West Virginia v. EPA: Some Answers about Major Questions

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Introduction

The Supreme Court’s decision to grant certiorari in West Virginia v. Environmental Protection Agency (West Virginia) was a surprise. The Court rarely grants cases involving challenges to regulations the executive branch no longer wishes to enforce. Once granted, however, the outcome was not surprising at all. Twice before the Court had shown skepticism of broad regulatory authority over greenhouse gas (GHG) emissions. There was no reason to think this time would be different. The EPA would retain its authority to regulate GHGs, but it would not be allowed to redesign the scope of its own regulatory authority for that purpose.

In West Virginia, Chief Justice John Roberts wrote the opinion for a 6-3 Court, rejecting claims that the case was nonjusticiable and concluding that the EPA lacks broad authority to limit GHG emissions from power plants under the Clean Air Act (CAA). The chief justice’s opinion was joined by the Court’s conservatives. Justice Neil Gorsuch wrote a concurring opinion, joined by Justice Samuel Alito. Justice Elena Kagan dissented on behalf of herself and the other liberal justices.

Expressly invoking the “major questions doctrine” for the first time in a majority opinion, the chief justice explained that Section 7411

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1 142 S. Ct. 2587 (2022).
of the CAA does not allow the EPA to require generation shifting (the replacement of coal with natural gas or renewable energy) to reduce GHG emissions. In so doing, the Court rejected the expansive view of EPA’s regulatory authority favored by the Obama and Biden administrations and endorsed by the U.S. Court of Appeals for the D.C. Circuit.

West Virginia v. EPA rested on the longstanding and fundamental constitutional principle that agencies only have the regulatory authority Congress delegated to them. The Court further bolstered the argument that delegations of broad regulatory authority should not be lightly presumed. Extraordinary assertions of regulatory authority, such as the EPA’s claim that CAA provisions authorizing emission controls on stationary sources could be used to decarbonize the electricity grid, required a clear delegation from Congress.

The case’s outcome was foreshadowed in the Court’s decisions rejecting emergency pandemic measures barring evictions and mandating vaccination or testing of employees in large companies. Those decisions, arising from the Court’s “shadow docket,” had signaled the Court’s wariness of executive branch efforts to utilize long-extant statutory authority as the basis for novel and far-reaching regulatory initiatives.

While West Virginia v. EPA reaffirmed that courts should be wary of allowing agencies to pour new wine out of old bottles, it left substantial questions about the major questions doctrine unanswered. By skimping on statutory analysis and front-loading consideration of whether a case presents a major question, Chief Justice Roberts’s opinion failed to provide much guidance for lower courts. It may be clear that statutory ambiguity cannot justify broad assertions of regulatory authority, but West Virginia v. EPA provides little clarity

2 Id. at 2610 (“this is a major questions case”). In prior cases the Court had relied upon the “major questions” concept without using that specific phrase.

3 See Ala. Ass’n of Realtors v. Dep’t of Health & Human Serv., 141 S. Ct. 2485 (2021) (finding the Centers for Disease Control and Prevention lacked authority to impose an eviction moratorium to prevent the interstate spread of covid-19); NFIB v. Dep’t of Labor, OSHA, 142 S. Ct. 661 (2022) (finding the Occupational Safety and Health Administration lacked the authority to impose a universal vaccine-or-test requirement on all firms with more than 100 employees). For a discussion of these cases, see, in this volume, Ilya Somin, A Major Question of Power: The Vaccine Mandate Cases and the Limits of Executive Authority, 2021–2022 Cato Sup. Ct. Rev. 69 (2022).
on how the invigorated major questions doctrine should inform statutory interpretation.

The chief justice’s failure to bring clarity to the major questions doctrine is particularly disappointing given that the seeds of a broader doctrine can be found in his own prior opinions, including *King v. Burwell*4 and his *Arlington v. Federal Communications Commission* dissent.5 If federal agencies are “creatures of Congress” with only that power Congress has delegated,6 it would seem to follow that the burden should be on the agency to demonstrate that the power it wishes to exercise has been delegated to it. And when confronted with broad, unprecedented, and unusual assertions of agency power, some degree of judicial skepticism would be warranted—skepticism that can be overcome by a clear statement delegating the power at issue. Such a holding would not satisfy those hoping for a revival of the nondelegation doctrine, but it would ensure that agencies only exercise those powers actually delegated to them.

