

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY

WASHINGTON, D.C. 20503

February 19, 2025

MEMORANDUM FOR HEADS OF FEDERAL DEPARTMENTS AND AGENCIES

FROM: Katherine R. Scarlett

Chief of Staff

SUBJECT: Implementation of the National Environmental Policy Act

I. Purpose and Overview

On January 20, 2025, President Donald J. Trump signed Executive Order (E.O.) 14154, *Unleashing American Energy*. Section 5(b) of E.O. 14154 directs the Council on Environmental Quality (CEQ) to provide guidance on implementing NEPA to expedite and simplify the permitting process. Consistent with section 5(c) of the E.O., the guidance and any resulting agency NEPA implementing regulations must "expedite permitting approvals and meet deadlines established in the Fiscal Responsibility Act of 2023 (Public Law 118-5)" (FRA). Agencies must prioritize efficiency and certainty over any other policy objectives that could add delays and ambiguity to the permitting process. Accordingly, CEQ is issuing this guidance to assist agencies with the implementation of NEPA and E.O. 14154.

Consistent with E.O. 14154, Federal agencies must revise or establish their NEPA implementing procedures (or establish such procedures if they do not yet have any) to expedite permitting approvals and for consistency with NEPA as amended by the FRA, including the deadlines established in NEPA. 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. Agencies should not delay pending or ongoing NEPA analyses while undertaking these revisions. For such analyses, until revisions are completed via the appropriate rulemaking process, agencies should apply their current NEPA implementing procedures with any adjustments needed to be consistent with the NEPA statute as revised by the FRA. Moreover, although CEQ is rescinding its NEPA implementing regulations at 40 C.F.R. parts 1500-1508, agencies should consider voluntarily relying on those regulations in completing ongoing NEPA reviews or defending against challenges to reviews completed while those regulations were in effect. CEO will provide ongoing guidance and assistance through monthly meetings of the Federal Agency NEPA Contacts and the NEPA Implementation Working Group required by section 5(c) of E.O. 14154. CEQ encourages agencies to use the final 2020 rule "Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act" as an initial framework for the development of revisions to their NEPA implementing

¹ E.O. 14154, Unleashing American Energy, 90 Fed. Reg. 8353 (Jan. 29, 2025).

 $^{^{2}}$ Id. § 5(c)

³ The contents of this guidance do not have the force and effect of law and are not meant to create legal rights or obligations with respect to any public party. This guidance does not establish new policy requirements. This memorandum is intended only to provide clarity to agencies regarding existing requirements under the law or agency policies.

procedures,⁴ consistent with this guidance, E.O. 14154, and to the extent permitted by applicable law.

The National Environmental Policy Act (NEPA or the Act), 42 U.S.C. §§ 4321 et seq., establishes the national environmental policy of the Federal Government to use all practicable means and measures to foster and promote the general welfare, create and maintain conditions under which humans and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans. NEPA contains procedural requirements to carry out the policy stated in section 101 of NEPA. Specifically, the statute requires Federal agencies to provide a detailed statement on proposals for major Federal actions significantly affecting the quality of the human environment. The purpose and function of NEPA is satisfied if Federal agencies have considered relevant environmental information, and the public has been informed regarding the decision-making process. NEPA does not mandate particular results or substantive outcomes. NEPA's purpose is not to generate paperwork for its own sake or litigation, but to provide for informed decision-making and foster excellent action.

II. Implementation of NEPA

Congress amended NEPA in the Fiscal Responsibility Act of 2023⁷ (FRA) to provide more specific details on how agencies must comply with NEPA's environmental review mandate and provide a more efficient and predictable process for all types of actions and projects.

In section 102 of NEPA, as part of the FRA amendments, Congress clarified the requirements for environmental impact statements (EIS). Agencies must analyze and disclose the "reasonably foreseeable environmental effects of the proposed agency action;" any reasonably foreseeable adverse environmental effects which cannot be avoided should the proposal be implemented;" are asonable range of alternatives to the proposed agency action, including an analysis of any negative environmental impacts of not implementing the proposed agency action in the case of a no action alternative, that are technically and economically feasible, and meet the purpose and need of the proposal;" the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity;" and "any irreversible and irretrievable commitments of Federal resources that would be involved in the proposed agency action should it be implemented." The amendments to section 102 of NEPA also require that agencies ensure the professional integrity, including scientific integrity, of the discussion and

⁴ 86 Fed. Reg. 43304 (July 16, 2020).

