunction with, the CEQ Regulations") (EPA); 36 C.F.R. § 220.4(e)(2) ("Scoping shall be carried out in

regulations aided development of state environmental regulations and facilitated public involvement in the environmental review process. And by providing a unified set of standards for environmental review across dozens of different agencies, CEQ's regulations helped the public to understand the NEPA process and made participation in the process more accessible.

# B. CEQ Rescinded Its NEPA Regulations in 2025

CEQ's 1978 Regulations were remarkably durable, with only a few minor revisions made over the following four decades. However, in 2017, after nearly 40 years of stable NEPA implementation, President Trump issued E.O. 13807 directing CEQ to revise its regulations. In July 2020, CEQ finalized a rule that improperly narrowed environmental review under NEPA, threatened meaningful public participation, and impermissibly restricted judicial review of agency actions (2020 Rule). The States and numerous public interest organizations filed lawsuits challenging the unlawful 2020 Rule.

The lawsuits were dismissed after CEQ, under the Biden Administration, issued revised NEPA regulations in 2022 and 2024 (2022 Rule and 2024 Rule, respectively) which reversed many provisions of the 2020 Rule and restored key provisions of the 1978 Regulations. Among these, the 2022 Rule required analysis of all reasonably foreseeable effects of a major federal action. The 2024 Rule restored most of the remaining provisions of the 1978 Regulations, strengthened participation, strengthened analysis of climate change and human health impacts including environmental justice concerns, and implemented amendments to the NEPA statute enacted in the 2023 Fiscal Responsibility Act (FRA).

In 2024, a group of states led by Iowa filed a lawsuit—*Iowa v. Council on Environmental Quality*—in federal district court, seeking to vacate the 2024 Rule and reinstate the 2020 Rule. <sup>28</sup> In February 2025, the *Iowa* court vacated the 2024 Rule. <sup>29</sup> However, the Eighth Circuit subsequently vacated the *Iowa* court's decision on July 29, 2025. <sup>30</sup>

accordance with the requirements of 40 C.F.R. § 1501.7.") (Forest Service); 23 C.F.R. § 771.107 ("The definitions contained in the CEO regulations . . . are applicable.") (Federal Highway Administration).

<sup>&</sup>lt;sup>21</sup> U.S. Dep't of Energy, History of CEQ NEPA Regulations and Guidance, https://www.energy.gov/nepa/history-ceq-nepa-regulations-and-guidance (last visited Jul. 11, 2025).

<sup>&</sup>lt;sup>22</sup> Exec. Order No. 13807, 82 Fed. Reg. 40,463 (Aug. 24, 2017).

<sup>&</sup>lt;sup>23</sup> Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act, 85 Fed. Reg. 43,304 (July 16, 2020).

<sup>&</sup>lt;sup>24</sup> E.g., California v. Council on Env't Quality, No. 3:20-cv-06057 (N.D. Cal. August 28, 2020).

<sup>&</sup>lt;sup>25</sup> Protecting Public Health and the Environment and Restoring Science To Tackle the Climate Crisis, 86 Fed. Reg. 7,037 (Jan. 25, 2021); *see also* Deadline for Agencies to Propose Updates to National Environmental Policy Act Procedures, 86 Fed. Reg. 34,154 (June 29, 2021).

<sup>&</sup>lt;sup>26</sup> See National Environmental Policy Act Implementing Regulations Revisions, 87 Fed. Reg. 23,453 (Apr. 20, 2022) (2022 Rule).

<sup>&</sup>lt;sup>27</sup> See National Environmental Policy Act Implementing Regulations Revisions Phase 2, 89 Fed. Reg. 35,442 (May 1, 2024) (2024 Rule); Fiscal Responsibility Act of 2023, Pub. L. No. 118-5, 137 Stat.10.

<sup>&</sup>lt;sup>28</sup> Complaint, *Iowa v. Council on Env't Quality*, No. 1:24-cv-00089-DMT-CRH (D.N.D. May 21, 2024), ECF No. 1.

<sup>&</sup>lt;sup>29</sup> See Order Regarding All Mots. for Summ. J. & Partial Summ. J. 23, *Iowa v. CEQ*, No. 1:24-cv-00089-DMT-CRH (D.N.D. Feb. 3, 2025), ECF No. 145. The *Iowa* court also reviewed plaintiffs' claims that the Phase 2 Rule was arbitrary and capricious, granting some and rejecting others. *Id.* at 32–36.

<sup>&</sup>lt;sup>30</sup> *Iowa v. Council on Env't Quality*, Case No. 25-1641, Entry ID 5542514 (July 29, 2025).

In January 2025, President Trump signed E.O. 14154, entitled "Unleashing American Energy." E.O. 14154 revoked President Carter's E.O. 11991 directing CEQ to issue regulations and directed CEQ to "expedite and simplify the permitting process" for energy infrastructure projects by providing new guidance for NEPA implementation. In addition to directing CEQ to reconsider its NEPA regulations, E.O. 14154 called for the coordinated "revision of agency-level implementing regulations," requiring any resulting agency regulations to "expedite permitting approvals and meet deadlines established in the [FRA]." E.O. 14154 further directed that "[c]onsistent with applicable law, all agencies must prioritize efficiency and certainty over any other objectives, including those of activist groups, that do not align with the policy goals set forth in section 2 of this order or that could otherwise add delays and ambiguity to the permitting process." The provided Hermiter of the coordinated process and the process are the provided Hermiter of the coordinated process.

In February 2025, CEQ issued an interim final rule rescinding its NEPA implementing regulations (CEQ Repeal Rule). <sup>35</sup> In place of the regulations, CEQ issued a guidance memorandum to heads of federal agencies recommending that agencies "revise . . . their NEPA implementing procedures (or establish such procedures if they do not yet have any) to expedite permitting approvals" (CEQ Guidance). <sup>36</sup> The CEQ Guidance further directed agencies to "prioritize efficiency and certainty over any other policy objectives," <sup>37</sup> which is in conflict with NEPA's focus on environmental protection. <sup>38</sup> The CEQ Guidance "encourage[d]" agencies to use the unlawful 2020 Rule "as an initial framework for the development of revisions to their NEPA implementing procedures." <sup>39</sup> Like the 2020 Rule, the CEQ Guidance improperly limited environmental review. Among other things, it directed agencies to omit environmental justice analysis from NEPA documents <sup>40</sup> and to avoid providing the opportunity for public comment on proposed NEPA regulations <sup>41</sup> unless either is required by law. The Guidance also suggested that the scope of effects that agencies are required to analyze should be narrowed. <sup>42</sup>

In early July 2025, several agencies, including the Agency, Department of Energy, Department of Agriculture, Department of Defense, and Department of Transportation, issued interim final rules modifying and/or rescinding most of their NEPA implementing regulations.<sup>43</sup>

<sup>&</sup>lt;sup>31</sup> Exec. Order No. 14,154, 90 Fed. Reg. 8,353 (Jan. 20, 2025).

<sup>&</sup>lt;sup>32</sup> *Id.* at 8,355.

<sup>&</sup>lt;sup>33</sup> Exec. Order No. 14,154, 90 Fed. Reg. at 8,355.

<sup>&</sup>lt;sup>34</sup> *Id*.

<sup>&</sup>lt;sup>35</sup> Removal of National Environmental Policy Act Implementing Regulations, 90 Fed Reg. 10,610 (Feb. 25, 2025), *as corrected by* Removal of National Environmental Policy Act Implementing Regulations, 90 Fed Reg. 11,221 (Mar. 5, 2025).

<sup>&</sup>lt;sup>36</sup> Council on Env't Quality, Memorandum for Heads of Federal Departments and Agencies (Feb. 19, 2025) [hereinafter CEQ Guidance], *available at* https://ceq.doe.gov/docs/ceq-regulations-and-guidance/CEQ-Memo-Implementation-of-NEPA-02.19.2025.pdf.

<sup>&</sup>lt;sup>37</sup> CEQ Guidance at 1.

<sup>&</sup>lt;sup>38</sup> 42 U.S.C. § 4321(a).

<sup>&</sup>lt;sup>39</sup> CEQ Guidance at 1.

<sup>&</sup>lt;sup>40</sup> *Id.* at 5.

<sup>&</sup>lt;sup>41</sup> *Id.* at 7.

<sup>&</sup>lt;sup>42</sup> *Id.* at 5.

<sup>&</sup>lt;sup>43</sup> Revision of National Environmental Policy Act Implementing Procedures, 90 Fed. Reg. 29,676 (Jul 3, 2025) (DOE); National Environmental Policy Act, 90 Fed. Reg. 29,632 (Jul. 3, 2025) (USDA); National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. 29,498 (Jul. 3, 2025) (DOI); Procedures for Implementing

The Agency issued its Rule on July 3, 2025. To support these changes, the Agency's Rescission Rule cited E.O. 14154, the CEQ Repeal Rule and Guidance, and other developments such as the Supreme Court's decision in *Seven County Infrastructure Coalition v. Eagle County (Seven County)*, 44 claiming that the NEPA regulations had caused delay and uncertainty in permitting. 45

### C. The Agency's Rescission Rule and NEPA Procedures

As a result of the CEQ Repeal Rule, uniform and binding NEPA regulations were eliminated. Without CEQ's regulations, agencies are under greater pressure to adopt agency-specific regulations that provide stability, transparency, and consistency incompliance with NEPA. Otherwise, NEPA review will return to the era of "inconsistent agency practices and interpretation" that the Carter Administration had sought to correct. 47

In responding to this challenge, the Rescission Rule chooses to eliminate the Agency's NEPA implementing regulations from the Code of Federal Regulations, except those relating to categorical exclusions, emergency procedures, and contractor and applicant preparation of environmental documents. The Rescission Rule amended these remaining regulations while providing that other NEPA procedures would henceforth be maintained in a document titled "Department of Interior Handbook: National Environmental Policy Act Handbook" (Handbook). Although the Rescission Rule took effect upon publication and disclaimed any obligation to engage in notice-and-comment rulemaking relating to present or future changes to the regulations or Handbook, it solicited comment on the regulatory changes and Handbook.

The Handbook removes or alters several provisions from the Agency's rescinded regulations that are fundamental to NEPA's framework, including: elimination of "indirect" "cumulative" from the definition of "effects"; elimination of the requirement to consider climate-change and environmental-justice effects; 51 elimination of the requirement to solicit comments

NEPA; Removal, 90 Fed. Reg. 29,461 (Jul. 3, 2025) (Army Corps); Procedures for Implementing NEPA; Processing of Department of the Army Permits, 90 Fed. Reg. 29,465 (Jul. 3, 2025) (also Army Corps).

<sup>&</sup>lt;sup>44</sup> Seven Cnty. Infrastructure Coal. v. Eagle Cnty. Colorado, 145 S. Ct. 1497 (2025).

<sup>&</sup>lt;sup>45</sup> National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. at 29,498–501.

<sup>&</sup>lt;sup>46</sup> See, Comments of Attorneys General of Washington, California, New York, Arizona, Colorado, Connecticut, District of Columbia, Delaware, Harris County, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, Oregon, Vermont, and Wisconsin on Removal of National Environmental Policy Act Implementing Regulations, 90 Fed Reg. 10,610, at 18–46 (Mar. 27, 2025) [hereinafter 2025 Multistate Comments], <a href="https://www.regulations.gov/comment/CEQ-2025-0002-88344">https://www.regulations.gov/comment/CEQ-2025-0002-88344</a>.

<sup>&</sup>lt;sup>47</sup> See, Comments of Attorneys General of Washington, California, New York, Arizona, Colorado, Connecticut, District of Columbia, Delaware, Harris County, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, Regulations, 90 Fed Reg. 10,610, at 18–46 (Mar. 27, 2025) [hereinafter 2025 Multistate Comments], https://www.regulations.gov/comment/CEQ-2025-0002-88344; National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. at 29,503 ("Following the rescission of CEQ's regulations, DOI's current rules are left hanging in air, supplementing a NEPA regime that no longer exists.").

<sup>&</sup>lt;sup>48</sup> 90 Fed. Reg. at 29,501-02.

<sup>&</sup>lt;sup>49</sup> *Id.* at 29499, 29,501-02; U.S. Dep't of the Interior, Handbook of National Environmental Policy Act Implementing Procedures, https://www.doi.gov/media/document/doi-nepa-handbook (last visited Jul. 17, 2025) [hereinafter Handbook].

<sup>&</sup>lt;sup>50</sup> *Id.* at 29,498, 29,503.

<sup>&</sup>lt;sup>51</sup> Compare 43 C.F.R. § 46.30 (incorporating definitions from 40 CFR § 1508.1(g), as amended in 2022 by 87 Fed. Reg. 23453, 23469-70), and Handbook § 6.1(j) (omitting reference to "indirect," "cumulative," "climate change," and "environmental justice" in effects definition).

on draft EISs; <sup>52</sup> and undercutting the purpose of an environmental assessment (EA) as the decisional document for whether to prepare an environmental impact statement (EIS) by identifying certain actions as requiring an EA but not an EIS. <sup>53</sup> As discussed *infra*, these changes are arbitrary and capricious.

# II. THE RESCISSION RULE WILL ADVERSELY IMPACT THE UNIQUE INTERESTS OF STATES, TERRITORIES, AND TRIBAL AND LOCAL GOVERNMENTS IN ROBUST NEPA REGULATIONS

NEPA is an example of cooperative federalism, envisioning a strong role for States, territories, and tribal and local governments in environmental reviews. Indeed, when enacting NEPA, Congress declared that the federal government must act, "in cooperation with States and local governments" to evaluate potential environmental impacts in fulfillment of NEPA's purposes. <sup>54</sup> NEPA's success has led to the enactment of similar statutes in many States. The Agency's rescission of most of its NEPA regulations threatens the interests of the States in protecting our residents and environmental resources through public participation and robust, informed decision-making processes for major federal actions.

# A. The Rescission Rule will Harm State Sovereign and Proprietary Interests

NEPA regulations protect State sovereign and proprietary interests in at least two fundamental ways: (1) by enabling States to participate meaningfully to assess the impacts of agency actions on State natural resources and public health; and (2) by lessening the strain on State resources of shouldering the regulatory burden of those reviews. The Rule will adversely impact both of those types of interests.

