



Karen Knutson

Vice President & General Manager, Government Affairs

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Via online submission: www.regulations.gov

The Honorable Brenda Mallory
Chair, Council on Environmental Quality
The White House
1600 Pennsylvania Ave NW
Washington DC 20500

Re: Comments on National Environmental Policy Act Implementing Regulations Revisions Phase 2 (CEQ-2023-0003).

Dear Chair Mallory:

Chevron appreciates the opportunity to submit comments on the Council on Environmental Quality's ("CEQ's") National Environmental Policy Act ("NEPA") Implementing Regulations Revisions Phase 2 (hereafter, "proposed regulations")¹.

Chevron Corporation ("Chevron") is one of the world's leading integrated energy companies. We believe affordable, reliable, and ever-cleaner energy is essential to enabling human progress. In the United States ("U.S."), Chevron has active exploration and production operations for crude oil and natural gas in several states and the Gulf of Mexico; manufactures transportation fuels, lubricants, petrochemicals, and additives; and develops technologies that enhance our business and the industry. We aim to grow our traditional oil and gas business, lower the carbon intensity of our operations, and grow new lower carbon businesses in renewable fuels, hydrogen, carbon capture, offsets, and other emerging technologies.

Chevron is a member company of the American Petroleum Institute ("API") and the U.S. Chamber of Commerce ("U.S. Chamber"). Chevron has participated in and supported the development of comments being submitted by API and the U.S. Chamber, which, among other things, identify concerns that the proposed regulations inappropriately dictate a substantive decision through the NEPA process as opposed to being a tool to facilitate informed agency decision making. Chevron incorporates those comments by reference herein.

To expand on our beliefs, **affordable energy** is essential for economic prosperity, **reliable energy** is essential for national security and **environmental protection** is essential to maintaining a sustainable planet. Placing an imbalanced focus on any one of these three aspects can impact the others in unintended ways which can be detrimental. These tenets of belief held by Chevron pair well with the foundational policy set forth in Section 101 of NEPA which directs

¹ NEPA Implementing Regulations Revisions Phase 2, 88 Fed. Reg. 49924 (Jul. 31, 2023).

agencies “...to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.” Congress, in passing NEPA, foresaw the need to maintain appropriate balance between these interests.

Chevron supports a well-functioning federal environmental review process that balances the potential impacts of new projects with the need for continued development and transportation of both traditional and new forms of energy to responsibly meet increasing demand while growing jobs and strengthening the economy. There is bipartisan agreement that building new infrastructure in America is too difficult, costly, and time-consuming – for oil and gas as well as renewable energy projects – and that permitting reform, particularly streamlining the NEPA review process, is required.

The proposed regulations fail to improve NEPA’s efficiency. To the contrary, they further complicate the NEPA process and will hamper the country’s ability to lead the world in the development of affordable, reliable, and responsibly developed energy. Specifically, the proposed regulations will make development of energy infrastructure even more challenging and time-consuming related to:

- Adding substantial new information and process requirements that create complexities and additional burdens for project proponents.
- Introducing terminology that is poorly or not defined will almost certainly create confusion and require additional agency guidance to implement, ultimately forcing the judiciary and not the legislative branch to determine the adequacy of NEPA review.
- Creating a new paradigm in which certain types of projects are favored above others, improperly making NEPA an outcome determinative process.

Chevron would like to reinforce that these changes are happening at a time when there has been significant bipartisan support through the recently passed Fiscal Responsibility Act to streamline the NEPA process to advance energy projects. We believe the proposed rule as drafted has the very real potential to stymie that momentum.

Chevron stands ready to continue working with the CEQ, the Biden Administration and Congress to achieve comprehensive and meaningful permitting reform that will enable the energy industry to continue to responsibly develop infrastructure projects in this country while maintaining appropriate environmental safeguards.

Thank you for the opportunity to submit these comments to the docket. If you have any questions regarding the comments above, please contact Nick Owens nick.owens@chevron.com.

Sincerely,