⁵ 42 U.S.C. § 4331.

⁶ *Id.* § 4332(2)(C).

⁷ Pub. L. No. 118-5, § 321, 137 Stat. 10.

⁸ 42 U.S.C. § 4332(2)(C)(i).

⁹ *Id.* § 4332(2)(C)(ii).

¹⁰ Id. § 4332(2)(C)(iii).

¹¹ *Id.* § 4332(2)(C)(iv).

¹² *Id.* § 4332(2)(C)(v).

analysis in environmental documents; ¹³ make use of reliable data and resources in NEPA reviews; ¹⁴ and study, develop, and describe technically and economically feasible alternatives. ¹⁵

Congress added new section 106, through the FRA amendments to NEPA, to clarify that there are certain situations when environmental documents are not required. ¹⁶ It also affirmed CEQ's historical practice that established certain levels of NEPA review (categorical exclusions (CEs), environmental assessments (EAs), and EISs), emphasizing that an EIS, the most elaborate of these levels of review, is only required for a proposed agency action that "has a reasonably foreseeable significant effect on the quality of the human environment." Additionally, this section clarifies that, when determining the appropriate level of review, an agency may make use of "any reliable data source" and that an agency is "not required to undertake new scientific or technical research" unless "essential to a reasoned choice among alternatives, and the overall costs and time frame of obtaining it are not unreasonable." ¹⁸

Congress also added new section 107 of NEPA, which provides clear direction for agencies to establish the lead agency with respect to a proposed agency action, identify cooperating agencies, ¹⁹ and prepare a single, coordinated environmental document if a proposed action will require action by more than one Federal agency. ²⁰ Section 107(e) sets page limits for EISs and EAs. ²¹ Section 107 also establishes deadlines for the completion of EAs and EISs, ²² which are critically important to expedite permitting approvals and prioritize efficiencies. Section 107 also includes a right for project sponsors to challenge an agency's alleged failure to act in accordance with applicable statutory deadlines. ²³

Congress also added new section 108 of NEPA, which allows agencies to rely on programmatic environmental documents for five years without additional review and beyond that term of years so long as the agency reevaluates the analysis in the programmatic environmental document and any underlying assumptions to ensure reliance on the analysis remains valid,²⁴ and new section 109, which provides agencies the authority to adopt and use other agencies' CEs.²⁵ Finally, Congress added new section 111, which provides includes key definitions for NEPA terms, including "major Federal action."²⁶

¹³ Id. § 4332(2)(D).

¹⁴ *Id.* § 4332(2)(E).

¹⁵ *Id.* § 4332(2)(F).

¹⁶ *Id.* § 4336(a).

¹⁷ *Id.* § 4336(b)(1).

¹⁸ *Id.* § 4336(b)(3)(A), (B).

¹⁹ *Id.* § 4336a(a).

²⁰ *Id.* § 4336a(b).

²¹ *Id.* § 4336a(e).

²² *Id.* § 4336a(g)(1)(A)-(B).

²³ *Id.* § 4336a(g)(3).

²⁴ *Id.* § 4336b(1), (2).

²⁵ *Id.* § 4336c.

²⁶ *Id.* § 4336e.

III. Agency Implementing Procedures

Section 102 of NEPA directs all Federal agencies to "identify and develop methods and procedures, in consultation with [CEQ], . . . which will ensure that presently unquantified environmental amenities and values may be given appropriate consideration in decision-making along economic and technical considerations." In addition, section 103 of NEPA requires agencies to review their authorities, regulations, policies and procedures and propose measures to align them with the intent, purposes, and procedures of NEPA. Section 2(b) of E.O. 11514, *Protection and Enhancement of Environmental Quality*, issued by President Nixon in 1970, also requires agencies to "[d]evelop procedures to ensure the fullest practicable provision of timely public information and understanding of Federal plans and programs with environmental impact in order to obtain the views of interested parties. These procedures should include, whenever appropriate, provision for public hearings, and should provide the public with relevant information, including information on alternative courses of action." Consequently, since 1970, Federal agencies have relied on agency-specific NEPA procedures to meet these mandates.