# 1. The Rescission Rule Will Impair the Ability of States to Meaningfully Participate in the NEPA Process

NEPA contains provisions directly incorporating participation by States, territories, and local governments into federal decision making.<sup>55</sup> The States rely on participation in the NEPA process to protect their proprietary, sovereign interests, and quasi-sovereign in their natural resources and residents by, *inter alia*, identifying harms from federal actions to their resources, including to air, water, public lands, cultural resources, wildlife, and the public health and welfare of their residents that agencies might otherwise ignore.<sup>56, 57</sup> Participation also allows the

<sup>55</sup> 42 U.S.C. §§ 4331(a), 4332(G).

<sup>&</sup>lt;sup>52</sup> Compare 43 C.F.R. § 46.435 ("A bureau must seek comment from the public as part of the . . . notice of availability for a draft [EIS]."), and Handbook § 2.1(b)(ii) ("During the process of preparing an [EIS], the Responsible Official . . . [m]ay request the comments of the public . . . .").

<sup>&</sup>lt;sup>53</sup> Compare 43 C.F.R. § 46.300 ("The purpose of an [EA] is to . . . determine whether to prepare an [EIS] . . . ."), and Handbook § 1.5(c) (referring to list of "actions normally requir[ing] [EAs] but likely . . . not requiring an [EIS].")

<sup>&</sup>lt;sup>54</sup> 42 U.S.C. § 4331(a).

<sup>&</sup>lt;sup>56</sup> For example, many of the States have commented on CEQ's NEPA rulemakings since 2018. *See* Comments of Attorneys General of Washington, *et al* on the Proposed Phase 2 Rule, 88 Fed. Reg. 49924 (July 31, 2023); Comments of Attorneys General of Washington, et al., on the Interim Final Rule, 86 Fed. Reg. 34154 (July 29, 2021); Comments of Attorneys General of Washington, et al., on Notice of Proposed Rulemaking 86 Fed. Reg. 55757 (Nov. 22, 2021); Comments of Attorneys General of Washington, et al., on Notice of Proposed Rulemaking, 85 Fed. Reg. 1684 (Mar. 10, 2020); Comments of Attorneys General of California, et al., on Advance Notice of Proposed Rulemaking, 83 Fed. Reg. 28,591 (Aug. 20, 2018).

<sup>&</sup>lt;sup>57</sup> Many of the States also challenged the unlawful 2020 Rule and defended the 2024 Rule in the *Iowa* litigation.

States to thoroughly weigh in on the environmental impacts of an action, such as the long-term effects of climate change and the reduction of scarce water resources. And for certain federal projects where State environmental review may be limited or even preempted, a robust NEPA process is critical to protecting State interests, resources and residents from harmful environmental effects, which may otherwise evade review. State agencies thus regularly engage in the federal NEPA process as cooperating and commenting agencies or as agencies with special expertise highlighting potential effects to each State's natural resources and public health.

The Agency's Rule unlawfully evades notice and public comment under the APA. Although the Agency did solicit public comment on the elimination of most regulations, amendment of the few remaining regulations, and adoption of NEPA procedures via the Handbook, the Rescission Rule took immediate effect, and the Agency stated that it had no obligation to consider or respond to comments on either current or future changes to regulations or the Handbook. In doing so, the Agency loses out on valuable public input into the Agency's NEPA procedures, including information about the interaction between the State environmental review and the Agency's NEPA review process. By rescinding most of its NEPA regulations and instead issuing internal procedures through the Handbook to be applied in environmental reviews, the Agency circumvents the APA's notice and comment requirement for its NEPA implementing procedures, contrary to the transparency and public participation built into the APA text of NEPA itself. Secondary to the transparency and public participation built into the APA text of NEPA itself.

Furthermore, the Rescission Rule itself impairs meaningful participation in the NEPA process and jettisons the potential benefits from public participation in subsequent NEPA processes. The Agency's NEPA regulations served a critical function in guiding the Agency's action and in providing certainty regarding the standards and analysis required during the NEPA process. For example, the Agency's previous regulations required solicitation of public comment on both the notice of intent to prepare an EIS and the draft EIS and response to comments on the draft EIS in the final EIS.<sup>60</sup> These NEPA regulations provided needed certainty to States, the regulated community, and the public because the regulations could not be changed without notice and comment. In contrast, the Handbook only requires solicitation of public comment on the notice of intent to prepare an EIS—the minimum required under the NEPA statute—and does not require the Agency to respond to public comments.<sup>61</sup> Furthermore, the Agency's previous regulations required publication of supplemental EISs; the Handbook does not require publication of supplemental EIS, allowing the Agency to make changes to its environmental review in response to significant changes in circumstance without any public notification.<sup>62</sup>

Moreover, the Agency's actions rescinding regulations that were promulgated via an APA rulemaking, <sup>63</sup> and replacing them with procedures, <sup>64</sup> opens the door to more frequent and less public revisions to these NEPA procedures. By not following an APA rulemaking process

First Amended Complaint, *California v. CEQ*; Proposed Intervenor-Defendant States' Cross Mot. for Partial Sum. J., *Iowa v. CEQ*, No 1:24-cv-00089-DMT-CRH (D.N.D. Aug. 30, 2024), ECF No. 83.

<sup>&</sup>lt;sup>58</sup> 90 Fed. Reg. at 29,498, 29,503.

<sup>&</sup>lt;sup>59</sup> 42 U.S.C. § 4332(C)(v), (J).

<sup>&</sup>lt;sup>60</sup> 43 C.F.R. § 46.435(a) (2008); 43 C.F.R § 46.20 (incorporating requirements of CEQ regulations, including requirement to consider and respond to public comments on draft EIS in 40 C.F.R § 1503.4, as amended in 2024 by 89 Fed. Reg. 35442, 35558 (May 1, 2024).

<sup>&</sup>lt;sup>61</sup> Handbook § 2.1(b); 42 U.S.C. § 4336a(c).

<sup>&</sup>lt;sup>62</sup> 43 C.F.R § 46.20 (incorporating requirement of CEQ regulations to publish supplemental EIS in 40 C.F.R § 1503.4, as amended in 2024 by 89 Fed. Reg. at 35564); Handbook § 3.6 ("[T]he Responsible Official may publish or circulate a supplement as appropriate to the scope of the supplement and the proposed action.").

<sup>&</sup>lt;sup>63</sup> Implementation of the National Environmental Policy Act (NEPA) of 1969, 73 Fed. Reg. 61,292 (Oct. 15, 2008). <sup>64</sup> See 90 Fed. Reg. at 29502.

for the adoption of its NEPA procedures, the Agency will avoid the rigors and scrutiny of the APA's requirements for public notice and comment. This could encourage frequent flip-flopping in the Agency's NEPA procedures and create inconsistency regarding the public participation provided during environmental review. And, because the Agency does not clarify whether its new procedures are binding, the Agency may not even follow the public participation provisions in the procedures. This approach leaves the States with less certainty as to the NEPA process that will apply to any one project. This could lead to time consuming and costly revisions to State specific environmental review procedures to account for current federal guidelines, which can be altered more frequently and without notice and comment.

# 2. The Rule Would Place an Increased Burden on States to Evaluate the Impacts of Federal Actions

Many States have their own state environmental policy statutes and regulations modeled on NEPA—the so-called "little NEPAs." These include the California Environmental Quality Act, <sup>65</sup> Washington's State Environmental Policy Act, <sup>66</sup> New York's State Environmental Quality Review Act, <sup>67</sup> Connecticut's Environmental Policy Act, <sup>68</sup> New Jersey's Executive Order 215, <sup>69</sup> the Massachusetts Environmental Policy Act, <sup>70</sup> and the District of Columbia's Environmental Policy Act. <sup>71</sup> Where an action subject to state environmental review also requires NEPA review, state and local agencies can often comply with their own environmental review requirements by adopting or incorporating by reference certain environmental documents prepared under NEPA, but only if those NEPA documents exist and meet State statutory requirements. <sup>72</sup> This collaboration allows State, local, and federal agencies to share documents, reduce paperwork, and efficiently allocate limited time and resources.

The Rule would increase the burden on the States to rely more heavily on and prepare more documents under the States' little NEPAs. The States' laws are often administered in conjunction with the NEPA regulations, either through coordinated State and federal review or by relying on NEPA review to satisfy State environmental review requirements. For instance, in situations where a federal agency's limited analysis of indirect and cumulative impacts would be less stringent than a State's little NEPA standards, a State agency would be unable to rely on the federal Environmental Impact Statement (EIS) to make its own environmental findings. Thus, the burden would fall on the States to conduct additional analysis, such as preparing a separate state EIS. The Agency's Rule curtails the scope of impacts analysis required under NEPA, shifting the burdens of environmental review to state and local jurisdictions. As a result, the States will need to expend additional time and resources on environmental review of proposed federal actions. The Agency's finding that the Rule would have no federalism implications under Executive Order 13132 is therefore wrong and unsupported. The Agency should have engaged in the State consultation process and other procedures mandated by that executive order prior to issuing the Rescission Rule.

<sup>&</sup>lt;sup>65</sup> Cal. Pub. Res. Code § 21000–21189.57.

<sup>&</sup>lt;sup>66</sup> Wash. Rev. Code. ch. 43.21C.

<sup>&</sup>lt;sup>67</sup> N.Y. Envtl. Conserv. Law art. 8; N.Y. Comp. Codes R. & Regs. tit. 6, pt. 617.

<sup>&</sup>lt;sup>68</sup> Conn. Gen. Stat. § 22a-1 et seq.

<sup>&</sup>lt;sup>69</sup> Exec. Order No. 215 (September 11, 1989).

<sup>&</sup>lt;sup>70</sup> Mass. Gen. Laws, ch. 30, §§ 61-62I.

<sup>&</sup>lt;sup>71</sup> D.C. Code § 8-109.01–109.12; D.C. Mun. Regs. tit. 20, § 7200–7299.

<sup>&</sup>lt;sup>72</sup> See, e.g., N.Y. Comp. Codes R. & Regs. tit. 6, § 617.15; Mass. Gen. Laws, ch. 30, § 62G.

Moreover, where additional environmental review is not required under a State's little NEPA, the Rescission Rule would diminish the amount of information available to State and local agencies and the public with regard to environmental impacts of proposed projects. In such a case, neither the federal nor the State agency responsible for a project would be required to analyze or disclose the same level of information that would have been required under the Agency's previous regulations. This deprives the States and the public of the ability to participate in the NEPA process and ensure that the Agency's environmental decision-making is well-informed.

# B. The Rescission Rule Will Undermine the Full Evaluation of Major Federal Actions at a Time When Climate Change Threats Make Comprehensive Analysis Even More Critical to the States and the Public

A robust NEPA process—resulting in full evaluation of reasonably foreseeable environmental impacts of major federal actions—has become even more critical in the face of the increasing severity and frequency of compounding climate change impacts on States' sovereign lands and coastal areas, natural resources, infrastructure, and the health and safety of residents.

Climate change is causing significant environmental and economic losses for States and our residents, including, but not limited to, damage to infrastructure and natural resources, 73 housing 74 and job instability, 75 and the cost of health care and lives lost from environmental pollutants, 76 extreme storms, heatwaves, and wildfires. 77 For instance, New Mexico already faces serious environmental challenges, with the entire state currently suffering from drought conditions and average temperatures increasing fifty percent faster than the global average over the past century. The escalating heatwaves, flooding, sea-level rise, extreme storms, and infectious diseases brought on by climate change have greater impacts on "[r]acially and socioeconomically marginalized communities," including communities of color, low-income

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<sup>&</sup>lt;sup>73</sup> JEC Democratic Majority, *Climate-Exacerbated Wildfires Cost the U.S. Between \$394 to \$893 Billion Each Year in Economic Costs and Damages* 1 (Oct. 2023), https://www.jec.senate.gov/public/\_cache/files/9220abde-7b60-4d05-ba0a-8cc20df44c7d/jec-report-on-total-costs-of-wildfires.pdf; NOAA National Centers for Environmental Information (NCEI), *Billion-Dollar Weather and Climate Disasters* (2025), https://www.ncei.noaa.gov/access/billions/.

Mariya Bezgrebelna et al., Climate Change, Weather, Housing Precarity, and Homelessness: A Systematic Review of Reviews, 18 Int J Environ Res Public Health 5812 (May 28, 2021); Taylor Gauthier & Financial Security Program, The Devastating Effects of Climate Change on US Housing Security, The Aspen Institute (April 21, 2021), https://www.aspeninstitute.org/blog-posts/the-devastating-effects-of-climate-change-on-us-housing-security/.

A. R. Crimmins et al., Fifth National Climate Assessment, at Ch. 19 (2023), https://nca2023.globalchange.gov/chapter/19/ (Climate change is anticipated to "impact employment by changing demand for workers, reducing worker safety, altering the location of available jobs, and changing workplace conditions in heat-exposed jobs.") (citations omitted).

<sup>&</sup>lt;sup>76</sup> American Lung Association, *Asthma Trends and Burden* (last updated July 15, 2024), https://www.lung.org/research/trends-in-lung-disease/asthma-trends-brief/trends-and-burden.

<sup>&</sup>lt;sup>77</sup> Kim Knowlton et al., Six Climate Change-Related Events in the United States Accounted for About \$14 Billion in Lost Lives and Health Costs, 30 Health Affairs 2167, 2170 (Nov. 2011); Vijay S. Limaye et al., Estimating the Health-Related Costs of 10 Climate-Sensitive U.S. Events During 2012, 3 GeoHealth 245, 245 (Sep. 2019), https://doi.org/10.1029/2019GH000202; Steven Woolf et al., The Health Care Costs of Extreme Heat, Center for American Progress (Jun. 27, 2023), https://www.americanprogress.org/article/the-health-care-costs-of-extreme-heat/.

communities, and Indigenous Peoples and Tribal Nations, as well as people with disabilities and unhoused people.<sup>78</sup> Such climate-related impacts disproportionately affect vulnerable populations facing existing environmental burdens,<sup>79</sup> exacerbating both environmental risk<sup>80</sup> and economic inequality.<sup>81</sup>

The States are already committing significant resources to meet policy goals and comply with statutory mandates to reduce in-state greenhouse gas emissions, as well as co-pollutants, while also investing in infrastructure to protect communities and State resources from the effects of climate change. A fully informed decision-making process requires that federal agencies work closely with State governments, territories, and tribal and local governments, as well as the public, to ensure that decisions account for the climate change impacts on communities already overburdened with pollution and associated public health harms.

