

**EPN Comments on OMB's Proposed Guidance for Assessing Changes
in Environmental and Ecosystem Services in Benefit-Cost Analysis**

Docket No: OMB-2022-0016

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The [Environmental Protection Network](https://www.environmentalprotectionnetwork.org) (EPN) harnesses the expertise of more than 600 former Environmental Protection Agency (EPA) career staff and confirmation-level appointees from Democratic and Republican administrations to provide the unique perspective of former regulators and scientists with decades of historical knowledge and subject matter expertise.

EPN commends the Office of Management and Budget (OMB) on its issuance of proposed guidelines for incorporating ecosystem service (ES) assessments in regulatory analysis. In particular, EPN salutes the administration for its advancement of enlightened and timely consideration of ecological effects and ES impacts associated with federal environmental rulemakings. This advancement serves to address the decades' old understatement and undervaluation of the degradation of natural systems and the services they provide. A program to systematize, continuously refine, and normalize analysis of ES benefits will serve to gradually close this gap and yield fuller and more robust analysis.

In the following comments, EPN will not focus on technical aspects of the proposal. The proposal is, in fact, deeply grounded and well documented. Others likely will comment on the nuances of technical guidance proposed in what, we trust, will launch a longer-term conversation to build out and operationalize the regulatory analysis framework. We do note that the whole document well reflects the status and trends in the current economic literature on ES. (This includes context setting, classification system of ES, pathways analysis, and the treatment of uncertainty, equity and spatial scale considerations.) The rigor and inclusivity is impressive, and the detailed impact matrices and examples in the Appendices should be quite useful to analysts as they implement the guidelines. We will focus instead on strategic and institutional opportunities. These include:

1. This document seeks to broaden and deepen the understanding and engagement of ES analytics at multiple agencies with varying levels of experience and capacity on these topics. We recommend as a complement a more brief and widely readable version of the guidelines to bring all players up to speed and on board. Adding some alternative formats such as video(s) or podcast(s)/audio interview(s) with key players could help set the context.
2. The guidelines refer to ES assessments that are global in scale. In this context, we recommend checking to align and harmonize these with comparable efforts published by the European Union, the International Union for the Conservation of Nature, and other governments and organizations with comparable ES guidelines.
3. EPN recommends a collaborative, multi-agency effort to develop a government-wide template for ES assessment and valuation. This might involve three or four agencies/departments which are likely to be most engaged in such undertakings (such as Army Corps of Engineers, EPA, U.S. Forestry Services, and U.S. Fish and Wildlife Services). Analysts from these agencies could collaborate and cooperate on reviewing ES

analyses for a set of recently completed rulemakings pursuant to their regulatory authorities. From this review, the analysts could identify best practices for developing, organizing, and presenting various categories of ES impacts. This effort could constitute a learning laboratory by which an “all-of-government” approach to such analyses could be undertaken. The White House Council on Environmental Quality (CEQ) could serve as the forum through which such a multi-agency/departments program could be undertaken.

4. Emphasis needs to be placed on clear and detailed priority setting in conducting ES analyses. This is noted several times in the proposed guidelines. It is crucial, however, that in the launch stage for this analysis a relatively few ES categories with the highest prospects of influencing option selection receive the greatest focus. This will facilitate our ability to expand and refine analytic capabilities, allowing us to better address the most important areas. Otherwise, attempts to build out analytic experience across the full range of service categories will slow progress on the key categories which could influence analysis-driven option selection. Categories of service such as carbon and nitrogen cycling (particularly affecting climate-related decisions) are potential examples of such priority focus.

5. EPN recommends establishment and maintenance of an electronic site which would serve as a federal network base (e.g., a Wiki site) for posting draft analyses, lessons learned, activities underway, and other information that would serve to foster learning and partnering across the full range of federal players. OMB and/or CEQ could serve as a logical home base for this effort. Such an effort would facilitate a collective approach to enriching and revising the guidance on a periodic basis.