As noted above, consistent with E.O. 14154, Federal agencies must revise their NEPA implementing procedures (or establish such procedures if they do not yet have any) to expedite permitting approvals and for consistency with NEPA as amended by the FRA, including the deadlines established in NEPA. 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. Agencies should not delay pending or ongoing NEPA analyses while undertaking these revisions. For such analyses, until revisions are completed via the appropriate rulemaking process, agencies should apply their current NEPA implementing procedures with any adjustments needed to be consistent with the NEPA statute as revised by the FRA. Moreover, although CEQ is rescinding its NEPA implementing regulations at 40 C.F.R. parts 1500–1508, agencies should consider voluntarily relying on those regulations in completing ongoing NEPA reviews or defending against challenges to reviews completed while those regulations were in effect. CEQ will provide ongoing assistance through monthly meetings of the Federal Agency NEPA Contacts and the NEPA Implementation Working Group required by section 5(c) of E.O. 14154. CEO encourages agencies to use the 2020 rule "Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act" as an initial framework for the development of revisions to their NEPA implementing procedures,³⁰ consistent with this guidance, E.O. 14154, and to the extent permitted by applicable law.

Agencies' NEPA implementing procedures need not restate the text of NEPA, but should describe how the agency will meet the statute's requirements taking into account the agency's unique authorities and mission, with the goal of prioritizing efficiency and certainty over any other policy objectives.

²⁷ *Id.* § 4332(2)(B).

²⁸ *Id.* § 4333.

²⁹ E.O. 11514, Protection and Enhancement of Environmental Quality, 35 Fed. Reg. 4247 (Mar. 7, 1970).

³⁰ 86 Fed. Reg. 43304 (July 16, 2020).

Agencies should consider the following in revising or establishing their NEPA implementing procedures:

- Project Sponsor Preparation: Agencies should develop transparent, clear, and predictable procedures for review of project sponsor-prepared environmental assessments and environmental impact statements. Project sponsor prepared environmental documents should be prioritized for expeditious review.
- Deadlines established by Congress: Agencies should ensure that their NEPA implementing procedures comply with the deadlines that Congress established in section 107 of NEPA.
- Reasonable Range of Alternatives: When developing an EIS, agencies should, to the extent otherwise required by applicable law, only consider a reasonable range of alternatives to the proposed action that are technically and economically feasible and that meet the purpose and need for the proposed action. The consideration of alternatives should include an analysis of any adverse environmental effects of not implementing the proposed action in the case of a no action alternative to the extent that a no action alternative is feasible.
- Effects: Federal agencies should analyze the reasonably foreseeable effects of the proposed action consistent with section 102 of NEPA, which does not employ the term "cumulative effects;" NEPA instead requires consideration of "reasonably foreseeable" effects, regardless of whether or not those effects might be characterized as "cumulative." 31
- Federal Funding: Proposed agency actions with "no or minimal Federal funding" and "loans, loan guarantees, or other forms of financial assistance where a Federal agency does not exercise sufficient control and responsibility over the subsequent use of such financial assistance or the effect of the action" are not "major Federal actions." Federal agencies should carefully consider the threshold above which an action would constitute a "major Federal action" in light of this direction from Congress and their specific programs and authorities.
- Environmental Justice Considerations: E.O. 14148³³ revoked E.O. 14096.³⁴ E.O. 14173³⁵ revoked E.O. 12898. 36 Therefore, NEPA documents should not include an environmental justice analysis, to the extent that this approach is consistent with other applicable law.

³¹ *Id.* § 4332(2)(C)(i).

³² *Id.* § 4336e(10)(B)(i), (iii).

³³ E.O. 14148, Initial Rescissions of Harmful Executive Orders and Actions, 90 Fed. Reg. 8237 (Jan. 28, 2025).

³⁴ E.O. 14096, Revitalizing Our Nation's Commitment to Environmental Justice for All, 88 Fed. Reg. 25251 (Apr. 26, 2023).