The Rule undermines efforts by the States to study and abate climate-driven harms associated with major federal actions. As described above, the Agency may take the position that its new NEPA procedures do not compel it or its subcomponents to consider potential climate change impacts from an agency action. In fact, the Agency's procedures do not mention consideration of climate change impacts at all.<sup>82</sup> This position will make it more challenging for the States to assess greenhouse gas emissions and co-pollutants from projects subject to NEPA review, particularly where some of the emissions generated by the project will occur in a different state. For example, there could be projects sited outside of New York that have emissions associated with electricity generation or fossil fuel transportation in New York. Under New York's Climate Leadership and Community Protection Act, which requires significant statewide emission reductions by set dates,<sup>83</sup> such out-of-state emissions contribute to statewide greenhouse gas emissions. If the Rule is not withdrawn, New York may need to implement additional and potentially costly regulatory, policy, or other actions to ensure the achievement of the requirements of its state climate law. The Rescission Rule thus threatens the States' significant interests in evaluating and addressing the effects of climate change.

# C. The Rescission Rule Makes It More Difficult for States to Protect Vulnerable Communities

The States have significant interests in robust and consistent evaluation of the full range of direct, indirect, and cumulative effects of the Agency's actions to prevent public health disparities flowing from uninformed federal decisions that adversely impact vulnerable communities. The Rule threatens these important interests.

The Rule threatens the ability of the States to understand the full range of effects from the Agency's actions. Without a full understanding of the direct, indirect and cumulative effects posed by prospective federal actions, States will be curtailed in their ability to protect already

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<sup>&</sup>lt;sup>78</sup> Alique Berberian et al., Racial Disparities in Climate Change-Related Health Effects in the United States, 9 Current Environmental Health Rep. 451, 454 (May 28, 2022); *see also* A. R. Crimmins et al., Fifth National Climate Assessment, at ch. 15 (2023), https://nca2023.globalchange.gov/chapter/15/.

<sup>&</sup>lt;sup>79</sup> Alique Berberian et al., *supra* at 451-52 (May 28, 2022), https://doi.org/10.1007/s40572-022-00360-w.

<sup>&</sup>lt;sup>80</sup> H. Orru et al., *The Interplay of Climate Change and Air Pollution on Health*, 4 Current Envtl. Health Report 504, 504 (2017).

<sup>&</sup>lt;sup>81</sup> Avery Ellfeldt & E&E News, *Climate Disasters Threaten to Widen U.S. Wealth Gap*, Scientific American (Oct. 2, 2023), https://www.scientificamerican.com/article/climate-disasters-threaten-to-widen-u-s-wealth-gap/.

<sup>82</sup> See Handbook § 6.1(j), (k) (definition of "effects" and "human environment").

<sup>83</sup> Chapter 106 of the Laws of 2019; N.Y. Envtl. Conserv. L. § 75-0107(1).

overburdened communities. The Rescission Rule, read in conjunction with the Agency's new NEPA procedures, threatens to eliminate consideration of cumulative effects on communities that face a historic and disproportionate pattern of exposure to environmental hazards. These communities are more likely to suffer future health disparities if cumulative impact review is eliminated from the NEPA process. The Agency's new procedures, which lack any explicit direction to consider, environmental justice<sup>84</sup> will exacerbate that risk. Increased public health and community harms from weakened NEPA reviews will require greater expenditures of state, territorial, tribal, and local funds to evaluate and remedy increased public health disparities flowing from uninformed federal agency action.

Studying cumulative impacts is essential to preventing further harm to disadvantaged communities and vulnerable populations, including communities of color, low-income communities, and Indigenous Peoples and Tribal Nations, already burdened with the effects of disproportionately high levels of pollution. Consideration of cumulative effects is also vital in understanding population vulnerability and assisting decision-makers to mitigate and prevent disproportionate environmental and climate harms. <sup>85</sup> Agencies simply cannot know the full impact of a project on a community without considering its existing levels of pollution and the cumulative impacts of adding another pollution source. Similarly, without considering existing burdens, agencies cannot identify meaningful alternatives or mitigation measures to reduce or avoid harms to impacted communities.

In summary, the Agency's longstanding regulations implementing NEPA are an important tool for the States to protect their interests in informed federal decision-making and avoiding numerous types of potential harms to their resources and the public health of their residents. The States have strong interests in the continued implementation of NEPA regulations that provide for a robust, deliberative, and complete federal environmental review process that the States have relied on for decades. The Agency's move to rescind most of its NEPA regulations and rely on procedures contributes to the fragmentation of NEPA review into individual, potentially inconsistent or conflicting procedures across dozens of federal agencies, and threatens to undermine the quality and efficiency of NEPA reviews thereby impairing States' interests.

#### III. THE RESCISSION RULE VIOLATES THE APA

The Rescission Rule violates the procedures and standards established by the APA and fails to comply with NEPA's text and purpose. Under the APA, an agency action is unlawful if it is "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law" or "without observance of procedure required by law." The Rescission Rule is arbitrary and capricious because the agency (1) fails to provide a reasoned explanation for its position; (2) fails to provide a rational connection between the facts found and the choice made; (3) entirely fails to consider the unifying purpose of the regulations and the confusion that will occur following their repeal; and (4) ignores serious reliance interests engendered by the regulations. Additionally, the Agency promulgated the Rescission Rule without observance of procedures required under the APA by (1) asserting "good cause" exists to circumvent the APA rulemaking process when none exists; (2) denying that the regulations are legislative rules; (3) improperly asserting that the Rescission Rule is a procedural rule, an interpretive rule, or a general statement of policy; and (4)

<sup>84</sup> See Handbook § 6.1(j), (k) (definition of "effects" and "human environment").

<sup>85</sup> See Comments of Attorneys General of Washington, et al., on Notice of Proposed Rulemaking, 85 Fed. Reg. 1684 (March 10, 2020); Comments of the Attorneys General of Massachusetts et al. on the U.S. Environmental Protection Agency Interim Framework for Advancing Consideration of Cumulative Impacts, 89 Fed. Reg. 92,125 (Nov. 21, 2024).

<sup>&</sup>lt;sup>86</sup> 5 U.S.C. § 706(2)(A), (D).

curtailing public participation in the rulemaking process.<sup>87</sup>

# A. The Replacement of NEPA Regulations with Guidance Is Unlawful

As a preliminary matter, the Agency's switch to guidance rather than formal regulations is unlawful and violates the APA. The Agency should have undertaken a full notice-and-comment under the APA when promulgating its new NEPA procedures because these procedures do not fall under the exception for "interpretive rules, general statements of policy, or rules of agency organization, procedures, or practice." But to the extent that the Agency views its NEPA procedures as not requiring notice-and-comment, the use of procedures rather than regulations will inevitably create uncertainty. Indeed, the Agency says it is adopting procedures to provide it the "flexibility" to change course quickly, presumably again without engaging in notice and comment. By doing away with notice-and-comment rulemaking, it stands to reason that more rapid changes will ensue, introducing uncertainty for regulated parties which may face frequent and inherently unpredictable changes in agency practices.

The shift from regulations to internal procedures also reduces opportunities for public participation. The APA's notice-and-comment requirements are designed to ensure public involvement in the rulemaking process, allowing stakeholders to provide input and agencies to educate themselves on the potential impacts of their rules. The purpose of notice-and-comment rulemaking is to reintroduce public participation and fairness to affected parties. <sup>89</sup> An agency's reliance on exemptions to notice-and-comment requirements under 5 U.S.C. § 553(b)(A) limits the ability of the public to influence agency decisions and deprives the public of a meaningful opportunity to comment on interrelated procedural changes.

The Agency's rescission of most of its NEPA regulations and reliance on a Handbook of procedures will also make it harder to determine the level of analysis or standards that apply to specific projects. Legislative rules, which are subject to notice-and-comment rulemaking, create legally binding requirements and provide clarity for regulated parties. In contrast, procedures may lack the specificity needed to guide compliance especially if the Agency applies its procedures inconsistently.

### B. The Rule Is Arbitrary and Capricious and Violates the APA

Under the APA, a "reviewing court shall ... hold unlawful and set aside" federal agency action found to be "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law." The agency must make a "rational connection between the facts found and the choice made." An agency action is "arbitrary and capricious" under the APA where "the agency has relied on factors which Congress has not intended it to consider, entirely failed to consider an important aspect of the problem, offered an explanation for its decision that runs counter to the evidence before the agency, or is so implausible that it could not be ascribed to a difference in view or the product of agency expertise." Agencies are free to change their

<sup>&</sup>lt;sup>87</sup> See 90 Fed. Reg. at 29,502.

<sup>&</sup>lt;sup>88</sup> 5 U.S.C. § 553(b)(A).

<sup>&</sup>lt;sup>89</sup> See Batterton v. Marshall, 648 F.2d 694, 703 (D.C. Cir. 1980) ("The essential purpose of according s 553 notice and comment opportunities is to reintroduce public participation and fairness to affected parties after governmental authority has been delegated to unrepresentative agencies").

<sup>&</sup>lt;sup>90</sup> 5 U.S.C. § 706(2).

<sup>91</sup> Burlington Truck Lines, Inc. v. United States, 371 U. S. 156, 371 U. S. 168 (1962).

<sup>92</sup> Motor Vehicle Mfrs. Ass'n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co., 463 U.S. 29, 43 (1983) (State Farm).

existing policies," but they must "provide a reasoned explanation for the change." In this rulemaking, the Agency fails to provide any reasoned explanation for the Rescission Rule in violation of the APA, fails to assert a rational connection between the facts found and the choice it has made, makes a decision that runs counter to the evidence before the agency, and fails to consider important aspects of the problem.

# 1. The Agency Failed to Provide a Reasoned Explanation for Its Abrupt Change in Position

As the basis for its Rule, the Agency makes several arguments for revising its regulations, and adopting its procedures in its Handbook, all of which are unavailing.

# a. The Repeal of CEQ's Implementing Regulations Does Not Justify the Agency's Action Rescinding Most of its NEPA Regulations

First, the Agency explains that it is eliminating most of its previous regulations due to an "obvious need of fundamental revision" in light of CEQ's repeal of its NEPA implementing regulations, which the Agency's previous regulations relied on and which the Agency argues CEQ was compelled to repeal after President Trump issued E.O. 14154, and conflict between the Agency's previous regulations and a directive from E.O. 14154 that agencies revise procedures to prioritize efficiency and certainty.<sup>94</sup>

This argument fails because it makes CEQ Repeal Rule the predicate for the Agency's Rescission Rule. As several of our States explained in a comment letter in opposition to the CEQ Repeal Rule, that rule was unlawful for multiple reasons, including that CEQ did not adequately explain its complete reversal in its position as to whether it had authority to adopt regulations. <sup>95</sup>

The Agency never explains why its Rescission Rule and the revisions to its Handbook "better advance the priorities articulated in E.O. 14154." The Agency's rescission of its regulations is in no way demanded by E.O. 14154. E.O. 14154 *did not* direct agencies to rescind their own regulations in favor of procedures that are not subject to full public notice and comment. Instead, the order refers to agency-level implementing regulations multiple times. It states that CEQ shall convene a working group to "coordinate the revision of agency-level *implementing regulations* for consistency." The further notes that "resulting *implementing regulations*" must meet certain additional requirements, like meeting deadlines established in the Fiscal Responsibility Act of 2023.

Moreover, the reasoning that CEQ utilized to rescind its NEPA implementing regulations does not apply to the Agency's NEPA regulations. CEQ argued that it may not have authority to administer its own regulations following the revocation of E.O. 11991 and with passing references to the *Marin Audubon* and (now-vacated) *Iowa v. CEQ* decisions. <sup>98</sup> E.O. 11991 addressed regulations by CEQ, not other agencies, so its revocation is irrelevant. And though

<sup>&</sup>lt;sup>93</sup> Encino Motorcars, LLC v. Navarro, 136 S. Ct. 2117, 2125 (2016) (citing Nat'l Cable & Telecommunication. Ass'n v. Brand X Internet Servs., 545 U.S. 967, 981–82 (2005); see also Dep't of Homeland Sec. v. Regents of the Univ. of Cal., 140 S. Ct. 1891, 1913 (2020).

<sup>94 90</sup> Fed. Reg. at 29,498, 29,500.

<sup>&</sup>lt;sup>95</sup> The comment letter is attached and incorporated by reference.

<sup>&</sup>lt;sup>96</sup> 90 Fed. Reg. 29,498, 29,500.

<sup>&</sup>lt;sup>97</sup> E.O. 14154, 90 Fed. Reg. 8353 (Jan. 29, 2025). 98 Id.

<sup>&</sup>lt;sup>98</sup> Id.

Marin Audubon called into question CEQ's ability to issue binding regulations into question, the courts never questioned the ability or propriety of other agencies promulgating regulations to implement NEPA. For example, in a part of Marin Audubon Society v. Federal Aviation Administration, 121 F.4th 902, 914 (D.C. Cir. 2024) not joined by the full panel, the court reserved the question of whether other agencies (i.e., not CEQ) have the authority to adopt CEQ's regulations or incorporate them by reference into their own NEPA regulations.<sup>99</sup>

The Agency's explanation related to the CEQ Repeal Rule is also arbitrary and capricious because the Agency failed to consider the obvious alternative 100 of adopting CEQ's NEPA implementing regulations that the Agency previously incorporated by reference. The Agency is wrong to say that CEQ's regulations cannot exist again under existing executive orders. Though the Agency argues that CEQ's regulations no longer exist, the Agency can initiate a rulemaking to move the language previously codified at 40 C.F.R. parts 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, and 1508 and codify it instead at 43 C.F.R. part 46, where CEQ's regulations were incorporated by reference.

Even short of recodifying CEQ's NEPA regulations as its own, the Agency had many additional and obvious alternatives to the Rescission Rule. The Agency could have and should have initiated a more traditional and deliberative notice-and-comment rulemaking process, involving input from stakeholders on which, if any, regulations to rescind or modify. This process could have evaluated a number of alternatives. For example, CEQ recently encouraged agencies to use the final 2020 Rule as an initial framework for the development of revisions to their NEPA processes. <sup>101</sup> CEQ further directed agencies to "apply their current NEPA implementing procedures with any adjustments needed to be consistent with the NEPA statute as revised by the FRA." Where agencies have historically utilized regulations to implement NEPA, the obvious approach, consistent with the public transparency standards the agency has adhered to in the past, was to update their regulations rather than delete the regulations in favor of procedures.

Finally, the Agency's argument that the Rescission Rule was necessary to promote certainty is wrong. Regulations that are binding promote certainty. But procedures that the Agency insists it can change without public input do not promote certainty.

