

February 10, 2023

Lloyd J. Austin III
Secretary of Defense
U.S. Department of Defense
1400 Defense Pentagon
Washington, DC 20301

Robin Carnahan
Administrator
General Services Administration
1800 F Street NW
Washington, D.C. 20004

Bill Nelson
Administrator
NASA Headquarters
300 E St SW
Washington, DC 20546

RE: “Federal Acquisition Regulation: Disclosure of Greenhouse Gas Emissions and Climate-Related Financial Risk” FAR Case 2021-015

Dear Secretary Austin, Administrator Carnahan, and Administrator Nelson,

Energy Workforce and Technology Council (“Energy Workforce”) appreciates the opportunity to comment on the proposal to amend the Federal Acquisition Regulation (FAR) to implement a requirement to ensure certain Federal contractors disclose their greenhouse gas emissions and climate-related financial risk and set science-based targets to reduce their greenhouse gas emissions.

Energy Workforce represents more than 400 energy technology and services companies working to deliver safe, profitable, and sustainable lower-carbon products. Like the rest of the energy sector, the companies that comprise our membership are diverse in size, scope, and governance models. Our members represent the spectrum from private sole proprietorships, to publicly held companies with thousands of employees.

Energy Workforce members are leading in the development of lower carbon technology such as CCUS, methane leak detection and mitigation technology, geothermal, offshore wind support, hydrogen, and other new technologies.

Company Compliance

Energy service and technology companies have been leaders in the oil and gas industry in recent years by setting science-based targets to reduce their greenhouse gas (GHG) emissions. These global commitments are in-line with the FAR requirements for increased transparency around GHG emissions.

Many Energy Workforce companies have large parent companies that have many small subsidiaries. Often, one or many of these subsidiaries may conduct government work that could meet the threshold for reporting. To meet FAR obligations, Energy Workforce believes that, if required, greenhouse gas emission disclosure and climate-related financial risk should be disclosed at the “highest-level owner” level (global parent-company level), not individual entities.

The granularity required to parse out the entities within parent companies that conduct government contracts would be administratively extremely burdening. Reporting at the parent-company level also lowers compliance and liability risks as these reports are streamlined and controlled for data errors at the corporate level. Additionally, for global companies, these entities may already be reporting some of this data to other jurisdictions so it will avoid duplication.

TCFD & CDP

Energy Workforce companies already report using the Task Force on Climate-Related Financial Disclosures (TCFD) and CDP frameworks, which also align with the U.S. Securities and Exchange Commission Proposed Rule to Enhance and Standardize Climate-Related Disclosures for Investors. Therefore, should a reporting standard be ultimately required by the rule, Energy Workforce would support the use of these standards in this proposed rule to align with current reporting strategies.

National Security Exemption

Energy Workforce requests that the proposed rule amend the national security waiver to be permanent as opposed to expiring within one year.

Orphan Well Plugging

Energy Workforce requests that no level of participation in the Federal Orphaned Well Program under the Bureau of Land Management (BLM) require companies to disclose GHG. Many Energy Workforce Member Companies conduct little or no government contracting aside from the Orphan Well Program. These companies have significant experience in orphan well plugging and are best suited to conduct the work. Given the environmental benefits of this work, we encourage a blanket exception for this work and/or an exclusion for any environmental remediation work including orphan well activity.

We appreciate the opportunity to comment and look forward to participating in the next steps.

Sincerely,



Tim Tarpley
President
Energy Workforce & Technology Council