³⁵ E.O. 14173, Ending Illegal Discrimination and Restoring Merit-Based Opportunity, 90 Fed. Reg. 8633 (Jan. 31,

³⁶ E.O. 12898, Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations, 59 Fed. Reg. 7629 (Feb. 16, 1994).

A. Consistency and Predictability

To promote consistency and predictability across the Federal Government, all agency implementing procedures, at a minimum, should:

- Clearly delineate the sequence of major decision points for the agency's programs and actions subject to NEPA, ensuring that the NEPA process begins at the earliest reasonable time and allows for integration of the NEPA process with other environmental reviews and consultation requirements to avoid delays later in the process and to avoid or address potential conflicts;
- Identify activities or decisions that are not subject to NEPA at a threshold stage such
 that no further consideration is necessary as to whether any environmental document
 may be required with respect to those activities or decisions;
- o Include specific criteria for and identification of those typical classes of action that:
 - Normally do not significantly affect the quality of the human environment. The procedures should provide the process for establishing new CEs, for revising existing CEs, for considering extraordinary circumstances in applying CEs, and for determining when documentation of a CE may be required.
 - Require environmental assessments but not necessarily environmental impact statements; or
 - Require environmental impact statements;
- Establish how the agency will reevaluate and supplement environmental assessments and environmental impact statements, as appropriate;
- Discuss how the agency will identify the lead agency, joint lead agencies, cooperating agencies, and participating agencies;
- Establish protocols for engaging with State, Tribal, territorial, and local government agencies;
- Establish protocols for public involvement, including public meetings and hearings,
 and how the agency will consider and address public comments;
- Explain where interested persons can get information or status reports on environmental impact statements, environmental assessments, and other elements of the NEPA process;
- o Discuss when programmatic NEPA documents may be appropriate;
- Include procedures for concluding or terminating (where appropriate) the NEPA process;

- o Include processes for consideration of emergency actions;
- Include the procedures to guide project sponsors' preparation of environmental assessments and environmental impact statements; and
- Include specific criteria for providing limited exceptions to public availability for classified proposals.

IV. Timing & Process for Agencies Updating NEPA Regulations

Agencies should complete the revision of their procedures no later than 12 months after the date of this memorandum. Within departments, it may be efficient for sub-components of a department to adopt their own procedures, as departments deem appropriate.

To ensure consistency and predictability amongst agency NEPA procedures, agencies must consult with CEQ while developing or revising their NEPA procedures.

All Federal agency NEPA implementing procedures—both proposed and final—must be submitted to the Office of Management and Budget (OMB) for a significance determination and possible interagency review consistent with E.O. 12866³⁷ after the agency's consultation with CEQ is concluded. In consultation with the Office of Information and Regulatory Affairs, agencies should conduct timely and efficient E.O. 12866 reviews of significant NEPA procedures.

Federal agencies should provide a minimum of 30 days but no longer than 60 days for public comment on proposed NEPA regulations, to the extent that public comment is required. To the extent that public comment is not so required, agencies should not undertake public comment procedures.

During the 12-month period of revision or development of agency NEPA procedures, CEQ will host monthly meetings of the Federal Agency NEPA Contacts³⁸ and the NEPA Implementation Working Group required by section 5(c) of E.O. 14154 to share additional guidance and provide assistance to agencies.

Agencies must develop a proposed schedule for updating their procedures and coordinate with CEQ to allow for planning and efficient review of those updates. Agencies must submit to CEQ at nepa@ceq.eop.gov these proposed schedules, along with a lead point of contact for NEPA procedures, within 30 days of this memorandum. Agencies should contact CEQ to address questions regarding implementation as they are working to revise all relevant materials.

If your staff has any questions regarding this memorandum, contact Jomar Maldonado, Director for the National Environmental Policy Act, at (202) 395-0827 or Jomar.MaldonadoVazquez@ceq.eop.gov or Amy B. Coyle, CEQ's Principal Deputy General Counsel, at (202) 395-3621 or Amy.B.Coyle@ceq.eop.gov.

³⁷ E.O. 12866, Regulatory Planning and Review, 58 Fed. Reg. 51735 (Oct. 4, 1993).

³⁸ https://ceq.doe.gov/nepa-practice/agency-nepa-contacts.html.