While *West Virginia v. EPA* represents a missed opportunity to clarify and ground the major questions doctrine, it remains a tremendously important decision. It will be cited routinely in legal challenges to new regulatory initiatives. It also hampers regulatory efforts to address climate change, one of the most pressing policy concerns of the 21st century.7 The Court denied the most expansive interpretations of EPA’s authority under Section 7411 of the CAA but did nothing to curtail the EPA’s traditional air pollution control authorities. Nor did it preclude the EPA from using such authorities to regulate GHGs. It did, however, make it more challenging for the EPA or other agencies to develop new climate change policies relying on pre-existing statutory authority directed at other problems.

4 *King v. Burwell*, 576 U.S. 473 (2015). I have been quite critical of the chief justice’s *King* opinion in these very pages, but that criticism focused on his statutory interpretation, not his understanding of the nature of agency power. See Jonathan H. Adler & Michael F. Cannon, *King v. Burwell* and the Triumph of Selective Contextualism, 2014–2015 Cato Sup. Ct. Rev. 35 (2015). As will become clear in this essay, the chief justice’s statutory interpretation in *West Virginia v. EPA* was not exemplary either.


6 *Id.* at 371 (Roberts, C.J., dissenting).

If there are to be additional tools in the EPA’s climate-policy toolkit, Congress must provide them. The CAA was not written with climate change in mind, and there is only so much the EPA can do to constrain GHG emissions within existing statutory constraints. *West Virginia v. EPA* put Congress in the policy driver’s seat. Whether Congress has a direction in mind is yet to be determined.

**From Massachusetts to West Virginia**

Because *West Virginia v. EPA* concerns the scope of the EPA’s authority to regulate GHG emissions, it is worth placing the decision in the broader context of federal GHG regulation. Controversy over the scope of the EPA’s authority to regulate GHG emissions has simmered for decades. Congress has never enacted legislation expressly granting EPA the authority to regulate GHGs as such.\(^8\) Rather, the EPA has relied on various provisions of the CAA to control GHG emissions.

The CAA was enacted in 1970 primarily to control traditional air pollutants, such as lead, soot, and smog. Congress last updated the act in 1990, providing explicit authority to control those pollutants that cause stratospheric ozone depletion and acid rain. Somewhat conspicuously, no equivalent authority was adopted to help mitigate global warming, and subsequent efforts to enact such authority repeatedly failed.\(^9\) It was therefore unclear whether the EPA had the authority to regulate carbon dioxide and other GHGs due to their greenhouse-forcing potential.\(^10\)

In 1999, several environmental organizations petitioned the EPA to regulate GHG emissions from new motor vehicles under

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8 Insofar as GHGs have other pollutant characteristics, Congress has enacted provisions that would enable EPA to regulate those substances due to factors other than their potential to contribute to climate change.

9 See Arnold W. Reitze, Jr., Federal Control of Carbon Dioxide Emissions: What Are the Options?, 36 B.C. Envt. Aff. L. Rev. 1, 1 (2009) (“From 1999 to [2007], more than 200 bills were introduced in Congress to regulate [greenhouse gases], but none were enacted.”); see also Daniel J. Weiss, Anatomy of a Senate Climate Bill Death, Ctr. for Am. Progress (Oct. 12, 2010), https://bit.ly/3QdBMzT (discussing failure of climate legislation in 2010).

10 See Richard Lazarus, Environmental Law without Congress, 30 J. Land Use & Envt. L. 15, 30 (2014) (“Climate change is perhaps the quintessential example of a new environmental problem that the Clean Air Act did not contemplate.”).
the CAA. The EPA’s general counsel had concluded the GHGs could be regulated as air pollutants under the act. Based on this judgment, the groups argued the EPA was required to do something, but the EPA initially ignored the petition. After a change in administrations, however, the EPA formally denied the petition, maintaining that the agency lacked the authority to regulate GHGs and that regulation of such pollutants under the CAA would not constitute an effective means to address the threat of climate change.

A coalition of environmental groups and state governments sued, ultimately prevailing in the Supreme Court. In Massachusetts v. EPA, a 5-4 Court concluded that GHGs were “air pollutants” subject to regulation under the CAA, and that the EPA failed to offer an adequate justification for failing to regulate such emissions from motor vehicles. While the Court did not command the EPA to begin regulating GHGs, that was the practical effect of the Court’s holding. Under the act, the EPA must regulate motor vehicle emissions of any “air pollutant” that, in the “judgment” of the administrator, “cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare.” As the EPA was long on record acknowledging the threat posed by climate change, recognizing GHGs as pollutants subject to regulation under the act made their eventual regulation inevitable.