# b. NEPA Is a Stable Area of Law and Does Not Require Fast-Evolving Procedures that Evade APA Notice and Comment

Second, the Agency argues that the flexibility afforded by using procedures to respond to new developments in a "fast-evolving area of law . . . outweighs the appeal" of codifying regulations. <sup>102</sup> This argument fails because the law is not "fast evolving," regulations can easily be updated to respond to new developments as they occur, and the Agency has not accounted for the disadvantages of procedures.

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<sup>&</sup>lt;sup>99</sup> This analysis appeared in a separate section of the opinion unnecessary to the panel's ultimate decision, and there were serious party presentation concerns called out by CEQ itself as well as by the dissent in *Marin Audubon*.

<sup>&</sup>lt;sup>100</sup> Yakima Valley Cablevision, Inc. v. FCC, 794 F.2d 737, 746 & n.36 (D.C. Cir. 1986) (the "failure of an agency to consider obvious alternatives has led uniformly to reversal") (collecting cases); see, e.g., State Farm Mut. Auto. Ins. Co., 463 U.S. at 48 (failure to "even consider the possibility" of "alternative way of achieving the objectives of the Act" was arbitrary and capricious).

<sup>&</sup>lt;sup>101</sup> CEQ, Memorandum for Heads of Federal Departments and Agencies: Implementation of the National Environmental Policy Act 4 (Feb. 19, 2025), *available at* https://ceq.doe.gov/docs/ceq-regulations-and-guidance/CEQ-Memo-Implementation-of-NEPA-02.19.2025.pdf

<sup>&</sup>lt;sup>102</sup> 90 Fed. Reg. at 29,500.

NEPA has been a remarkably stable area of law. For example, the Agency pointed to Seven County as a basis for the flexibility argument. <sup>103</sup> In Seven County, the Supreme Court discussed the deference afforded to agencies in determining whether an environmental impact statement complies with NEPA with citations to NEPA cases decided in 1978 and 1980— Vermont Yankee Nuclear Power Corp. v. Natural Resources Defense Council, Inc., 435 U.S. 519 (1978): Strvcker's Bay Neighborhood Council, Inc. v. Karlen, 444 U.S. 223, 227–228 (1980). Other foundational NEPA cases are primarily from the 1970s and 1980s, <sup>104</sup> and there have been relatively few Supreme Court cases interpreting NEPA and requiring major changes to agencies' environmental reviews, over the past 45 years.

CEQ's 1978 Regulations were durable and effective, with only a few minor revisions made over the following four decades until President Trump called for their revision in 2017 prior to issuing the 2020 Rule. The changes made in the 2020 Rule were not the result of caselaw developments, but designed to unlawfully narrow environmental review under NEPA, threaten meaningful public participation, and restrict judicial review of agency actions. 105 The amendments to the CEQ regulations during the Biden Administration (the 2020 Rule and 2024 Rule) were similarly not made in response to caselaw developments. Instead, the rulemakings largely addressed the revisions in the 2020 Rule that did not support the statutory purposes of NEPA. <sup>106</sup> The 2022 Rule restored certain provisions of the 1978 regulations, requiring analysis of all reasonably foreseeable effects of a major federal action. <sup>107</sup> The 2024 Rule restored most of the remaining provisions of the 1978 Regulations, strengthened analysis of climate change and human health impacts, including environmental justice concerns, strengthened public participation, and implemented amendments to the NEPA statute enacted in the FRA. 108

<sup>&</sup>lt;sup>103</sup> *Id*.

<sup>&</sup>lt;sup>104</sup> See Andrus v. Sierra Club, 442 U.S. 347, 357–58 (1979) (upholding CEQ's construction of NEPA through its regulations and stating "CEO's interpretation of NEPA is entitled to substantial deference"); Robertson v. Methow Valley, 490 U.S. 332, 351 (1989) (recognizing that the "requirement" to include a discussion of mitigation measures flows in part from CEQ's implementing regulations, and finding a revision to CEQ's regulations was "entitled to substantial deference"); see also Marsh v. Oregon Nat. Res. Council, 490 U.S. 360 (1989); Baltimore Gas & Elec. Co. v. Nat. Res. Def. Council, Inc., 462 U.S. 87 (1983); Kleppe v. Sierra Club, 427 U.S. 390 (1976); Dep't of Transp. v. Pub. Citizen, 541 U.S. 752, 757 (2004). Nearly every Federal Circuit Court of Appeals followed the Supreme Court and endorsed NEPA regulations. See, e.g., See Found. on Econ. Trends v. Lyng, 817 F.2d 882, 884 n.6 (D.C. Cir. 1987); Massachusetts v. Watt, 716 F.2d 946, 948 (1st Cir. 1983), abrogated on other grounds by Marsh, 490 U.S. 360; Brodsky v. U.S. Nuclear Regul. Comm'n, 704 F.3d 113, 120 n.3 (2d Cir. 2013); State of N.J., Dep't of Env't Prot. & Energy v. Long Island Power Auth., 30 F.3d 403, 409 n.9 (3d Cir. 1994); Sugarloaf Citizens Ass'n v. FERC, 959 F.2d 508, 512 n.3 (4th Cir. 1992); Sierra Club v. Sigler, 695 F.2d 957, 964 (5th Cir. 1983); Kentucky Riverkeeper Inc. v. Rowlette, 714 F.3d 402, 407 (6th Cir. 2013); Rhodes v. Johnson, 153 F.3d 785, 787 (7th Cir. 1998); Goos v. I.C.C., 911 F.2d 1283 n.2 (8th Cir. 1990); In re Operation of Missouri. River Sys. Litig., 516 F.3d 688, 693 (8th Cir. 2008); Friends of Boundary Waters Wilderness v. Dombeck, 164 F.3d 1115, 1125-27 (8th Cir. 1999). Trs. for Ala. v. Hodel, 806 F.2d 1378, 1382 (9th Cir. 1986); Sierra Club v. Hodel, 848 F.2d 1068, 1093 (10th Cir. 1988), overruled on other grounds by Vill. of Los Ranchos de Albuquerque v. Marsh, 956 F.2d 970 (10th Cir. 1992); Defs. of Wildlife, Earth Island Inst. v. Hogarth, 330 F.3d 1358, 1369 (Fed. Cir. 2003).

<sup>&</sup>lt;sup>105</sup> See Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act, 85 Fed. Reg. 43304 (July 16, 2020).

<sup>&</sup>lt;sup>106</sup> See Deadline for Agencies to Propose Updates to National Environmental Policy Act Procedures, 86 Fed. Reg. 34,154 (June 29, 2021); National Environmental Policy Act Implementing Regulations Revisions, 86 Fed. Reg. 55,757 (Oct. 7, 2021) (Proposed "Phase 1" Rule).

<sup>&</sup>lt;sup>107</sup> National Environmental Policy Act Implementing Regulations Revisions, 87 Fed. Reg. 23,453 (Apr. 20, 2022).

<sup>&</sup>lt;sup>108</sup> See National Environmental Policy Act Implementing Regulations Revisions Phase 2, 88 Fed. Reg. 49,924 (July

# c. The Agency Has Not Provided a Reasoned Explanation for Forgoing Notice and Comment on Its NEPA Implementing Procedures.

Third, the Agency argues that codification ensured the regulations were more "visible" to the public; however, now that the internet is more developed, procedures are still "accessible" even if not codified because they are posted online, and the upside of codification is removed. 109 This argument defies common sense and the law because codification is not just about making regulations easy for the public to find online. Public accessibility encompasses more than ability to view regulations, it also involves engagement. Indeed, in its latest rule revising its NEPA regulations, the Agency accepted written comments, stating "[t]he Department believes that codifying the procedures in regulations that are consistent with NEPA and the CEQ regulations will provide greater visibility to that which was previously contained in the DM and enhance cooperative conservation by highlighting opportunities for public engagement and input in the NEPA process." The Agency considered and evaluated the comments received, and made minor revisions to the final rule. The Agency has not provided a reasoned explanation for reversing its position that NEPA implementing procedures should be subject to notice and comment. Any "unexplained inconsistency" between a rule and its repeal is "a reason for holding an interpretation to be an arbitrary and capricious change." 112

## d. The Fiscal Responsibility Act Does Not Justify Rescinding the Agency's NEPA Implementing Regulations and Issuing Procedures Instead

Fourth, the Agency argues that its new NEPA implementing internal procedures are needed to implement the statute as amended in 2023. The Fiscal Responsibility Act of 2023 (FRA)<sup>113</sup> added certain requirements, including those related to: page limits and deadlines for environmental assessments (EA) and environmental impact statements (EIS); the definition of "major federal action" and relevant exclusions; the procedure for determining the appropriate level of review; directions for categorical exclusions; the procedures governing project-sponsor-prepared EAs and EISs; and notice and solicitation of comments when issuing a notice of intent to prepare an environmental impact statement. This argument fails because the amendments introduced in the FRA are not a reason to rescind the NEPA regulations and issue procedures. Agencies implementing NEPA have previously responded to new legislation that impacts such implementation by updating their regulations. <sup>114</sup> The FRA amendments were in fact quickly and

<sup>31, 2023) (</sup>proposed Phase 2 Rule); National Environmental Policy Act Implementing Regulations Revisions Phase 2, 89 Fed. Reg. 35,442 (May 1, 2024) (final Phase 2 Rule).

<sup>&</sup>lt;sup>109</sup> Department of Interior National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. 29498, 29500 (July 3, 2025).

<sup>&</sup>lt;sup>110</sup> Department of the Interior Implementation of the National Environmental Policy Act (NEPA) of 1969, 73 Fed. Reg. 61,292 (Oct. 15, 2008).

<sup>&</sup>lt;sup>111</sup> *Id*.

<sup>&</sup>lt;sup>112</sup> Nat'l Cable & Telecomms. Ass'n v. Brand X Internet Servs., 545 U.S. 967, 981 (2005).

<sup>&</sup>lt;sup>113</sup> Pub.L.No. 118-5, 137 Stat.10 (2023).

<sup>&</sup>lt;sup>114</sup> See, e.g., Department of Transportation Environmental Impact and Related Procedures, 72 Fed. Reg. 44038-01 (Aug. 7, 2007) (making revisions prompted by enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), which prescribe[d] additional requirements for environmental review and project decisionmaking that [we]re not appropriately reflected in the existing joint NEPA procedures.")

fully addressed in the CEQ's 2024 NEPA regulations, which were supported by a regulatory impact analysis and subject to extensive public input. As noted above, the appropriate approach for the Agency was to update its regulations to incorporate the FRA updates in compliance with APA notice and comment.

The FRA's revisions to NEPA therefore do not justify the Agency's change in position from utilizing NEPA implementing regulations to utilizing guidance.

# e. The Seven County Decision Does Not Justify the Agency's Rescission of Most of Its NEPA Implementing Regulations

Finally, the Agency notes that the changes in its NEPA regulations reflect the Supreme Court's decision in *Seven County*. <sup>115</sup> In removing and revising key parts of its NEPA implementing regulations, the Agency invoked the Supreme Court's recent decision in *Seven County*, pointing out that NEPA review is a "purely procedural" requirement that "does not itself require any substantive outcome." <sup>116</sup> Yet, the fact that a statute poses only procedural requirements provides no justification for an agency to *revoke* codified regulations. *Seven County* held that courts should "substantially" defer to agencies regarding the "scope and contents" of environmental review—specifically, their identification of particular impacts and alternatives in environmental impact statements and that NEPA did not require the agency in that case to consider certain indirect impacts. <sup>117</sup> It did not address the propriety of NEPA's procedural requirements. Furthermore, the Court's decision acknowledged that agency choices about the scope of environmental review should still "fall within a broad zone of reasonableness." <sup>118</sup> Rescinding core regulations and replacing them with guidance effectively guts environmental review. This flies in the face of NEPA's text and purpose and so is unreasonable. The *Seven County* decision does not justify the Agency's changed position regarding its NEPA implementing regulations.

To support its Rule, the Agency improperly invokes the Court's observation that NEPA review causes undue delays. The Agency states that it is "conscious of the Supreme Court's admonition [in *Seven County*] that NEPA review has grown out of all proportion to its origins of a 'modest procedural requirement,' creating, 'under the guise of just a little more process,' '[d]elay upon delay, so much so that the process seems to borde[r] on the Kafkaesque." However, judicial expressions of policy views are non-binding. Such policy views were also not grounded in any factual analysis. The Agency, for example, acknowledges that actions requiring an EIS are "a small proportion of all actions" and that the time to complete an EIS has decreased from 4.4 years to 2.2 years over the last twelve years. <sup>120</sup> Moreover, any concern that NEPA

<sup>116</sup> "DOI is repealing its prior regulations that establish procedures and practices for implementing NEPA, a 'purely procedural statute which 'simply prescribes the necessary process for an agency's environmental review of a project'—a review that is, even in its most rigorous form, 'only one input into an agency's decision and does not itself require any particular substantive outcome." National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. at 29,502 (quoting *Seven Cnty.*, 145 S. Ct. at 1507, 1511).

<sup>&</sup>lt;sup>115</sup> 145 S. Ct. 1497.

<sup>&</sup>lt;sup>117</sup> Seven Cnty., 145 S. Ct. at 1508.

<sup>&</sup>lt;sup>118</sup> Seven Cntv., 145 S. Ct. at 1513.

<sup>&</sup>lt;sup>119</sup> Department of Interior National Environmental Policy Act Implementing Regulations, 90 Fed. Reg. 29498, 29,500 (July 3, 2025) (quoting *Seven Cnty.*, 145 S. Ct. at 1513–14).

<sup>&</sup>lt;sup>120</sup> Department of the Interior, *Regulatory Impact Analysis for the Interim Final Rule National Environmental Policy Act Implementing Regulations*, RIN: 1090-AB18 (June 30, 2025), available at:

requirements have "grown out of all proportion" is not properly addressed by repealing NEPA regulations altogether. Even if environmental review has become burdensome, the Agency must still comply with the requirements of NEPA. Rescinding most of the Agency's regulations rather than a more tailored approach of revising regulations—is a hyperbolic response, a blunt force tool that topples the very framework that the agency relies on to meet NEPA's statutory requirements. Indeed, it will be challenging for DOI to implement a "purely procedural" statute when it provides no clear standards or procedures to do so. The Seven County decision was intended as a "course correction" for *courts*, to bring "judicial review . . . back in line" by limiting judges' ability to require agencies to consider specific environmental effects. 121 It did not justify the Agency's action rescinding most of its NEPA implementing regulations.

