

June 4, 2021

Dominic J. Mancini
Deputy Administrator, Office of Information and Regulatory Affairs
Office of Management and Budget
725 17th Street NW
Washington, DC 20053

Re: Notice of Availability and Request for Comment on “Technical Support Document: Social Cost of Carbon, Methane, and Nitrous Oxide Interim Estimates Under Executive Order 13990”; Docket ID No. OMB-FRDOC-0001-0292

Dear Deputy Administrator Mancini:

The organizations listed below respectfully request that the Office of Management and Budget (OMB) provide a minimum 30-day extension of the comment period on OMB’s Notice of Availability and Request for Comment on the “Technical Support Document: Social Cost of Carbon, Methane, and Nitrous Oxide Interim Estimates Under Executive Order 13990.” 86 Fed. Reg. 24669 (May 7, 2021).

The notice of availability, which OMB issued on behalf of the co-chairs of the reconstituted Interagency Working Group on the Social Cost of Greenhouse Gases (IWG), provides a 45-day comment period on a set of broad questions regarding the interim update of the Social Cost of Greenhouse Gases (SC-GHG) and several related topics, including consideration of environmental justice, intergenerational equity, and other areas. At the outset, we note that this comment period is half the length of the comment period on the prior Social Cost of Carbon Technical Support Documents (TSD), which OMB initially set at 60 days and extended for an additional 30 days.¹

The SC-GHG estimates have been developed for use in benefit-cost analyses of federal agency regulatory actions conducted under Executive Order (EO) 12866 and are being used or considered by state agencies as a resource for monetizing the value of changes in GHG emissions. Federal government estimates of these values have fluctuated considerably over the last decade, with the choice of the values, and of the assumptions underlying the values, having an outsized impact on regulatory policy across a very broad range of sectors and businesses large and small. Our organizations represent this wide range of sectors and businesses, including the businesses that manufacture and move the goods, deliver the energy, and build the infrastructure that drive our economy. The SC-GHG estimates – which are intended to be used “in the policy making process,” 86 Fed. Reg. 24669 – are likely to have major, if not massive, impacts on how, where, and at what cost our companies may conduct business.

¹ OMB’s notice was published in the Federal Register on November 26, 2013, with a comment period closing January 27, 2014, and on that date extended the comment period to February 26, 2014. See Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order No. 12866; 79 Fed. Reg. 4359 (January 27, 2014); Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order No. 12866; 78 Fed. Reg. 70586 (November 26, 2013).

Because of the magnitude of the potential economic impacts of the SC-GHG estimates, the values and their application – and the questions raised in OMB’s notice of availability – warrant careful evaluation. The magnitude of the estimates can be seen looking at three regulations that went under OMB review pursuant to EO 12866, where the estimated social cost of carbon was applied to yield estimated climate-related benefits as high as \$1.7 trillion combined.^{2,3,4,5} The National Academy of Sciences issued a detailed review in 2017 of the social cost of carbon methodology and gave numerous recommendations that span all aspects of the OMB request for comment on the TSD. It requires considerable effort to evaluate how the IWG’s yet to be specified approach comports with the NAS’ scientific recommendations. Decisions concerning the scope of the analysis, discount rates applied, and the uncertainty analysis are core to the estimate and each necessitate complex scientific and economic assumptions that require thorough and deliberate consideration.

In sum, given the complex nature of the policy, economic, and technical issues raised in the notice and the economic significance of SC-GHG values and their application, we respectfully submit that an extension would assist our organizations and other commenters in providing thoughtful, considered comments on the notice that will be of maximum assistance to the reconstituted IWG in ensuring that any revised estimates “reflect the best available science and methodologies,” 86 Fed. Reg. 24669. Although we understand that the notice is intended “to facilitate *early* ... interaction with the public” (emphasis added), we also understand that the IWG intends that the interaction be “robust,” which is particularly prudent given that the SC-GHG estimates are intended to be a “key aspect of this Administration’s climate policy.” *Id.* at 24670. Accordingly, we respectfully request that OMB extend the comment period by a minimum of 30 days.

Sincerely,

The Aluminum Association
American Chemistry Council
American Exploration & Production Council
American Farm Bureau Federation
American Fuel & Petrochemical Manufacturers
American Gas Association
American Highway Users Alliance
American Iron and Steel Institute
American Petroleum Institute
American Public Gas Association

² 2020 year dollars

³ U.S. EPA, “Final Rulemaking to Establish Light-Duty Vehicle Greenhouse Gas Emission Standards and Corporate Average Fuel Economy Standards,” Regulatory Impact Analysis (EPA-420-R-10-009), April 2010, page 7-129, Table 7-26.

⁴ U.S. EPA, “Final Rulemaking for 2017-2025 Light-Duty Vehicle Greenhouse Gas Emission Standards and Corporate Average Fuel Economy Standards,” Regulatory Impact Analysis (EPA-420-R-12-016), August 2012, page 7-5, Table 7.1-3.

⁵ U.S. EPA, “Greenhouse Gas Emissions and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines and Vehicles - Phase 2,” Regulatory Impact Analysis (EPA-420-R-16-900), August 2016, page 8-74, Table 8-31.

Associated Builders and Contractors
Council of Industrial Boiler Owners
Independent Petroleum Association of America
National Association of Manufacturers
National Lime Association
National Mining Association
National Rural Electric Cooperative Association
Portland Cement Association
U.S. Chamber of Commerce