The EPA made its first formal “endangerment” finding in December 2009, concluding that GHG emissions from motor vehicles “cause, or contribute to, air pollution which may reasonably be
anticipated to endanger public health or welfare.”16 The agency’s first regulations governing GHG regulations from new motor vehicles followed soon thereafter.17 This, in turn, set the stage for the regulation of GHG emissions from stationary sources and the beginning of the EPA’s troubles trying to control GHGs under the CAA.18

The Court in Massachusetts v. EPA paid little attention to the difficulty of applying the CAA’s provisions to GHGs. Had they done so, they may have discovered that the CAA “is not especially well designed for controlling GHG pollution.”19 Yet the justices are far from CAA experts and the question at hand—whether the EPA could regulate emissions from cars and trucks—did not create much administrative difficulty.20 By contrast, meaningful regulation of GHGs from stationary sources under the CAA would force the agency “to engage in interpretive jujitsu.”21

Under Section 165 of the act, “major” stationary sources are required to adopt emission controls for “each pollutant subject to regulation” when built or modified.22 Title V of the act further requires major sources to file permits demonstrating their regulatory compliance. Both define “major” sources to be those with the potential to emit more than 100 or 250 tons per year of pollutants, depending

16 See Endangerment and Cause or Contribute Findings for GHGs under Section 202(a) of the CAA, 74 Fed. Reg. 66,496 (Dec. 15, 2009).
20 One issue raised in Massachusetts was whether setting GHG emission standards for automobiles would conflict with fuel economy regulations administered by the National Highway Transportation and Safety Administration, but the Court concluded the two agencies could coordinate their efforts to address any potential problems. See Massachusetts, 549 U.S. at 532 (“The two obligations may overlap, but there is no reason to think the two agencies cannot both administer their obligations and yet avoid inconsistency.”).
21 See Freeman & Spence, supra note 19, at 21.
22 See 42 U.S.C. § 7475. These provisions are commonly referred to as “PSD” for “Prevention of Significant Deterioration.”
on the type of facility involved.\textsuperscript{23} For traditional air pollutants, such as sulfur dioxide or nitrogen oxides, these thresholds only reach the biggest and dirtiest facilities—a total of several thousand facilities nationwide. Applied to GHGs, however, these same numerical thresholds would require the regulation of millions of facilities, including many commercial and residential buildings.\textsuperscript{24}

Lest application of the CAA’s express terms to GHGs unleash a regulatory tsunami, the EPA proposed to “tailor” the law’s application and enforcement so as to reduce the number of regulated facilities.\textsuperscript{25} Specifically, the agency decided it would redefine the definition of what constitutes a major source to only reach facilities that emit over 100,000 tons per year.\textsuperscript{26} The EPA acknowledged the relevant statutory provisions were “clear on their face,”\textsuperscript{27} but defended the new regulation as a “common sense” approach\textsuperscript{28} necessary to prevent the CAA’s permitting programs from becoming “unrecognizable to the Congress that designed” them.\textsuperscript{29}

However much the EPA thought this effort to “tailor” the act’s requirements made “common sense,” the Supreme Court concluded otherwise. In \textit{Utility Air Regulatory Group v. EPA} (UARG), the Court rejected the EPA’s claim that it was required to treat GHGs

\textsuperscript{23} See 42 U.S.C. § 7479(1) (defining emission thresholds for Section 165); 42 U.S.C. § 7661(2) adopts the definition provided in 42 U.S.C. § 7602(j), defining a “major” source as “any stationary facility or source of air pollutants which directly emits, or has the potential to emit, one hundred tons per year or more of any air pollutant.” For regulation of hazardous air pollutants, 42 U.S.C. § 7661(2) incorporates the even more stringent definition contained in 42 U.S.C. § 7412.

\textsuperscript{24} See Prevention of Significant Deterioration and Title V GHG Tailoring Rule, 74 Fed. Reg. 55,292, 55,294, 55,302 (Oct. 27, 2009); see also Freeman & Spence, \textit{supra} note 19, at 24 (noting the “burden would have overwhelmed the agency and the states, frustrated small business, and led to accusations that the Obama Administration was over-regulating”). For a fuller discussion of the impact of applying the statutory thresholds for major stationary sources to GHGs, see Adler, Heat Expands, \textit{supra} note 18, at 432–35.


\textsuperscript{26} Prevention of Significant Deterioration and Title V GHG Tailoring Rule, 75 Fed. Reg. 31,514 (June 3, 2010).

\textsuperscript{27} 74 Fed. Reg. at 55,306.