#### The Agency Failed to Provide a Reasoned Explanation for 2. Eliminating Regulations Implementing Fundamental NEPA Requirements

In addition to failing to provide a reasoned explanation for rescinding most of its NEPA implementing regulations and replacing them with procedures without notice and comment, the Agency has failed to provide a reasoned explanation for its failure to include fundamental NEPA requirements in its new NEPA procedures. One of the core tenets set forth in State Farm is that "an agency changing its course... is obligated to supply a reasoned analysis for the change." 122 "Reasoned decision making...necessarily requires the agency to acknowledge and provide an adequate explanation for its departure from established precedent."<sup>123</sup> The Agency has not provided a reasoned explanation for omitting fundamental NEPA requirements, which had been included in the CEQ regulations and the Agency's NEPA implementing regulations from its new procedures.

In outlining its basis for revising its NEPA implementing regulations, the Agency focuses entirely on its reasons for utilizing internal procedures instead of regulations, with no explanation or basis for the removal of certain requirements that no longer appear anywhere now that the regulations have been rescinded. The Agency does not even provide any list of the requirements that are being removed. Instead, it notes in passing that "where [the Agency] has retained an aspect of its preexisting NEPA implementing procedures, it is because that aspect is compatible with these guiding principles [i.e., E.O. 14154, the FRA, and Seven County]; where DOE has revised or removed an aspect, it is because that aspect is not so compatible."124

The Agency provided no reasoned explanation for the removal of NEPA requirements, including the following: consideration of indirect and cumulative effects, consideration of climate-change and environmental-justice effects, <sup>125</sup> and solicitation of comments on draft

https://docs.publicnow.com/viewDoc?filename=139931%5CEXT%5CE7AEDE332336C975D7E281185B5B7404B 34C81D9 63F944875636216EC580363B788BA3A4DCF1D4B4.PDF

<sup>&</sup>lt;sup>121</sup> Seven Cntv., 145 S. Ct. at 1514 (emphasis added).

<sup>&</sup>lt;sup>122</sup> 463 U.S. at 42 (finding agency acted arbitrarily and capriciously in revoking the requirement that new motor vehicles include passive restraints).

<sup>&</sup>lt;sup>123</sup> Dillmon v. Nat'l Transp. Safety Bd., 588 F.3d 1085, 1089-90 (D.C. Cir. 2009) (citing FCC v. Fox Television Stations, Inc., 566 U.S. 502, 515 (2009)).

<sup>&</sup>lt;sup>124</sup> 90 Fed. Reg. at 29,501.

<sup>&</sup>lt;sup>125</sup> Compare 43 C.F.R. § 46.30 (incorporating definitions from 40 CFR § 1508.1(g), as amended in 2022 by 87 Fed. Reg. 23453, 23469-70), and Handbook § 6.1(j) (omitting reference to "indirect," "cumulative," "climate change," and "environmental justice" in effects definition).

# 3. The Agency Fails to Provide a Reasoned Explanation for Eliminating the Requirement to Consider Certain Effects

The Agency failed to provide a reasoned explanation for eliminating core NEPA requirements through a redefinition of the term "effects." The prior CEQ regulations included in the definition of effects "direct, indirect, and cumulative effects," 127 and clarified that "[e]ffects include ecological (such as the effects on natural resources and on the components, structures, and functioning of affected ecosystems), aesthetic, historic, cultural, economic, social, or health, such as disproportionate and adverse effects on communities with environmental justice concerns, whether direct, indirect, or cumulative. Effects also include effects on Tribal resources and climate change-related effects, including the contribution of a proposed action and its alternatives to climate change, and the reasonably foreseeable effects of climate change on the proposed action and its alternatives." <sup>128</sup> The Agency provides no explanation, much less a reasoned or rational one, for removing "indirect" and "cumulative" from the "effects" definition. The inclusion of "indirect" and "cumulative" impacts in the effects definition originated in CEQ's Regulations, which the [Agency] incorporated into its NEPA regulations. <sup>129</sup> The Agency's procedures now state: "Effects should generally not be considered if they are remote in time, geographically remote, or the product of a lengthy causal chain. Effects do not include those effects that the agency has no ability to prevent due to the limits of its regulatory authority, or that would occur regardless of the proposed action, or that would need to be initiated by a third party." <sup>130</sup> This definition of "effects" fails to expressly include cumulative and indirect effects, in violation of NEPA's plain language, which requires federal agencies to consider all "reasonably foreseeable" effects, <sup>131</sup> and to address impacts to future as well as present generations. 132 This statutory mandate cannot be met without analyzing cumulative and indirect effects. Moreover, since prior to CEQ's promulgation of its 1978 Regulations, courts have consistently affirmed agencies' legal obligation to consider these effects. <sup>133</sup> Therefore, the

<sup>&</sup>lt;sup>126</sup> Compare 43 C.F.R. § 46.435 ("A bureau must seek comment from the public as part of the . . . notice of availability for a draft [EIS]."), and Handbook § 2.1(b)(ii) ("During the process of preparing an [EIS], the Responsible Official . . . [m]ay request the comments of the public . . . .").

<sup>127</sup> 40 C.F.R. § 1508.1(g), as amended in 2022 by 87 Fed. Reg. 23,453, 23,469-70.

<sup>&</sup>lt;sup>128</sup> 40 C.F.R. § 1508.1(g)(4), as amended in 2024 by 89 Fed. Reg. 35,442, 35,575.

<sup>129</sup> CEQ has long recognized the need to consider indirect and cumulative effects under NEPA. CEQ recognized in NEPA guidance issued in 1973—less than four years after NEPA was enacted—that indirect or "secondary" effects "may often be even more substantial than the primary effects of the original action itself." Preparation of Environmental Impact Statements: Guidelines, 38 Fed. Reg. 20,550, 20,553 (Aug. 1, 1973). And even before that, CEQ recognized that the effects of many decisions can be "individually limited but cumulatively considerable." Council on Environmental Quality, Statements on Proposed Federal Actions Affecting the Environment, 36 Fed. Reg. 7724–29 (Apr. 23, 1971) (The 1971 Guidelines were later revised in 1973 (38 Fed. Reg. 20,549–62 (Aug. 1, 1973)) (codified at 40 C.F.R. § 1502)). More recently, CEQ reaffirmed that "cumulative effects analysis is essential to effectively managing the consequences of human activities on the environment." CEQ, CONSIDERING CUMULATIVE EFFECTS UNDER THE NATIONAL ENVIRONMENTAL POLICY ACT (Jan. 1997) [hereinafter Considering Cumulative Effects], https://ceq.doe.gov/publications/cumulative\_effects.html.

<sup>&</sup>lt;sup>130</sup> U.S. Dep't of the Interior, Handbook of National Environmental Policy Act Implementing Procedures 24, *available* at https://www.doi.gov/media/document/doi-nepa-handbook (last visited Jul. 17, 2025).

<sup>&</sup>lt;sup>131</sup> 42 U.S.C. § 4332(C)(i)-(ii).

<sup>&</sup>lt;sup>132</sup> 42 U.S.C. §§ 4321, 4331.

<sup>&</sup>lt;sup>133</sup> See, e.g., Kleppe v. Sierra Club, 427 U.S. 390, 410 (1976) (interpreting NEPA to require consideration of "cumulative or synergistic environmental impact."); NRDC v. Hodel, 865 F.2d 288, 297–98 (D.C. Cir. 1988) (stating

Agency must explain why it is abandoning the indirect and cumulative impact definitions.

NEPA's statutory mandate also requires federal agencies to consider "disproportionate and adverse effects on communities with environmental justice concerns" and "climate-change related effects," as set forth in the 2024 Rule. 134 Yet the Agency has not provided any explanation, much less a reasoned or rational one, for removing references to environmental justice and climate change. 135 Consistent with section 102(2)(C) of NEPA, consideration of environmental justice and climate change-related effects has long been part of NEPA analysis. "The impact of GHG emissions on climate change is precisely the kind of cumulative impacts analysis that NEPA requires agencies to conduct." With respect to environmental justice, NEPA makes it the federal government's responsibility to "assure for *all* Americans safe, healthful, productive, and esthetically and culturally pleasing surroundings," and states "that *each person* should enjoy a healthful environment." Consideration of how a proposed federal action might disproportionately affect *some* Americans more than others is thus a highly relevant consideration under the statute. NEPA's focus on "the quality of the *human* environment," salso a concern advanced by analyzing the distribution of environmental burdens in the human environment. Courts have also reviewed NEPA analyses to determine if they appropriately considered environmental justice impacts.

Lastly, the Agency's narrow redefinition of what effects should be considered does not follow the *Seven County* decision. In fact, the Supreme Court explicitly recognized that "environmental *effects* of the project at issue may fall within NEPA even if those *effects* might extend outside the geographical territory of the project or might materialize later in time—for example, run-off into a river that flows many miles from the project and affects fish populations elsewhere, or emissions that travel downwind and predictably pollute other areas." The Supreme Court also noted that other projects may still be "interrelated and close in time and place to the project at hand" and require analysis under NEPA. Thus, by stating that the term "effects" should not generally consider any environmental effects that are "remote in time, geographically remote, or the product of a lengthy causal chain," the agency precludes consideration of effects that the Supreme Court has specifically stated may fall within NEPA's statutory requirements. 143

<sup>&</sup>quot;NEPA, as interpreted by the courts, and CEQ regulations both require agencies to consider the cumulative impacts of proposed actions," and holding that NEPA required the Secretary of the Interior to consider the cumulative impacts of offshore development in different areas of the Outer Continental Shelf).

<sup>&</sup>lt;sup>134</sup> 40 C.F.R. § 1508.1(i)(4), as amended in 2024 by 89 Fed. Reg. 35,442, 35,575.

<sup>&</sup>lt;sup>135</sup> See 43 C.F.R. § 46.30 (incorporating definitions from 40 C.F.R. § 1508.1(i)(4), as amended in 2024 by 89 Fed. Reg. 35,442, 35,575).

<sup>&</sup>lt;sup>136</sup> Ctr. for Biological Diversity v. Nat'l Highway Transportation Safety Admin., 538 F.3d 1172, 1217 (9th Cir. 2008); see also 89 Fed. Reg. at 35,452 n.58; WildEarth Guardians v. U.S. Bureau of Land Mgmt., 870 F.3d 1222 (10th Circ. 2017) (invalidating an EIS and Record of Decision for coal leases for failing to consider climate change).

<sup>&</sup>lt;sup>137</sup> 42 U.S.C. § 4331(b)(2) (emphasis added).

<sup>&</sup>lt;sup>138</sup> 42 U.S.C. § 4331(c) (emphasis added).

<sup>&</sup>lt;sup>139</sup> 42 U.S.C. § 4332(c) (emphasis added).

<sup>&</sup>lt;sup>140</sup> See, e.g., Mid States Coalition for Progress v. Surface Transp. Bd., 345 F.3d. 520, 541 (8th Cir. 2003); Sierra Club v. Fed. Energy Regulatory Comm., 867 F.3d 1357, 1370 (D.C. Cir. 2017).

<sup>&</sup>lt;sup>141</sup> Seven Cnty. 145 S. Ct. at 1515 (emphasis in original).

<sup>&</sup>lt;sup>142</sup> *Id.* at 1517.

<sup>&</sup>lt;sup>143</sup> "[S]o-called indirect effects can sometimes fall within NEPA . . . . " *Id*.

# 4. The Agency Fails to Provide a Reasoned Explanation for Curtailing Public Comment During the NEPA Process

Public involvement by States and our residents is critical to identifying and evaluating public health and environmental issues of local or statewide concern that may result from federal actions. Public participation further provides a critical tool for identifying alternatives that improve a proposed action or reduce its environmental impacts, identifying shortfalls in the agency's analyses, spotting missing issues, and providing additional information that the agency may not have known existed. For these reasons, NEPA prioritizes democratic values by providing a central role for public participation in the environmental review process. 144

Consistent with the above principles, the Agency's prior NEPA regulations required federal agencies to request comments on draft environmental impact statements from federal and state agencies, Tribes, and the public. 145 In contrast, the Agency's new internal procedures do not require solicitation of public comments on draft EISs; instead, they provide that the Agency, "[d]uring the process of preparing an [EIS] ... may request the comments of the public .... The procedures further suggest that any request for comment from the public or other stakeholders need not inform the Agency's decision-making, advising that the "process of obtaining and requesting comments . . . may be undertaken at any time that is reasonable in the process of preparing the [EIS] and seek to provide 30 days, to the extent practicable." 147 This elimination of public participation opportunities vitiates one of the core purposes of an EIS under NEPA, which is to "make available to the public, information of the proposed project's environmental impact and encourage public participation in the development of that information." <sup>148</sup> If the public is not allowed to review and comment on the draft EIS—the Agency's assessment of environmental effects and rationale for its findings—before it is finalized, then the public's ability to engage in the development of information will be hampered. The Agency provides no reasoned or rational explanation, or indeed, any explanation at all, for impairing the public's ability to engage in the NEPA decision-making process in this manner.

To the extent the Agency seeks to justify this change by citing the need for efficiency in environmental reviews under NEPA, the Agency has provided no reasoned or rational explanation for how it has chosen to balance the aims of efficiency and public participation. Therefore, to comply with the APA, the Agency must explain why it is no longer requiring the solicitation of public comment on draft EISs.

# 5. The Agency Failed to Provide a Reasoned Explanation for the Presumption that an EA Rather than an EIS Is Required

The Agency has not provided a reasoned explanation for the procedures' changes to the standards for when and whether an EA or EIS is prepared.

NEPA requires preparation of an EIS for all major federal actions "significantly affecting

<sup>146</sup> Handbook § 2.1(b) (emphasis added).

<sup>&</sup>lt;sup>144</sup> *Kleppe*, 427 U.S. at 409 (quoting Conference Report on NEPA, 115 Cong. Rec. 40416 (1969) (internal quotations omitted).

<sup>&</sup>lt;sup>145</sup>43 C.F.R. § 46.435.

<sup>&</sup>lt;sup>147</sup> Handbook § 2.1(c) (emphasis added).

