



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

March 17, 2011

MEMORANDUM TO INTERESTED PARTIES AND HEADS OF FEDERAL
DEPARTMENTS AND AGENCIES

FROM: NANCY H. SUTLEY
Chair

A handwritten signature in black ink, appearing to read "Nancy H. Sutley", is written over the printed name and title.

SUBJECT: Improving the Practice of NEPA: Call for Innovative Pilot Project
Proposals

As part of its continuing efforts to improve the efficiency and integrity of National Environmental Policy Act (NEPA) implementation across the Federal Government, the Council on Environmental Quality (CEQ) is establishing a pilot program to identify, evaluate, and disseminate innovative ways to prepare NEPA reviews. This pilot program will also facilitate a review under section 6 of Executive Order 13,563 of provisions of CEQ's NEPA Regulations that may be outmoded, ineffective, insufficient, or excessively burdensome.¹ CEQ invites federal agencies and the public to nominate pilot projects that accomplish the NEPA goals of transparency and decisionmaking in a more timely and effective manner.

CEQ was established under NEPA to, among other things, oversee federal agencies' implementation of the NEPA environmental review process and to ensure that federal agencies' environmental review procedures achieve NEPA's policy objectives. NEPA was enacted to improve federal decisionmaking, by making high quality information about the environmental effects of a proposed action and reasonable alternatives available to decisionmakers and the public before the action is taken. NEPA reviews range in scope and complexity, from Environmental Impact Statements (EISs), the most extensive form of NEPA review; to Environmental Assessments, the intermediate level of review; and to categorical exclusions, the least extensive review.

As stated in CEQ's NEPA Regulations, "NEPA's purpose is not to generate paperwork . . . but to foster excellent action."² In that spirit, CEQ continuously seeks to identify and disseminate best practices for ensuring that NEPA reviews and supporting documentation are prepared in a timely manner and provide for certainty of process. CEQ has disseminated some of those best practices in the form of guidance for federal agencies, such as the recently issued guidance on the use of categorical exclusions (issued

¹ Executive Order 13563, Improving Regulation and Regulatory Review, § 6, 76 Fed. Reg. 3821, 3822 (January 21, 2011); CEQ Regulations Implementing the Procedural Provisions of the National Environmental Policy Act, 40 C.F.R. §§ 1500-1508.

² 40 C.F.R. § 1500.1(c).



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on November 23, 2010), and on the appropriate use of mitigation and monitoring in EAs and EISs (issued on January 14, 2011).³

CEQ also fosters best practices by highlighting model approaches—such as those CEQ seeks to identify in this request for pilot projects—and working with federal agencies to assess their suitability for broad adoption. Accordingly, CEQ invites the public and federal agency representatives to nominate pilot projects that accomplish more timely, efficient, and effective NEPA reviews, including EISs, EAs, or categorical exclusions prepared for federal permitting, funding, or other decisions.

A nominated pilot project must demonstrate a more efficient approach to NEPA compliance for a federal action that can be replicated and applied as a “best practice” to other federal actions or programs. Agencies and the public may nominate *proposed* pilot projects, as well as projects that have already been or are being implemented. A nominated pilot project could propose a more efficient way to complete NEPA reviews for a *particular* federal action, to make the implementation of that action more timely and cost-effective. A nominated project could also propose efficient procedures for completing NEPA reviews for a class of federal actions, so as to achieve time and cost savings for overall program implementation.

CEQ welcomes nominations of pilot projects that propose replicable improvements to any aspect of the NEPA process, including:

- *Simplifying NEPA implementation practices*, such as data gathering, scoping, and public review and comment. NEPA applies to a wide variety of proposed actions, many of which are proposed by state and local agencies, corporations, tribes, organizations, and private individuals. CEQ is very interested in approaches that appropriately leverage and coordinate federal, state, tribal, and local environmental review, consultation, and permitting requirements.
- *Reducing the time and cost involved in preparing NEPA reviews*, by methods such as reducing paperwork and shortening timelines; applying NEPA early in the project development process; setting page limits; addressing incomplete or unavailable information; collaboratively developing purpose and need statements;

³ CEQ, “Guidance for Federal Departments and Agencies on Establishing, Applying, and Revising Categorical Exclusions,” (November 23, 2010), *available at* ceq.hss.doe.gov/ceq_regulations/NEPA_CE_Guidance_Nov232010.pdf; “Guidance for Federal Departments and Agencies on the Appropriate Use of Mitigation and Monitoring and Clarifying the Appropriate Use of Mitigated Findings of No Significant Impact,” (January 14, 2010), *available at* ceq.hss.doe.gov/current_developments/docs/Mitigation_and_Monitoring_Guidance_14Jan2011.pdf.



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determining the scope of the NEPA analysis; and preparing concise and focused EAs.

- *Utilizing information technology* to improve the efficiency of NEPA implementation for a particular project, or when adopted program-wide.
- *Improving the effectiveness of public engagement*, such as by making NEPA documents and analyses easier to read and understand, and enhancing public involvement to address environmental justice or other community concerns.

Nominations may be submitted online via

<http://whitehouse.gov/administration/eop/ceq/initiatives/nepa/nepa-pilot-project>.

Nominations of pilot projects should describe how the project will be implemented, including a description of the timeline and existing resources that will be committed to implementation, and any additional resources (such as staff or contractor assistance) that may be needed to implement the project. Nominations will be accepted for a period of 90 days from the date of this request and will be considered for selection on a rolling basis. All nominated submissions will be publicly posted on <http://www.whitehouse.gov/ceq>.

CEQ will consult with agencies to confirm that any project nominated by a member of the public complies with existing laws and regulations, will improve the agency's NEPA implementation, and can be implemented with resources that are or will become available. A panel of NEPA experts from federal agencies will perform an initial screening of nominations to identify those with the greatest potential to:

- (1) reduce the costs and/or time needed to complete the NEPA process;
- (2) ensure environmental protection;
- (3) improve the quality and transparency of federal agency decisionmaking; and
- (4) yield best practices or procedural innovations that can be replicated by other agencies or applied to other Federal actions or programs so as to improve NEPA implementation beyond a specific project.

In consultation with the Environmental Protection Agency and the Department of Justice, CEQ will select up to five (5) pilot projects from the nominated proposals for further study and trial implementation. In making its final selection, CEQ will consider Administration priorities and strive for a diverse set of projects—in terms of geography, agency participation, and natural resource management issues—to the extent possible, given the range of qualified nominations submitted.

In collaboration with the relevant agency or agencies, CEQ will track the implementation of the five selected pilot projects, evaluate their outcomes, and highlight and promote any lessons learned. The performance of selected pilots will be evaluated based on the criteria described above. These evaluations will be shared with the public on the NEPA website, nepa.gov. Pilot projects that advance the overall goals of NEPA and attain positive results will then be considered for broader application and