\textsuperscript{28} Akis Psygkas, New EPA Rule Will Require Use of Best Technologies to Reduce GHGs from Large Facilities, Comp. Admin. L. (Blog) (Oct. 1, 2009).

\textsuperscript{29} 75 Fed. Reg. at 31,562.
as “air pollutants” for all provisions of the CAA, particularly where doing so would “bring about an enormous and transformative expansion in EPA’s regulatory authority without clear congressional authorization.”

Not only would the EPA’s interpretation greatly expand the universe of regulated entities, the Court concluded it would also necessitate granting the agency the authority to rewrite clear statutory thresholds so as to ensure the act’s regulatory structure remained operational. In language foreshadowing its decision in *West Virginia v. EPA*, the Court explained: “When an agency claims to discover in a long-extant statute an unheralded power to regulate ‘a significant portion of the American economy,’ we typically greet its announcement with a measure of skepticism. We expect Congress to speak clearly if it wishes to assign to an agency decisions of vast ‘economic and political significance.’”

Here, Congress had indicated neither that it wanted the EPA to regulate the millions of facilities that emit modest amounts of greenhouse gases nor that the EPA could revise numerical statutory thresholds.

While *UARG* was working its way through the courts, the agency was also beginning work on regulations governing GHG emissions from new and existing power plants. This was a priority for the Obama administration because electricity generation is responsible for approximately one quarter of annual greenhouse gas emissions.

Under CAA Section 7411, the EPA is instructed to establish federal “standards of performance” for categories of stationary sources that “cause[,] or contribute[] significantly to, air pollution which may reasonably be anticipated to endanger public health or welfare.”

The “standard of performance” is defined as that standard “which reflects the degree of emission limitation achievable through the

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31 Id. (quoting FDA v. Brown & Williamson Tobacco Corp., 529 U.S. 120, 159 (2000)).
32 This rulemaking was the result of a settlement agreement the EPA entered into in 2010 under which it committed to proposing such regulations no later than July 2011 and promulgating final rules no later than May 2012. That timeline slipped.
34 42 U.S.C. § 7411(b)(1).
application of the best system of emission reduction,” accounting for cost and other factors, that has been “adequately demonstrated.”

Once such a standard is set for new sources, the EPA promulgates guidelines identifying the standard of performance for existing sources. The EPA does not impose such standards on existing sources directly, however. Rather, Section 7411(d) instructs the agency to issue regulations providing for states to submit plans imposing the appropriate standard of performance on existing sources. Section 111(d) also requires EPA to permit states to “take into consideration . . . the remaining useful life of the existing source” when applying and enforcing the standard of performance to a particular source.


36 42 U.S.C. § 7411(d)(1). Under this provision, the EPA is not to set standards of performance for emissions from existing sources that are regulated under the CAA’s National Ambient Air Quality Standards (NAAQS) or Hazardous Air Pollutant (HAP) provisions. Before the U.S. Court of Appeals for the D.C. Circuit, some petitioners argued that Section 7411 precludes the regulation of emissions from new sources if the sources are subject to regulation under Section 112. As power plant emissions of mercury are regulated under Section 112, this would have barred the adoption of any GHG standards for existing power plants under Section 7411. The D.C. Circuit rejected this argument. See Am. Lung Ass’n v. EPA, 985 F.3d 914, 932 (D.C. Cir. 2021). The Supreme Court did not grant certiorari on this question, and the Court’s West Virginia opinion appears to adopt the D.C. Circuit’s interpretation of this provision. See West Virginia, 142 S. Ct. at 2601.

37 Id. A straightforward reading of the statutory language would suggest the EPA lacks the authority to set standards of performance for existing sources, let alone something as ambitious as the Clean Power Plan, but this argument was not raised in West Virginia v. EPA. See Tom Merrill, West Virginia v. EPA: Was “Major Questions” Necessary?, Volokh Conspiracy (July 26, 2022), https://bit.ly/3vHp848.