<sup>&</sup>lt;sup>148</sup> Save Lake Washington v. Frank, 641 F.2d 1330, 1334 (9th Cir. 1981) (quoting *Trout Unlimited v. Morton*, 509 F.2d 1276, 1287 (9th Cir. 1974).

the quality of the human environment."<sup>149</sup> The EIS lies at the heart of NEPA's purpose, directing agencies to consider reasonable alternatives and mitigation that would avoid adverse environmental effects of the proposed action. <sup>150</sup> NEPA prescribes a process for determining whether an EIS is required: an agency must prepare an EIS "with respect to a proposed agency action . . . that has a reasonably foreseeable significant effect on the quality of the human environment"; an agency must prepare an EA "if the significance of such effect is unknown."<sup>151</sup> Simply put, an EA is required, absent a categorical exclusion, for the purpose of determining whether a proposed action may have significant effects and require an EIS to analyze alternatives and mitigation.

The CEQ regulations reflected this prescribed process, stating that an agency "shall prepare an [EA] for a proposed action that is not likely to have significant effects or when the significance of the effects is unknown" unless a categorical exclusion applies. <sup>152</sup> The CEQ regulations also required that an agency, "[b]ased on [an] [EA] make its determination whether to prepare an [EIS]." <sup>153</sup> Further, courts have held that preparation of an EA is not a cursory exercise, applying "hard look" review to an agency's decision not to prepare an EIS based on an EA's finding of no significant impact, requiring the agency to provide a "convincing statement of reasons why a project's impacts are insignificant. <sup>154</sup>

The Agency's previous regulations provided, "The purpose of an [EA] is to allow the Responsible Official to determine whether to prepare an [EIS] or a finding of no significant impact." In contrast, the Agency's new NEPA procedures identify "classes of action normally requir[ing] [EAs] but likely . . . not requir[ing] an EIS]." Such a presumption inverts the process dictated by the text and purpose of NEPA and the regulatory framework established by the Agency's NEPA regulations.

The Agency is required under NEPA and regulations to study the potentially significant impacts of a proposed action, absent a categorical exclusion, and provide a defensible explanation for its decision not to prepare an EIS. There is no reasoned explanation for the procedures' change from the Agency's prior NEPA regulations incorporating the CEQ regulations, which contain no presumption in favor of an EA, to the procedures' statement that certain major federal actions not subject to a categorical exception are presumed to require an EA but not an EIS. The Agency's procedure is therefore arbitrary and capricious and contrary to NEPA.

Furthermore, the Agency's previous regulations identified factors for determining whether effects were significant and required analysis in an EIS. 157 These factors included the following: adverse effects unique characteristics, "such as historic or cultural resources, parks, Tribal sacred sites, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical

<sup>150</sup> See Dep't of Transp. v. Public Citizen, 541 U.S. 752, 756 (2004).

<sup>152</sup> 40 CFR § 1501.5(a), as amended in 2024 by 89 Fed. Reg. 35,442, 35,558 (May 1, 2024).

<sup>&</sup>lt;sup>149</sup> 42 U.S.C. § 4332.

<sup>&</sup>lt;sup>151</sup> 42 U.S.C. § 4336(b).

<sup>&</sup>lt;sup>153</sup> 40 C.F.R. § 1501.5(c)(1), as amended in 2024 by 89 Fed. Reg. 35,442, 35,558 (May 1, 2024).

<sup>&</sup>lt;sup>154</sup> Nat'l Parks & Conservation Ass'n v. Babbitt, 241 F.3d 722, 730 (9th Cir. 2001), abrogated on other grounds recognized by Monsanto Co. v. Geerston Seed Farms, 561 U.S. 139 (2010); see also Save Our Cumberland Mountains v. Kempthorne, 453 F.3d 334, 339 (6th Cir. 2006).

<sup>&</sup>lt;sup>155</sup> 43 C.F.R. § 46.430.

<sup>&</sup>lt;sup>156</sup> Handbook § 1.5(c).

<sup>&</sup>lt;sup>157</sup> 43 C.F.R. § 46.30 (incorporating definition of significant effects from 40 CFR § 1508.1(mm), which cross-referenced significance factors from 40 C.F.R. §1501.3(d), as amended in 2024 by 89 Fed. Reg. 35,442, 35,557, 35,578 (May 1, 2024)).

areas"; "the potential effects on the human environment [that] are highly uncertain"; adverse effects on endangered or threatened species and critical habitat under the ESA; and adverse effects on environmental justice communities. <sup>158</sup> The Agency's new procedures do not include these factors, and, in the case of endangered species, exclude the listing and delisting of endangered species and designation of critical habitat from the definition of major federal action altogether. <sup>159</sup> The Agency's alteration of significance factors is therefore arbitrary and capricious.

# 6. The Agency Failed to Consider Important Aspects of the Problem

Moreover, the Agency fails to consider multiple important issues in the Rescission Rule. An agency action is "arbitrary and capricious" under the APA where "the agency has...entirely failed to consider an important aspect of the problem [or] offered an explanation for its decision that runs counter to the evidence before the agency." Thus, when an agency amends its regulations, it must demonstrate by reasoned explanation that it has considered the context and intent behind the original regulation. In promulgating the Rescission Rule, the Agency entirely fails to consider the impact of rescinding most of its NEPA regulations in conjunction with the repeal of the CEQ regulations on the NEPA regulatory landscape, and the value of a consistent and unifying approach to NEPA implementation which no longer exists. The Agency also fails to consider the confusion that will be caused by the Agency and other federal agencies promulgating new and disparate NEPA internal procedures and guidance instead of coordinating to set consistent, robust regulations to guide NEPA review. The Agency therefore is making a decision that runs counter to the evidence before the agency, which include CEQ's 1978 findings that inconsistent agency regulations make it difficult for the public to participate in the environmental review process, and cause unnecessary duplication, delay, and paperwork.

# a. The Agency Failed to Consider the Impact of Rescinding the Agency's Regulations in Conjunction with the Repeal of the CEQ's Regulations

The Agency acted arbitrarily and capriciously by ignoring the importance of its reliance on time-tested and unifying regulations to guide its decisions under NEPA, and the impact of the rescission of most of its NEPA regulations together with the repeal of the CEQ regulations on this situation. The Agency does not consider that the rescission of most of its regulations and CEQ's repeal of the NEPA regulations left a chasm in the NEPA regulatory landscape. Where the CEQ regulations previously bridged the gap between NEPA and unique agency regulations such as the Agency's specific categorical exclusions, federal agencies are now left with a dissonant set of individual guidance documents. Nothing prevents the Agency from adopting CEQ's unifying regulations as its own and restoring the order that these regulations used to provide. The Agency's failure to even consider doing so exhibits a disregard for the history of the CEQ regulations.

As described in Section II(A) above, in 1978, in accordance with E.O. 11991, CEQ promulgated regulations to address concerns of "inconsistent agency practices and interpretations of the law" under CEQ's non-binding guidance, which impeded both Federal coordination and

<sup>159</sup> Handbook §§ 1.1(a)(6)(iii)(D), 1.2(b)(2).

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<sup>158</sup> I.A

<sup>&</sup>lt;sup>160</sup> State Farm, 463 U.S. at 43.

<sup>&</sup>lt;sup>161</sup> See NAACP, Jefferson Cnty. Branch v. Donovan, 765 F.2d 1178, 1185 (D.C. Cir. 1985).

<sup>&</sup>lt;sup>162</sup> 1978 Final Rule at 55,978.

public participation in the environmental review process. <sup>163</sup> CEQ's NEPA prior regulations fulfilled their intended purpose of guiding federal agencies in a "uniform, government-wide approach" to NEPA implementation. <sup>164</sup> The Agency fails entirely to address the lack of a uniform regulatory approach to implementing NEPA in the Rescission Rule. It provides no recognition of the initial rationales for CEQ's NEPA implementing regulations or Agency's NEPA regulations and no explanation why rescinding most of the Agency's NEPA regulations and issuing internal procedures, will not implicate the same concerns.

In addition, the varied and inconsistent NEPA internal procedures issued by other federal agencies also create confusion. There is now a patchwork of regulations, partial regulations, and non-binding guidance across different federal agencies. Now, when planning projects that require NEPA approvals from multiple federal agencies, states, territories, and tribal and local governments, and project proponents will be subject to uncertainty as to how to apply multiple agencies' divergent and possibly conflicting internal procedures.

## For example:

- The Department of Energy (DOE)'s new NEPA procedures list the actions that a project applicant must take, including initiating any request to DOE to prepare the NEPA review with the application or during the early scoping period, providing environmental information used to prepare or evaluate the environmental document, replacing the applicant-directed contractor at DOE's request, and developing a consolidated administrative record within two weeks of DOE's request. <sup>165</sup> In contrast, the Department of Defense's (DoD) NEPA procedures do not set forth these expectations for project applicants. <sup>166</sup>
- The DOE procedures state that "the environmental document needs a description of the affected environment that is sufficient to support a reasoned explanation of DoE's conclusion regarding the significance of effects," whereas the DoD's NEPA procedures call for the DoD to "consider the potentially affected environment and degree of the effects of the action" without expressly requiring a description of the affected environment. 168
- Department of Transportation (DOT)'s revised NEPA procedures and the Agency's regulations at 43 CFR § 46.150 outline a notification and consultation process and guidelines for preparing environmental documentation during emergencies. <sup>169</sup> DoD's and DOE's NEPA procedures do not provide as much detail regarding emergencies that may

<sup>&</sup>lt;sup>163</sup> 43 Fed. Reg. at 55,978.

<sup>&</sup>lt;sup>164</sup> *Id*.

<sup>&</sup>lt;sup>165</sup> DOE, *National Environmental Policy Act (NEPA) Implementing Procedures* (DOE Procedures) at pp. 10-11. (June 30, 2025), available at: https://www.energy.gov/sites/default/files/2025-06/2025-06-30-DOE-NEPA-Procedures.pdf.

<sup>&</sup>lt;sup>166</sup> Department of Defense National Environmental Policy Act Implementing Procedures (DoD Procedures) at p. 23 (June 30, 2025), available at: https://www.denix.osd.mil/nepa/denix-files/sites/55/2025/06/DoD-NEPA-Procedures-FINAL.pdf.

<sup>&</sup>lt;sup>167</sup> DOE Procedures at p. 14.

<sup>&</sup>lt;sup>168</sup> DoD Procedures at p. 3.

<sup>&</sup>lt;sup>169</sup> Department of Transportation, DOT Order 5610.1D, *DOT's Procedures for Considering Environmental Impacts*, at pp. 25-26, available at https://www.transportation.gov/sites/dot.gov/files/2025-07/DOT\_Order\_5610.1D\_OST-P-250627-001 508 Compliant.pdf.

interfere with the preparation of environmental documents. 170

As a result, state agencies that are delegated authority to comply with NEPA, must develop different procedures to meet various federal agency regulations and guidelines. Additionally, for projects involving more than one federal agency, the Agency's procedures will increase uncertainty about which of the federal agencies' inconsistent NEPA processes apply.

The Agency's new procedures do not and cannot exist in the same unifying framework as existed under CEQ's NEPA regulations. Instead, the internal procedures may lead to inconsistent decisions by the Agency. For example, the procedures do not provide specific guidance as to when public comment is to be invited, and do not expressly provide for public comment on draft environmental impact statements. The procedures also fail to define "mitigation" and do not reference national emergency declarations.

In rescinding most of its NEPA regulations and issuing new internal procedures without consideration of the important unifying role served by the Agency's regulations and CEQ's regulations, and the gaping chasm created by the rescission of those regulations, the Agency has "entirely failed to consider an important aspect of the problem" in violation of the APA. <sup>171</sup>

# b. The Agency Failed to Evaluate the Uncertainty the Rule and Issuance of Internal Procedures Will Cause

While the Agency claims that the Rule and adoption of internal procedures will reduce uncertainty in accordance with E.O. 14154, it will do the opposite. The Agency's rationale ignores and minimizes the uncertainty the rescission of its NEPA regulations and issuance of procedures will cause.

As compared to regulations, procedures are more uncertain because an agency may argue that it need not comply with these procedures and they can be changed at any time without notice and comment. The CEQ regulations had been in place for more than four decades and provided reliable guideposts for the evaluation of environmental effects under NEPA. The Agency previously referenced CEQ's regulations in its NEPA implementing regulations. When CEQ repealed its NEPA regulations, the Agency could have revised its regulations to incorporate the CEQ regulations as its own. Instead, the Agency is now engaged in experimentation—it adopted procedures that do not benefit even from the collective wisdom that could have been provided by public notice and comment. Moreover, the Agency may argue that its NEPA internal procedures can be ignored, revised, discarded and replaced, at any time., the Agency may be in a perpetual cycle of new internal procedures which States and project applicants cannot rely on. The procedures will therefore likely raise concerns—similar to those regarding repeal of the CEQ regulations—that the rescission of Agency's NEPA regulations would lead to "tremendous uncertainty" which would "frustrate project backers that want clear, predictable and efficient procedures." 172

Moreover, the Agency's NEPA regulations, incorporating CEQ's regulations, were far more detailed than the Agency's new internal procedures. The regulations provided, inter alia, requirements for how each reasonable alternative is developed and analyzed, data source and quality standards for information used, specific environmental consequences that must be

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<sup>&</sup>lt;sup>170</sup> DoD Procedures at p. 21; DOE Procedures at p. 20.

<sup>&</sup>lt;sup>171</sup> State Farm, 463 U.S. at 43.

<sup>&</sup>lt;sup>172</sup> See Juan Carlos-Rodriguez, Better Process Not Certain as White House Loses NEPA Regs, Law 360 (Feb. 20, 2025).

addressed, and criteria for cost-benefit analyses.<sup>173</sup> In comparison, and as described above, the Agency's new procedures do not provide sufficient guidance for conducting NEPA reviews. The inconsistent decision-making that the new procedures will engender will lead to uncertainty in environmental reviews and project approvals. This will be detrimental to the stated goals of efficiency and certainty.

The Agency's adoption of procedures also may significantly increase litigation. Currently, most NEPA analyses do not result in litigation. 174 According to CEQ data, "the number of NEPA lawsuits filed annually has consistently been just above or below 100, with the exception of a period in the early- and mid-2000s."<sup>175</sup> "Given that the number of federal actions potentially subject to NEPA is roughly 100,000 or so annually, litigation rates are exceedingly low." <sup>176</sup> Even for EISs, which represent a small fraction of NEPA review processes, on average 20% are challenged and just 13% are actually litigated." However, the Agency's new NEPA internal procedures cannot rely on the rescinded CEQ regulations, which have been upheld time and again by the courts, and therefore, the Agency's environmental decision-making may be subject to an increasing number of legal challenges. Courts will need to determine whether the Agency's environmental review of federal projects is consistent with NEPA without the benefit of CEO's regulations. Furthermore, if various agencies' rescission rules and internal procedures are challenged in court, confusion will likely arise as different courts may make conflicting decisions about the myriad agency rules and procedures, which do not rely on the unifying provisions set forth in the former CEQ regulations. The Agency's assertion that the rescission of its NEPA regulations will reduce uncertainty thus "runs counter to the evidence before the agency, or is so implausible that it could not be ascribed to a difference in view or the product of agency expertise." This position is thus arbitrary and capricious.

