

**Garcia, Jovie**

---

**Subject:** FW: [EXTERNAL] comments on Nanushuk Project EIS

-----Original Message-----

From: [jaschwartz@gmail.com](mailto:jaschwartz@gmail.com) [<mailto:jaschwartz@gmail.com>] On Behalf Of Jason Schwartz  
Sent: Tuesday, November 14, 2017 10:54 AM  
To: Lyons, Ellen H CIV USARMY CEPOA (US) <[Ellen.H.Lyons@usace.army.mil](mailto:Ellen.H.Lyons@usace.army.mil)>  
Subject: [EXTERNAL] comments on Nanushuk Project EIS

Ms. Lyons,

The Institute for Policy Integrity at NYU School of Law submits the following comments on the discussion of greenhouse gas emissions and climate change in the Nanushuk Project EIS. (No part of these comments purports to reflect the views of New York University, if any.)

The EIS misleadingly suggests that the contributions to climate change of an individual project are not measurable, fails to consider the downstream emissions from the oil drilling operation proposed by the applicant, and fails to monetize the climate change consequences of greenhouse gas emissions even while monetizing other effects.

First, the EIS misleadingly suggests that the contributions to climate change of an individual project are not measurable. On page 3-17, the Army Corps writes: "Contributions to climate change by a single action are not readily apparent due to the global context of the issue." This statement overlooks the ready availability of sophisticated metrics, known as the Social Costs of Greenhouse Gases, that are capable of monetizing the marginal climate damages associated with an additional unit of greenhouse gas emissions from a single project. The Social Cost of Carbon and Social Cost of Methane protocols were developed to assess the cost of actions with "marginal" impacts on cumulative global emissions, and the metrics estimate the dollar figure of damages for one extra ton of greenhouse gas emissions. This marginal cost is typically calculated using integrated assessment models. The models translate emissions into changes in atmospheric greenhouse concentrations, atmospheric concentrations into changes in temperature, and changes in temperature into economic damages. A range of plausible socio-economic and emissions trajectories are used. The marginal cost is attained by first running the models using a baseline emissions trajectory, and then running the same models again with one additional unit of emissions. The difference in damages between the two runs is the marginal cost of one additional unit. The approach assumes that the marginal damages from increased emissions will remain constant for small emissions increases relative to gross global emissions. In other words, the monetization tools are in fact perfectly suited to measuring the marginal effects of individual resource management decisions.

Second, the EIS fails to consider the downstream emissions from the oil drilling operation proposed by the applicant. As the Army Corps explains, if the project permits are not approved under a No Action Alternative, the oil drilling project would not be constructed, and greenhouse gas emissions associated with implementation of the project would not occur. However, the Army Corps fails to acknowledge that, under any of the action alternatives, approval of the permits by the Army Corps will enable the extraction of oil and gas, which will inevitably be combusted to produce energy. The downstream combustion of fossil fuels will emit significant quantities of greenhouse gases. Under NEPA, agencies must consider the reasonably foreseeable indirect effects of their actions. Here, downstream emissions from combustion are reasonably foreseeable indirect effects, and the Army Corps either must quantify such emissions or explain in detail why it is not feasible to quantify them.

Third, the EIS fails to monetize the climate effects of the project's greenhouse gas emissions, even while monetizing other effects. The EIS quantifies, on page 3-25, the

direct CO2e tons per year estimated from construction and operations (though, as noted above, omits any downstream emissions). Yet the EIS fails to monetize the negative climate impacts of the emissions, even as it monetized aspects of the upside of the project, such as, on page 3-638, the wages from employment during construction and operations. It is arbitrary to monetize the upside while failing to apply a readily available tool to monetize the negative consequences. In particular, the Army Corps should have used the social cost of carbon and the social cost of methane to monetize the quantitative estimate of greenhouse gas emissions.

Sincerely,

Jason A. Schwartz

Legal Director, Institute for Policy Integrity <Blocked<http://www.policyintegrity.org>>

Adjunct Professor, New York University School of Law

(617) 571-9672. Based in Denver, CO.