38 42 U.S.C. § 7411(d)(1). It is common in environmental law to set different standards for new and existing sources, reflecting both the fact that it is often easier or less costly to install or include pollution control technologies when designing a facility than to retrofit an old one, as well as the fact that owners and employees of existing sources tend to have more political clout than owners and employees of new, not-yet-built sources. See Jonathan R. Nash & Richard L. Revesz, Grandfather and Environmental Regulation: The Law and Economics of New Source Review, 101 Nw. U.L. Rev. 1677, 1733 (2007) (“grandfathering may be appropriate in environmental regulation to the extent that installing and upgrading pollution control equipment in existing plants may be both logistically difficult and expensive”); E. Donald Elliot, A Critical Assessment of the EPA’s Air Program at Fifty and a Suggestion for How It Might Do Even Better, 70 Case W. Res. L. Rev. 895, 915–16 (2020) (“Regulating future polluters more stringently than those already operating often happens because it is less difficult politically to impose costs on speculative future projects than on existing industries
After years of development, the EPA finalized a set of regulations governing emissions from new and existing power plants, the latter of which were called the Clean Power Plan (CPP). Under the CPP, the EPA determined that the “best system of emission reduction” (BSER) for existing coal-fired power plants would not be based exclusively on emission reductions that could be achieved at individual plants, such as by the adoption of heat-rate improvements that would result in more efficient fuel consumption. Rather, the EPA set the BSER based on the additional emission reductions that could be achieved by shifting power generation from existing coal-fired power plants to lower-emitting facilities, such as natural gas-fired plants, as well as “new low- or zero-carbon generating capacity,” such as wind and solar.

The CPP anticipated that existing coal-fired power plants would reduce their emissions by curtailing their own electricity generation; increasing reliance on new natural gas, wind, or solar facilities; or purchasing emission allowances from lower-emitting sources. As described by the Court in *West Virginia v. EPA*, the BSER for existing coal-fired power plants was “one that would reduce carbon pollution by moving production to cleaner sources,” not one that would reduce the emissions from existing sources themselves.39 Indeed, the ultimate emission limit adopted in the CPP was “so strict” that no existing coal plant could meet the standard without engaging in some form of generation shifting.40 Under the CPP, states were required to submit their implementation plans in 2018 for how the power sector would achieve the necessary emission reductions by 2030.

Even supporters of the CPP recognized it rested on a “novel and far-reaching” interpretation of the relevant statutory provisions.41 The CPP, however, would never take effect. States and coal companies immediately filed legal challenges against it. In February 2016, a majority of the Court voted to stay the CPP, pending resolution

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39 *West Virginia*, 142 S. Ct. at 2603.
40 Id. at 2604.
41 See Freeman & Spence, *supra* note 19, at 37.
of the legal challenges, thereby preventing it from ever going into effect.\textsuperscript{42}

The election of Donald Trump prompted a dramatic reversal in the EPA’s approach to GHG regulation under the CAA. In March 2017, President Trump issued an executive order instructing the EPA to review and consider rescinding the CPP and other EPA regulations affecting the energy industry.\textsuperscript{43} Pursuant to this order, the EPA developed an alternative to the CPP, known as the Affordable Clean Energy (ACE) rule.\textsuperscript{44} This rule, promulgated in July 2019, was based on a much narrower interpretation of the EPA’s regulatory authority under the CAA—an interpretation the agency now claimed was compelled by the plain text of the statute. The EPA also argued that a narrow interpretation was necessary to avoid adopting a broad rule that would trigger the major questions doctrine. Citing the \textit{UARG} decision, the agency noted that “the major question doctrine instructs that an agency may issue a major rule only if Congress has clearly authorized the agency to do so.”\textsuperscript{45}

Specifically, the EPA now concluded that standards of performance under Section 7411 could only be based on emission-control measures that could be adopted at each regulated source—so-called “inside the fenceline” measures—and this could not include generation shifting. Accordingly, the EPA decided the CPP was unlawful, and the EPA could not impose emission reductions on existing coal-fired power plants beyond that which could be achieved through heat-rate improvements at individual plants. The narrow scope of the rule meant narrow climate benefits. The emission reductions from the ACE rule were estimated to be as little as 1 percent by 2030.\textsuperscript{46} Just as red states and coal companies challenged the CPP, blue states and

\textsuperscript{42} Chamber of Commerce v. EPA, 136 S. Ct. 999 (Mem) (Feb. 9, 2016); see also Jonathan H. Adler, Supreme Court Puts the Brakes on the EPA’s Clean Power Plan, Wash. Post (Feb. 9, 2016), https://wapo.st/3zOobK2.


\textsuperscript{44} See Repeal of the Clean Power Plan; Emission Guidelines for Greenhouse Gas Emissions from Existing Electric Utility Generating Units; Revisions to Emission Guidelines Implementing Regulations, 84 Fed. Reg. 32,520 (July 8, 2019).

\textsuperscript{45} \textit{Id.} at 32,529.