# 7. The Agency Failed to Adequately Consider Reliance Interests

The Agency argues that Rule does not implicate any reliance interests because: 1) NEPA is a "purely procedural statute"; 2) it is unclear how parties can assert reliance interests in prospective procedures; and 3) any reliance interests are outweighed by policy considerations related to, *inter alia*, project costs and the economy.<sup>179</sup> The Agency's assertions are contrary to law and fact.

Under the APA, in changing course, an agency must "assess whether there were reliance interests, determine whether they were significant, and weigh any such interests against competing policy concerns." When an agency's "prior policy has engendered serious reliance

<sup>&</sup>lt;sup>173</sup> 40 C.F.R. § 1502.

<sup>&</sup>lt;sup>174</sup> U.S. Gov't Accountability Off., GAO-14-369, National Environmental Policy Act: Little Information Exists on NEPA Analyses [hereinafter "GAO Report"], at 19 (2014), https://www.gao.gov/products/gao-14-369.pdf. <sup>175</sup> *Id*.

<sup>&</sup>lt;sup>176</sup> David E. Adelman & Robert L. Glicksman, *Presidential and Judicial Politics in Environmental Litigation*, 50 Ariz. St. L.J. 4, 50 (2018).

<sup>&</sup>lt;sup>177</sup> *Id.*; see also GAO Report, supra note \_\_, at 19; Richard Lazarus, *The National Environmental Policy Act in the U.S. Supreme Court: A Reappraisal and a Peek Behind the Curtains*, 100 GEO. L.J. 1507, 1510 (2012), http://law.harvard.edu/faculty/rlazarus/docs/articles/Lazarus\_APeekBehindtheCurtain\_2012.pdf (as of 2012, the Supreme Court had decided only 17 NEPA cases).

<sup>&</sup>lt;sup>178</sup> State Farm, 463 U.S. 29, 43.

<sup>&</sup>lt;sup>179</sup> 90 Fed. Reg. at 29500.

<sup>&</sup>lt;sup>180</sup> Department of Homeland Security v. Regents of the University of California, 140 S. Ct. 1891, 1914-15 (2020).

interests that must be taken into account," it must "provide a more detailed justification [for its change in policy] than what would suffice for a new policy created on a blank slate." A "summary discussion" is insufficient where decades of reliance on an agency's previous position exists. An "[u]nexplained inconsistency" in agency policy is "a reason for holding an interpretation to be an arbitrary and capricious change from agency practice." 183

Over the nearly fifty-year lifespan of CEQ's NEPA Regulations, significant reliance interests have developed across the nation. CEQ's regulations have been in place as legislative rules since 1978, and had been relied on by states, industry, and the public. The Agency's NEPA regulations had been in place since 2008 and incorporated CEQ's regulations. At the state level, the States drafted their own little NEPAs in reliance on the clarity provided by CEQ's NEPA implementing regulations as to the content of federal environmental reviews. The States conduct environmental reviews at the state level in coordination with federal agencies' environmental reviews under NEPA. With the repeal of CEQ's NEPA implementing regulations, and the rescission of most of the Agency's NEPA regulations, States will need to reassess not only their own state environmental law processes, but also the procedures applicable to and content of individual project environmental reviews to ensure they meet the statutory goals and requirements of state law. The repeal of CEQ's regulations and subsequent rescission of most of the Agency's NEPA regulations will "necessitate systemic, significant changes" for all who interact with NEPA. 184

Considering this reliance on longstanding CEQ's and the Agency's NEPA regulations, the Agency's cursory dismissal of reliance interests is wrong and renders its decision to repeal most of its NEPA regulations arbitrary and capricious. First, the Agency states that because NEPA is a "purely procedural statute" that "imposes no substantive environmental obligations or restrictions," there are no reliance interests. <sup>185</sup> But this argument is misguided. Procedural obligations set forth by NEPA regulations form a central, and enduring (until now), part of an environmental review framework relied upon by the States, applicants and the public for federal projects across the country. In addition, the Agency's focus on the *type* of reliance interests is too narrow; the argument that NEPA is a procedural statute does not overcome the fact that the States and project applicants rely on the dependability of the Agency's NEPA regulations when planning potential projects, or series of projects under a program or programmatic environmental document, that may stretch over a period of years. The Agency cannot absolve itself of the responsibility to "assess whether there were reliance interests, determine whether they were significant, and weigh any such interests against competing policy concerns" by simply declaring that there are no reliance interests in the first place. <sup>186</sup>

Second, the Agency also appears to argue that there are no reliance interests in prospective NEPA procedures. <sup>187</sup> This argument misses the mark, however, as the States have reliance interests not in prospective procedures, but in the longstanding agency NEPA regulations rescinded by the Agency through an interim final rule. As stated above, the States have a reliance interest in the stability of the rules and procedures that govern environmental review of decision-making; this stability was undermined by the Agency's rescission of most of

<sup>&</sup>lt;sup>181</sup> FCC v. Fox Television Stations, Inc., 556 U.S. 502, 515 (2009).

<sup>&</sup>lt;sup>182</sup> Encino Motorcars, LLC v. Navarro, 579 U.S. 211, 222 (2016) (finding reliance by industry on an agency position in place since 1978 required more than a summary discussion of the reasoning for the change).

<sup>&</sup>lt;sup>183</sup> *Id*.

<sup>&</sup>lt;sup>184</sup> *Id*.

<sup>&</sup>lt;sup>185</sup> 90 Fed. Reg. at 29,500.

<sup>&</sup>lt;sup>186</sup> Department of Homeland Security, 140 S. Ct. at 1914-15 (2020).

<sup>&</sup>lt;sup>187</sup> 90 Fed. Reg. at 29,500.

its NEPA regulations and issuance of procedures.

Third, the Agency claims that to the extent any reliance interests exist, they are outweighed by other policy considerations. <sup>188</sup> But this argument is unsupported by any assessment of what the reliance interests are, and only highlights the fact that the Agency both failed to determine whether the public's reliance interests in the relative stability provided by NEPA regulations is significant, and unlawfully declined to weigh these interests against competing policy concerns.

The States' and the public's reliance interests in stable and well-established NEPA regulations should not be waved off arbitrarily. The states rely on NEPA regulations to guide the uniform and adequate review of projects. Without sufficient NEPA review by federal agencies, States are required to expend costs and resources to understand project impacts and, for some projects, to comply with state law. <sup>189</sup> As explained above, the Agency's rescission of most of its NEPA regulations and issuance of procedures will lead to uncertainty as to which procedures to follow, and will disrupt environmental reviews across the country, where the States already have significant resources devoted to NEPA implementation. It will also require the States to invest more resources in environmental review processes because the staff assigned in each State must familiarize themselves with the regulations of the individual federal agencies involved in each project. Moreover, it will diminish agency accountability because the agency can continually move the goal line with respect to its implementing procedures without notice to the public and without regard to reliance interests. The Agency's failure to consider these reliance interests renders the Rescission Rule arbitrary and capricious.

# C. The Agency's Rescission Rule is Procedurally Improper and Violates the APA

The APA requires agencies to follow the same procedural steps when amending or repealing a rule as they do when promulgating a rule, including providing notice and an opportunity for public comment unless a specific exception applies. The APA prohibits an agency from issuing an interim final rule to repeal a regulation promulgated through rulemaking.

Under the APA, the effort to repeal regulations is a rulemaking and held to the same standard as a rulemaking to promulgate new regulations. <sup>190</sup> The Agency cites to the text of NEPA and E. O. 14154 as the authority under which the Agency issues the Rule, but fails to acknowledge that the APA explicitly requires notice and comment for rulemaking. Specifically, agencies must publish a general notice of proposed rulemaking in the Federal Register and provide an opportunity for public participation through written comments before adopting, amending, or repealing a rule. <sup>191</sup> This requirement applies equally to the repeal of a previously promulgated final rule, as the APA defines "rulemaking" to include the process of "formulating, amending, or repealing a rule." <sup>192</sup> Courts have consistently held that the repeal of a rule

<sup>&</sup>lt;sup>188</sup> *Id*.

<sup>&</sup>lt;sup>189</sup> See, e.g., Texas v. United States, 40 F.4th 205, 227-28 (5th Cir. 2022) (finding the Department of Homeland Security did not adequately consider relevant costs to the plaintiff States or their reliance interests in the pre-existing enforcement policy).

<sup>&</sup>lt;sup>190</sup> Perez v. Mortgage Bankers Ass'n, 575 U.S. 92, 96 (2015) (quoting F.C.C. v. Fox Television Stations, Inc., 556 U.S. 502, 515, (2009) (the APA "make[s] no distinction . . . between initial agency action and subsequent agency action undoing or revising that action")).

<sup>&</sup>lt;sup>191</sup> 5 U.S.C. § 553.

<sup>&</sup>lt;sup>192</sup> 5 U.S.C. § 551(5).

constitutes substantive rulemaking and is therefore subject to these procedural requirements. <sup>193</sup> Notice and comment prior to repealing a rule prevents agencies from undoing their prior rulemaking efforts without giving stakeholders an opportunity to comment on the proposed repeal. As the D.C. Circuit has recognized, notice and comment ensures agencies cannot arbitrarily reverse their prior decisions. <sup>194</sup>

The APA provides limited exceptions to the notice-and-comment requirement, such as when an agency finds "good cause" that notice and public procedure are impracticable, unnecessary, or contrary to the public interest. But courts have narrowly construed these exceptions and they do not apply here.

### 1. The "Good Cause" Exception Does Not Apply

The Agency invokes the "good cause" exception as a basis for avoiding notice and comment, citing a supposed "need to meet the deadlines in E.O. 14154" and "to expeditiously resolve agency confusion." But neither of these purported justifications constitutes "good cause."

The APA only exempts rules from notice and comment "when the agency for good cause finds . . . that notice and public procedure thereon are impracticable, unnecessary or contrary to the public interest." The APA makes clear that the exception "should be limited to emergency situations," or scenarios where notice and comment "could result in serious harm." The good cause exception is "narrowly construed and only reluctantly countenanced." Neither self-imposed deadlines in E.O. 14154 nor purported agency confusion fit into these categories.

First, the CEQ Guidance specifically instructs agencies to rely on prior regulations, undercutting any argument that this scenario constitutes an emergency warranting evasion of notice-and-comment rulemaking. The CEQ Guidance provides: "While these revisions are ongoing, agencies should continue to follow their existing practices and procedures for implementing NEPA consistent with the text of NEPA, E.O. 14154, and this guidance." It is simply illogical for the Agency to claim that there is an "emergency" need to remove all of its NEPA implementing regulations from the Code of Federal Regulations at the same time that CEQ has directed agencies to continue to rely on its own removed regulations.

Second, even if the Agency misinterpreted CEQ's Guidance as requiring it to issue a final rule to rescind the Agency's NEPA regulations within 30 days, emergencies that are of the executive's own making do not qualify for the "good cause" exception. For example, in *Natural Resources Defense Council v. Abraham*, 355 F.3d 179 (2d Cir. 2004), the court considered a Department of Energy rule that delayed the effective date of certain efficiency standards without notice and comment because the agency wanted more time to consider the standards, and the standards were set to become effective imminently. The court held "an emergency of DOE's

3 O.S.C. § 333(0)(D

<sup>&</sup>lt;sup>193</sup> See Nat. Res. Def. Council v. Nat'l Highway Traffic Safety Admin., 894 F.3d 95, 113 (2018) ("These requirements apply with the same force when an agency seeks to delay or repeal a previously promulgated final rule").

<sup>&</sup>lt;sup>194</sup>Consumer Energy Council of America v. FERC, 673 F.2d 425, 446 (D.C. Cir. 1982).

<sup>&</sup>lt;sup>195</sup> 5 U.S.C. § 553(b)(B).

<sup>&</sup>lt;sup>196</sup> Consumer Energy Council of America, 673 F.2d at 448.

<sup>&</sup>lt;sup>197</sup> Chamber of Com. of U.S. v. S.E.C., 443 F.3d 890, 908 (D.C. Cir. 2006); see also Jifry v. F.A.A., 370 F.3d 1174, 1179 (D.C. Cir. 2004).

<sup>&</sup>lt;sup>198</sup> Nat. Res. Def. Council v. Nat'l Highway Traffic Safety Admin., 894 F.3d 95, 114 (2d Cir. 2018).

<sup>&</sup>lt;sup>199</sup> Memorandum from Katherine R. Scarlett, Council on Environmental Quality, for Heads of Federal Departments and Agencies (Feb. 19, 2025) (on file with author).

own making" could not "constitute good cause." Further, the court noted that no true emergency existed because the only thing "that was imminent was the impending operation of a statute intended to limit the agency's discretion (under DOE's interpretation), which cannot constitute a threat to the public interest."<sup>201</sup> Here, similarly, the mere existence of a rule repealing NEPA regulations by CEQ that the executive directed does not constitute good cause.

Third, the Agency fails to explain in the Rescission Rule how the purported need to resolve agency confusion is an emergency or situation where allowing time for the Agency's consideration of comments would result in serious harm. To the contrary, receiving and responding to the public's and the States' input on a rule that rescinds major sections of the Agency's NEPA implementing regulations would reduce rather than exacerbate agency confusion. Moreover, the Agency nowhere explains how revising its NEPA implementing regulations would serve the purported purpose of resolving agency confusion. For all these reasons, the "good cause" exception does not apply to the Rescission Rule.

