

United States Senate

WASHINGTON, DC 20510

February 16, 2021

President Joseph R. Biden, Jr.
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Mr. President:

I write to request that you postpone any current effort to set interim cost values on the “Social Cost of Carbon” (SCC), “Social Cost of Nitrous Oxide” (SCN), and “Social Cost of Methane” (SCM), which a recent executive order calls for release this week. Postponing this effort will provide an opportunity for a more accountable and transparent process.

On your first day in office, you signed Executive Order (E.O.) 13990, titled *Protecting Public Health and the Environment and Restoring Science To Tackle the Climate Crisis*.¹ E.O. 13990 establishes an “Interagency Working Group on the Social Cost of Greenhouse Gases” (Working Group), and directs the Working Group to undertake a series of actions on the SCC, SCN, and SCM. Under the E.O., the Working Group is directed to produce new interim estimates of the SCC, SCN, and SCM within a highly expedited period of 30 days, by just three days from now, February 19, 2021. E.O. 13990 then requests that federal agencies use these interim estimates when monetizing the value of changes to greenhouse gas emissions.

This hurried effort conflicts with the Federal government’s “Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies.”² These guidelines require Federal agencies, including the OMB, to be held to higher standards and “a high degree of transparency about data and methods” when disseminating influential scientific information.³ There is simply insufficient time and transparency to issue new interim cost values that meet existing Federal requirements by your deadline. The Obama Administration’s secretive Interagency Working Group also met behind closed doors, with no public input or transparency. That process raised significant questions surrounding accountability.⁴

Furthermore, to increase transparency and accountability, the Working Group should suspend any work on setting an interim SCC, SCN, and SCM until the Senate confirms a substantial

¹ Exec. Order No. 13990, *Protecting Public Health and the Environment and Restoring Science To Tackle the Climate Crisis*, 86 Fed. Reg. 7037 (Jan. 20, 2021), <https://www.federalregister.gov/documents/2021/01/25/2021-01765/protecting-public-health-and-the-environment-and-restoring-science-to-tackle-the-climate-crisis>.

² Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies, 67 Fed. Reg. 8452 (Feb. 22, 2002), <https://www.govinfo.gov/content/pkg/FR-2002-02-22/pdf/R2-59.pdf>.

³ Id. at 8455.

⁴ See e.g., Letter from Senators Vitter, Blunt, Sessions, Barrasso, Inhofe, Wicker, Boozman to Hon. Howard Shelanski, Admin., Office of Information and Regulatory Affairs (Jan. 14, 2014); Letter from Hon. Fred Upton, Chairman, H. Comm. on Energy & Commerce to Hon. Gina McCarthy, Admin., U.S. EPA (Sep. 26, 2013); U.S. GOV’T ACCOUNTABILITY OFFICE, GAO-14-663, REGULATORY IMPACT ANALYSIS: DEVELOPMENT OF SOCIAL COST OF CARBON ESTIMATES (2014).


number of Working Group members. The Working Group set out in E.O. 13990 is to be co-chaired by Director of the Office of Management and Budget (OMB), Chair of the Council on Economic Advisers, and Director of the Office of Science and Technology Policy. The Working Group also includes both Senate-confirmed and non-Senate confirmed White House officials⁵ and representatives from nearly every Federal agency—Treasury, Interior, Agriculture, Commerce, Health and Human Services, Transportation, Energy, and the Environmental Protection Agency (EPA). The Senate has yet to confirm any of the Working Group Co-Chairs, and of the 12 Senate-confirmed Working Group members, just two—the Secretaries of Treasury and Transportation—have been confirmed by the Senate. This leaves a disproportionate number of active Working Group members who are unaccountable to the legislative branch.

Under your order, the SCC, SCN, and SCM are used to “determine the social benefits of reducing greenhouse gas emissions when conducting cost-benefit analyses of regulatory and other actions.”⁶ This rushed, opaque process seems designed to steer the EPA and other agencies to “justify” sweeping and potentially burdensome climate policies without following proper processes nor waiting to establish Senate-confirmed leadership.

Finally, E.O. 13990 also directs the Working Group to review and potentially revise the methodology to calculate the SCC, SCN, and SCM after setting the interim costs. The process to review the methodology associated with any SCC, SCN, or SCM should also include, at a minimum, an opportunity for a 90-day public comment period. Establishing an interim cost prior to a transparent, thorough review of the methodology and Senate confirmation of Working Group members is a “jump first, look later” approach.

I urge you to reconsider your direction to the Working Group and postpone setting interim costs values for SCC, SCN, and SCM until transparency, accountability, and the input of our fellow Americans may be considered and inform this process. Thank you for your consideration and I look forward to your reply.

Sincerely,



Shelley Moore Capito
United States Senator
Ranking Member
Committee on Environment
and Public Works

⁵ The Working Group includes the Senate-confirmed Chair of the Council on Environmental Quality (CEQ), however, Working Group members Gina McCarthy, the White House Domestic Climate Czar, and Brian Deese, the Director of the National Economic Council, are not confirmed by the Senate.

⁶ Exec. Order No. 13990, at 7040.