\textsuperscript{46} See Kate C. Shouse, Linda Tsang, & Jonathan Ramseur, EPA’s Affordable Clean Energy Rule: In Brief, CRS Report R465468, at 7 (2020).
environmental organizations immediately challenged the ACE rule, joined by some electric utilities.

On January 19, 2021, the day before Joseph Biden was to be sworn in as the 46th president of the United States, a divided panel of the U.S. Court of Appeals for the D.C. Circuit concluded that the repeal of the CPP and promulgation of the ACE rule were unlawful. Specifically, the court held that both actions were based on “a fundamental misconstruction” of the EPA’s statutory authority. Whereas the Trump EPA believed that standards of performance for existing sources had to be based on measures that could be adopted at each source, the D.C. Circuit concluded that Section 7411 “imposed no limits on the types of measures the EPA may consider” beyond requiring the agency to consider cost, non–air quality health and environmental impacts, and energy requirements. And because the ACE rule rested “squarely” on an “erroneous” reading of the act, it was vacated and remanded to the agency.

One month later, at the Biden administration’s request, the D.C. Circuit issued a partial stay of the mandate in the case to prevent imposition of the CPP. While the Biden administration preferred the Obama administration’s interpretation of the CAA over that of the Trump administration, the CPP’s deadline for state plan submission had passed, and the relevant emission reduction targets had been met or surpassed in much of the country. Despite the stay, a coalition of states and coal companies filed petitions for certiorari, and, somewhat surprisingly, the Court took the case.

Questions about Jurisdiction

From the moment the justices agreed to hear *West Virginia v. EPA*, there were questions about whether the case was properly before the Court. Article III jurisdiction extends only to “cases or controversies.” Among other things, this means that those seeking to invoke

47 Although the three judges disagreed on the rationale, they were unanimous in rejecting the Trump regulation. See Am. Lung Ass’n, 985 F.3d 914.
48 ALA, 985 F.3d at 930 (“[T]he central operative terms of the ACE Rule and the repeal of its predecessor rule, the Clean Power Plan . . . hinged on a fundamental misconstruction of Section 7411(d) of the Clean Air Act.”).
49 Id. at 946.
50 Id. at 995.
51 See West Virginia, 142 S. Ct. at 2606 (noting stay).
a court’s jurisdiction must have standing and the case must present a live controversy that has not been mooted by subsequent events. Given the EPA wanted neither to enforce the CPP nor to defend the ACE rule, it was fair to ask whether there was Article III jurisdiction to hear the case.

Although it had not pressed this issue in its brief opposing certiorari, the solicitor general (SG) argued that the Court lacked Article III standing to hear the petitioners’ challenge to the D.C. Circuit’s decision. Specifically, the SG maintained that none of the petitioners could demonstrate an actual or imminent injury from the D.C. Circuit decision to vacate the ACE rule and CPP repeal, rendering any Supreme Court decision an “impermissible advisory opinion.” Accordingly, the government argued, the Court should either dismiss the case for lack of standing or merely vacate the D.C. Circuit’s decision and remand the case back to the EPA. The standing argument was also picked up by the nongovernmental organization and trade association respondents, but not the other parties that intervened on behalf of the EPA.

It became clear at oral argument that there was little support for the SG’s jurisdictional arguments, and the dissenting justices did not meaningfully challenge the chief justice’s conclusion that the Court had jurisdiction over the case. While some justices suggested there might be prudential reasons to avoid a decision, none pushed hard on the Article III claim—and for good reason. While the decision to grant certiorari in West Virginia v. EPA may have been unusually aggressive, the Court had jurisdiction to hear the case.

Standing is necessary both when a plaintiff first files a suit in federal court as well as when a party pursues an appeal. In the latter

52 Of note, neither “standing” nor “case or controversy” appears in the SG’s brief opposing certiorari. See Br. for the Federal Respondents in Opposition, West Virginia v. EPA, 142 S. Ct. 2587 (2022) (Nos. 20-1530 et seq.). The brief did, however, suggest that the petitioners’ claims would become moot, but only if the EPA adopted a new regulation more akin to the ACE rule than to the CPP. Id. at 20.


54 Id. at 18.

55 See Br. of Non-Governmental Org. & Trade Ass’n Respondents at 23–32, West Virginia v. EPA, 142 S. Ct. 2587 (2022) (Nos. 20-1530 et seq.).

context, the standing inquiry focuses on whether the petitioners experience an injury that is “fairly traceable to the judgment below” and whether a favorable ruling would provide redress for that injury.\textsuperscript{57} There was no question the petitioning states met this standard. The D.C. Circuit’s judgment invalidated both “the ACE rule and its embedded repeal of the Clean Power Plan.”\textsuperscript{58} Thus, as the chief justice explained, insofar as the CPP injured the petitioning states by obligating them to adopt regulations of the power sector, there was “little question” they were injured by the lower court’s judgment.\textsuperscript{59} Tellingly, the dissent did not contest this point.