#### The Exception for "Interpretive Rules, General Statements of Policy, 2. or Rules of Agency Organization, Procedures, or Practice" Does Not Apply

For similar reasons, the Agency is simply incorrect in arguing that the Rescission Rule is an "interpretive rule" that "provides an interpretation of a statute, rather than make[s] discretionary policy choices [that]establish enforceable rights or obligations for regulated parties."202

An interpretive rule is one in which an agency announces its interpretation of a statute in a way that "only reminds affected parties of existing duties." These rules allow "agencies to explain ambiguous terms in legislative enactments without having to undertake cumbersome proceedings.... '[R]egulations,' 'substantive rules,' or 'legislative rules' are those which create law, usually complementary to an existing law; whereas interpretive rules are statements as to what administrative officer thinks the statute or regulation means." <sup>204</sup> Interpretive rules do not "effect[] a substantive change in the regulations." If a "rule effectively amends a prior legislative rule," it is a "legislative, not an interpretive rule" that requires notice and comment. 206

The Rescission Rule substantively changes the Agency's existing, longstanding NEPA regulations by repealing most of the Agency's NEPA regulations and removing them from the Code of Federal Regulations altogether, eliminating longstanding provisions that impose requirements for how the agency must conduct environmental review to comply with NEPA. It therefore plainly exceeds the narrow exception for interpretive rules.

Further, as discussed above, "an agency issuing a legislative rule is itself bound by the rule until that rule is amended or revoked" and "may not alter [such a rule] without notice and comment."207

<sup>&</sup>lt;sup>200</sup> 355 F.3d at 205.

<sup>&</sup>lt;sup>201</sup> *Id*.

<sup>&</sup>lt;sup>202</sup> 90 Fed. Reg. at 29,502.

<sup>&</sup>lt;sup>203</sup> Gen. Motors Corp. v. Ruckelshaus, 742 F.2d 1561, 1565 (D.C. Cir. 1984) (en banc)).

<sup>&</sup>lt;sup>204</sup> Am. Hosp. Ass 'n v. Bowen, 834 F.2d 1037, 1045 (D.C. Cir. 1987).

<sup>&</sup>lt;sup>205</sup> Warder v. Shalala, 149 F.3d 73, 80 (1st Cir. 1998).

<sup>&</sup>lt;sup>206</sup>Am. Mining Cong. v. Mine Safety & Health Admin., 995 F.2d 1106, 1112 (D.C. Cir. 1993).

<sup>&</sup>lt;sup>207</sup>Clean Air Council v. Pruitt, 862 F.3d 1, 9 (D.C. Cir. 2017) (quoting Nat'l Family Plan. & Reprod. Health Ass'n. v.

The Agency's prior NEPA-implementing regulations went through notice and comment and were binding. Repealing those binding regulations is therefore not an interpretive act; it requires full notice and comment rulemaking. The "interpretive rule" exception does not apply to the Rescission Rule.

Nor can the Agency succeed in arguing that the Rescission Rule is a "general statement of policy" that "provide[s] notice of an agency's intentions as to how it will conduct itself, . . . without creating enforceable rights or obligations." Rather, the Rescission Rule is a final and specific action revising the Agency's longstanding NEPA regulations.

A general statement of policy is "merely an announcement to the public of the policy which the agency hopes to implement in future rulemakings or adjudications." Such statements are distinguished from substantive rules because they do not establish binding norms but instead "announce[] the agency's tentative intentions for the future." <sup>209</sup>

The Agency's Rescission Rule is not a tentative announcement that is non-binding or an expression of future intentions. Instead, the Rescission Rule is final and decisive. It removes all iterations of the Agency's NEPA implementing regulations from the Code of Federal Regulations. The Rule is "final" and there is no suggestion that the Agency will undertake future rulemaking to resurrect regulations. The "general statement of policy" exception does not apply to the Rescission Rule.

In summary, since none of the APA Section 553(b) exceptions apply to the Rescission Rule, the Agency violated the APA by not complying with notice and comment requirements.

## 3. Thirty Days for Comment on the Rule is Insufficient under the APA

Even if the Agency intends to respond to comments before finalizing the Rescission Rule, 30 days for comment is insufficient. The Agency's Rescission Rule fundamentally changes how the agency must consider the environmental impacts of major federal actions. This short 30-day comment period is nowhere near enough time for the public to properly understand and meaningfully respond to the Rescission Rule.

The Agency has determined that this rule is significant and that E.O. 12866 applies. Therefore, the Agency is required to abide by the terms of that executive order, which states that "each agency should afford the public a meaningful opportunity to comment on any proposed regulation, which in most cases should include a comment period of not less than 60 days. Each agency also is directed to explore and, where appropriate, use consensual mechanisms for developing regulations, including negotiated rulemaking." <sup>210</sup>

"In cases involving the repeal of regulations, courts have considered the length of the comment period utilized in the prior rulemaking process as...well as the number of comments received during that time-period" in determining whether an agency has afforded sufficient time for comment. *California v. U.S. Dep't of Interior*, 381 F. Supp. 3d 1153, 1177 (N.D. Cal. 2019) (citing *North Carolina Growers' Ass'n v. United Farm Workers*, 702 F.3d 755, 770 (4<sup>th</sup> Cir. 2012).

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Sullivan, 979 F.2d 227, 234 (D.C. Cir. 1992)).

<sup>&</sup>lt;sup>208</sup> Pac. Gas & Elec. Co. v. Fed. Power Comm'n, 506 F.2d 33, 38 (D.C. Cir. 1974).

<sup>&</sup>lt;sup>209</sup> *Id.* at 38.

<sup>&</sup>lt;sup>210</sup>E.O. 12,866, 58 Fed. Reg. 51,735 (Oct. 4, 1993).

The Agency's previous rulemakings for revisions to NEPA regulations have provided 45 or 60 days for comment and multiple public hearings. A minimum of 60 days should be provided for the public to comment on the significant legal and factual issues implicated in the Rescission Rule, as described above.

### D. The Agency's Action Is Contrary to Law and Violates the APA and NEPA

The Agency's Rule and new NEPA procedures are contrary to law, and thus violate the APA.<sup>211</sup>

# 1. The Agency Unlawfully Limits Its Responsibility to Consider "Indirect" and "Cumulative" Effects

As noted above, the Agency did not reasonably explain the absence of the terms "indirect" and "cumulative" from the "effects" definition in the Agency's new NEPA procedures. For the same reasons that the redefinition of "effects" is unreasonable, it is also contrary to law. The analysis of cumulative and indirect effects is necessary to allow for the full consideration of significant impacts required by NEPA. The elimination of that analysis thus violates one of NEPA's central mandates.

NEPA's "primary function is information forcing, ... compelling federal agencies to take a hard and honest look at the environmental consequences of their decisions." NEPA requires federal agencies to prepare a "detailed statement" on the impacts of certain actions prior to making decisions. Section 102 of NEPA requires that agencies disclose "any adverse environmental effects which cannot be avoided" if the agency action goes forward. And NEPA requires agencies to consider the larger context, directing them to "recognize the worldwide and long-range character of environmental problems. PA's legislative history, too, makes clear that, through NEPA, Congress sought to prevent agencies from making decisions without considering the larger context and incremental impact of projects on the environment. For instance, the Senate expressed concern that "[i]mportant decisions concerning the use and the shape of man's future environment continue to be made in small but steady increments which perpetuate rather than avoid the recognized mistakes of previous decades."

Consistent with NEPA's plain text and purpose, for over 40 years the courts and CEQ have interpreted NEPA's "hard look" requirement to demand consideration of direct, indirect, and cumulative effects. Identifying and analyzing only direct effects that are close in time and geography to the proposed federal action ignores the true nature of most environmental problems, which Congress recognized as "worldwide and long-range" in character. A robust

<sup>&</sup>lt;sup>211</sup> 5 U.S.C. § 706(2)(A).

<sup>&</sup>lt;sup>212</sup> Am. Rivers v. FERC, 895 F.3d 32, 49 (D.C. Cir. 2018) (citations and internal quotation marks omitted).

<sup>&</sup>lt;sup>213</sup> 42 U.S.C. § 4332(2)(C).

<sup>&</sup>lt;sup>214</sup> *Id.* § 4332(2)(C)(ii).

<sup>&</sup>lt;sup>215</sup> *Id.* § 4332(2)(F).

<sup>&</sup>lt;sup>216</sup> S. Rep. No. 91-296, at 5.

<sup>&</sup>lt;sup>217</sup> 40 C.F.R. §§ 1508.7, 1508.8, 1508.25(c); *Kleppe*, 427 U.S. at 410; *Hanly v. Kleindienst*, 471 F.2d 823, 830–31 (2d Cir. 1972); *Ecology Ctr. v. Castaneda*, 574 F.3d 652, 666 (9th Cir. 2009) ("NEPA requires the Forest Service to perform a cumulative impact analysis in approving projects.").

<sup>&</sup>lt;sup>218</sup> 42 U.S.C. § 4332(2)(F); *see also* S. Rep. No. 91-296, at 5 (Senate report stating "[i]mportant decisions concerning the use and the shape of man's future environment continue to be made in small but steady increments

analysis of a project's environmental effects is critical for informing decision makers and the public, particularly where projects may contribute incrementally to larger environmental or climate harms. Or, as the Second Circuit noted in *Hanly v. Kleindienst*, "[o]ne more factory polluting air and water in an area zoned for industrial use may represent the straw that breaks the back of the environmental camel. Hence the absolute, as well as comparative, effects of a major federal action must be considered."<sup>219</sup> The *Seven County* decision does not change the principle that indirect effects should be considered in appropriate cases. As described above, the decision recognizes that indirect effects such as "run-off into a river that flows many miles from the project and affects fish populations elsewhere, or emissions that travel downwind and predictably pollute other areas" may fall under NEPA. <sup>220</sup>

The Agency's procedures, however, is eliminating a clear requirement to consider the three categories of effects, replacing them with a vague redefinition directing agencies not to consider effects that are "remote in time, geographically remote, or the product of a lengthy causal chain." NEPA requires that an agency assess *all* of the project's reasonably foreseeable significant impacts, and the exclusion of impacts that are "remote in time" or "geographically remote," would unlawfully take such "long range" environmental impacts out of NEPA's purview and undermine NEPA's mandate and purpose to ensure that agencies are fully equipped to make decisions concerning all significant environmental impacts. 223

The elimination of the NEPA regulations in conjunction with the treatment of "remote" impacts also ignores the reality that some major federal actions will have adverse effects that are remote in time but also reasonably foreseeable if not certain. Examples include the proposed geologic repository for the disposal of high-level radioactive wastes at Yucca Mountain, Nevada, identified in the Nuclear Waste Policy Act, as well as other interim storage options currently under development by the Department of Energy. Radioactive releases from the repository to the environment are not likely to occur for hundreds and possibly thousands of years, but after that, significant releases are certain to occur and must be evaluated. 224

For these reasons, the Agency's replacement of the traditional definition of effects with a definition that does not include indirect or cumulative impacts is unlawful and contrary to law. When conducting NEPA analyses, the agency is required to take the requisite "hard look" at all reasonably foreseeable impacts.

<sup>220</sup> 145 S. Ct. at 1515.

which perpetuate rather than avoid the recognized mistakes of previous decades.").

<sup>&</sup>lt;sup>219</sup> *Id.* at 831.

<sup>&</sup>lt;sup>221</sup> U.S. Dep't of the Interior, Handbook of National Environmental Policy Act Implementing Procedures 24, *available* at https://www.doi.gov/media/document/doi-nepa-handbook (last visited Jul. 17, 2025).

<sup>&</sup>lt;sup>222</sup> 42 U.S.C. § 4332. Moreover, CEQ itself previously stated that "[p]erhaps that most significant environmental impacts results from the combination of existing stresses on the environment with the individually minor, but cumulatively major, effects of multiple actions of over time." CEQ, Exec. Office of the President, National Environmental Policy Act: A Study of Its Effectiveness After Twenty-five Years at 29 (Jan. 1997), https://ceq.doe.gov/docs/ceq-publications/nepa25fn.pdf.

<sup>&</sup>lt;sup>223</sup> Robertson v. Methow Valley Citizens, 490 U.S. 332, 349 (1989); 42 U.S.C. §§ 4332(2)(F), 4332(2)(C)(ii).

<sup>&</sup>lt;sup>224</sup> The certainty of releases to the environment thousands of years into the future led both the U.S. EPA and the U.S. Nuclear Regulatory Commission to require the Department of Energy to estimate releases for one-million years. 40 C.F.R. § 197.20; 10 C.F.R. § 63.311; 40 C.F.R. § 197.12 (defining "period of geologic stability" as one million years following disposal).

# 2. The Agency Unlawfully Curtails the Public Participation at the Heart of the NEPA Process

Public participation is one of the "twin aims" of NEPA. <sup>225</sup> The process is rooted in statutory obligations that a federal agency "consider every significant aspect of the environmental impact of a proposed action" *and* "inform the public that it has indeed considered environmental concerns in its decision-making process." <sup>226</sup> NEPA regulations have long "ensured that agencies identify, consider, and disclose to the public relevant environmental information early in the process before decisions are made and before actions are taken[,]" <sup>227</sup> just as courts even predating the 1978 regulations have recognized the public's role in making certain that federal decision-making is "premised on the fullest possible canvassing of environmental issues[.]" Thus, NEPA requires that agencies prepare environmental impact statements to disclose and address potentially significant environmental effects of a project; and as stated above, one purpose of this document is to "make available to the public, information of the proposed project's environmental impact and encourage public participation in the development of that information." <sup>229</sup>

The Agency's new procedures do not require solicitation of public comments on draft EISs; instead, they provide that the Agency, "[d]uring the process of preparing an [EIS]... may request the comments of the public...." The effect of this provision is to allow the Agency to analyze environmental effects and their significance without any public input. By doing so, the Agency strikes at the heart of NEPA's purpose and environmental review requirements, in violation of NEPA and, accordingly, the APA.

### IV. CONCLUSION

In conclusion, the Agency should repeal its Rescission Rule and withdraw its NEPA procedures, and issue new NEPA regulations after undertaking notice and comment under the APA.

<sup>&</sup>lt;sup>225</sup> Baltimore Gas & Elec. Co., 462 U.S. at 97 (1983).

<sup>&</sup>lt;sup>226</sup> *Id*.

<sup>&</sup>lt;sup>227</sup> 40 C.F.R. § 1500.1(b).

<sup>&</sup>lt;sup>228</sup> Jones v. District of Columbia Rede v. Land Agency, 499 F.2d 502, 511 (D.C. Cir. 1974).

<sup>&</sup>lt;sup>229</sup> Save Lake Washington v. Frank, 641 F.2d 1330, 1334 (9th Cir. 1981) (quoting *Trout Unlimited v. Morton*, 509 F.2d 1276, 1287 (9th Cir. 1974).

<sup>&</sup>lt;sup>230</sup> Handbook § 2.1(b) (emphasis added).

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