

Geoff and David: Here is the statement and background information for your review and use.

1. **EXTERNAL RESPONSE**: Here is the recommended response to Greenpeace and background to provide them

Greenpeace misconstrues BP's position on the proposed modernization of the 50 year-old National Environmental Policy Act (NEPA). BP strongly supports NEPA and has been working with the environmental and business community to ensure its continued effectiveness. Neither BP nor API advocated to exclude all indirect GHG impacts from NEPA analysis. In fact, BP believes the NEPA analysis should include all direct and many indirect impacts. BP has been focused on modernizing other areas of the law (e.g., enhancing interagency coordination) and has worked side-by-side with The Nature Conservancy and others to raise these issues. BP will continue to advocate for changes through the rulemaking process, but only in a manner that is consistent with our strong support for the Paris ambitions.

Background for Greenpeace:

- Based on prior conversations with The Nature Conservancy (TNC) about NEPA reforms we jointly
 prepared a white paper on the issue. BP and TNC jointly presented the paper to CEQ in a September
 2017 meeting. Following the meeting, we continued working with TNC as the NEPA reform process slowly
 proceeded. The white paper was attached to our comment letter discussed below.
- On June 20, 2018, CEQ issued a draft rulemaking proposal, and BP submitted written comments on August 20, 2018. BP's letter again focused on the common-sense reforms that TNC and others also supported.
- On January 10, 2020, CEQ issued its Notice of Proposed Rulemaking (NPRM), with comments required by March 10, 2020. We understand that CEQ intends to finalize the rulemaking by end of the year.

2. INTERNAL BACKGROUND:

Greenpeace is focused on which GHG emissions federal government agencies should take into account when reviewing projects under NEPA, a >40-year old statute which ENGOs as well as businesses agree needs substantial modernization. The issue is whether in considering GHG emissions the agency should (1) try to analyze and account for all upstream and downstream (i.e. Scope 3) emissions -- including from the production and consumption of fossil fuels; or (2) focus on GHG emissions from the project itself and from indirect but closely-related activities such as construction or road-building.

US businesses and most if not all industry groups (including API) have advocated for the latter on the ground that project review is not the right place to account for or consider upstream or downstream GHG emissions, and that to do so causes undue delay and confusion in the mandated environmental review of pipelines and other projects. Greenpeace and some other ENGOs favor the former to create the broadest possible review and (to be frank) opportunity to delay the required review of projects based on far-flung and difficult-to-quantify GHG effects.

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