While framing the government’s argument in terms of standing, the SG also suggested that the D.C. Circuit’s decision to stay the mandate until the EPA adopted new regulations under Section 7411 mooted the prior dispute.\textsuperscript{60} While intervening events may deprive a litigant of a sufficient stake in the outcome of a lawsuit to deprive a court of jurisdiction, it takes more than a stay of a lower court order to moot a case.\textsuperscript{61} Courts are reluctant to allow a party’s voluntary cessation of challenged conduct to render a case moot. As the chief justice explained, “voluntary cessation does not moot a case unless it is absolutely clear that the allegedly wrongful behavior could not reasonably be expected to recur.”\textsuperscript{62} The government offered no assurance it would not rely on generation shifting or the D.C. Circuit’s broad conception of the EPA’s regulatory authority in a future rule, nor could it. Thus, neither the D.C. Circuit’s stay, which could be lifted, nor the potential of new regulatory standards could moot the case. Again, the dissent did not argue the point, even if only because the standard for mootness is “notoriously strict.”\textsuperscript{63}

While conceding the Court could hear the case, Justice Kagan would not concede that Court should have heard it. In a rush to “pronounce

\textsuperscript{57} Food Marketing Inst. v. Argus Leader Media, 139 S. Ct. 2356, 2362 (2019).
\textsuperscript{58} ALA, 985 F.3d at 995 (emphasis added).
\textsuperscript{59} West Virginia, 142 S. Ct. at 2606.
\textsuperscript{60} See Br. for the Federal Respondents, supra note 53, at 17.
\textsuperscript{61} At oral argument, Justice Alito asked the SG whether the Court had “ever held that the issuance of a stay can moot a case.” The SG conceded she was “not aware of a precedent” to that effect. Tr. of Oral Arg. at 86-87, West Virginia v. EPA, 142 S. Ct. 2587 (2022) (Nos. 20-1530 et seq.).
\textsuperscript{62} West Virginia, 142 S. Ct. at 2607 (cleaned up).
\textsuperscript{63} \textit{Id.} at 2628 (Kagan, J., dissenting).
on the legality” of an “old rule,” Justice Kagan complained, the Court issued “what is really an advisory opinion on the proper scope of the new rule EPA is considering.” Whatever the merits of the legal arguments against the CPP, she suggested, the EPA no longer sought to administer it and was well at work on a replacement, so the Court was effectively telling the EPA what it could or could not do in the future.

Justice Sonia Sotomayor pressed a similar point at oral argument, citing the Supreme Court’s disposition of *EPA v. Brown*. That case presented a quite different question, however, which may explain why it was not cited in Justice Kagan’s dissent. In *Brown*, the Court had accepted certiorari at the government’s behest to review multiple lower court decisions striking down EPA regulations that purported to commandeer state governments to implement particular air pollution control measures. Although the government had sought certiorari, it then conceded that the regulations could not be defended as written. Accordingly, the Court declined “the federal parties’ invitation to pass upon the EPA regulations” at issue because “the ones before us are admitted to be in need of certain essential modifications.” Because the EPA would be revising its rules to cure their legal defects, any decision by the Court “would amount to rendering an advisory opinion.” Accordingly, the Court vacated the lower court decisions and remanded the regulations back to the EPA.

Unlike in *Brown*, the EPA did not concede there was any legal problem with the CPP or with the legal theory it was based on. The EPA sought to update and modernize its rules, not reconsider whether it

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64 Id.
68 Id. at 104.
69 Of note, Justice John Paul Stevens dissented on the ground that the litigation would not be moot unless and until the EPA actually rescinded the regulations at issue, and “an apparent admission that those regulations are invalid unless modified is not a proper reason for vacating the Court of Appeals judgments which invalidated the regulations.” Id. at 104 (Stevens, J., dissenting).
had the statutory authority to issue them in the first place. Nonetheless, the government’s merits brief did suggest a similar disposition: vacating the D.C. Circuit’s judgment and remanding the case to the agency. Such a move would have redressed the petitioning states’ injuries without requiring the Court to assess the scope of the EPA’s authority in the absence of a rule to be enforced and might have appealed to the chief justice’s minimalist instincts. Curiously, this possibility was only raised in the SG’s merits brief and had not been suggested at the certiorari stage.

Choosing to Answer a Major Question

The Court’s decision to grant certiorari and schedule West Virginia v. EPA for oral argument was an ominous sign for the EPA. There was no reason to hear the case if a majority of the Court were inclined to rubber-stamp the D.C. Circuit’s broad construction of the EPA’s regulatory authority. But the breadth of the issues presented—and the various questions presented in the four cert petitions the Court accepted—gave the Court a wide range of options.

At one end of the range of possibilities was a surgical, text-based holding, limiting the “best system of emission reduction” (again, the BSER) to those measures that can be applied at or to a given stationary source subject to regulation. At the other end was an attack on broad delegations of regulatory authority, rejecting even the possibility that Congress could have so casually delegated power to the EPA to decide how to remake the electricity sector. The most likely result, however, was a middle course, echoing UARG in relying on the major questions doctrine and the notion that extraordinary assertions of regulatory authority require extraordinarily clear congressional delegations. All four of the cert petitions granted pointed in this direction, and the Court’s two covid decisions indicated it was primed to go in this direction.

As expected, Chief Justice Roberts’s opinion spent little time focused on the intricacies of statutory text and made scant mention of constitutional concerns about delegation. Instead, after engaging in a bit of traditional interpretive throat-clearing about how to conduct statutory interpretation in an “ordinary case,” the chief noted that “these are ‘extraordinary cases’ that call for a

70 See Br. for the Federal Respondents, supra note 53, at 21.
different approach[]."\(^{71}\) West Virginia v. EPA, the chief announced, was one such “major questions case.”\(^{72}\) The EPA was asserting the authority “to substantially restructure the American energy market” based on an “ancillary” statutory provision that had never before been used for such a purpose.\(^{73}\) Whether the EPA could define the BSER as generation shifting was not treated as a routine question of statutory interpretation for which a “plausible textual basis for the agency action” would be sufficient.\(^{74}\) More would be required to justify upholding the EPA’s authority to “restructur[e] the Nation’s overall mix of electricity generation” under the guise of setting performance standards for stationary sources of air pollution.\(^{75}\)

In deploying the major questions doctrine, the Court still faced a choice: It could invoke the doctrine as a canon of construction favoring more modest interpretations of agency authority insofar as the scope of delegation is in doubt; or it could use the doctrine to drive a presumption against the agency’s claimed authority. These two potential approaches to major questions were illustrated in the Court’s decisions rejecting emergency measures during the coronavirus pandemic.

As a canon of construction, the doctrine would help resolve any lingering uncertainty or statutory ambiguity left after directly engaging with the relevant statutory text. That is how the Court deployed the major questions doctrine in the eviction moratorium case.\(^{76}\) Only after identifying reasons to reject the claim of the Centers for Disease Control and Prevention (CDC) that it had authority to forestall evictions did the Court note that “if the text were ambiguous, the sheer scope of the CDC’s claimed authority . . . would counsel against the Government’s interpretation.”\(^{77}\) The Court could not see textual or historical support for the CDC’s claimed authority, and the major questions doctrine merely confirmed this conclusion. Major questions was icing on the Court’s interpretive cake.

\(^{71}\) West Virginia, 142 S. Ct. at 2608.
\(^{72}\) Id. at 2610.
\(^{73}\) Id.
\(^{74}\) Id. at 2609.
\(^{75}\) Id. at 2607.
\(^{76}\) Ala. Ass’n of Realtors, 141 S. Ct. at 2489.
\(^{77}\) Id.
The approach in *Alabama Association of Realtors* contrasts with that in the Occupational Safety and Health Administration’s (OSHA) vaccinate-or-test mandate. In *NFIB v. OSHA*, the Court announced that it expects a clear statement from Congress when “authorizing an agency to exercise powers of vast economic and political significance,” and that the OSHA mandate would qualify before even beginning to analyze the relevant statutory text. Here a concern for “major questions,” and a skepticism of the government’s authority, was baked into the interpretive cake from the beginning. Rather than reject the OSHA policy based on a close reading of OSHA’s statutory authority and the agency’s historical practice in applying that authority, the Court deployed the major questions doctrine to drive the ultimate outcome.

In *West Virginia*, the chief justice adopted the latter approach. Despite the availability of textual arguments that would have precluded the expansive construction of EPA authority that underlay the CPP, the chief justice opted to deploy the major questions concern at the front end of his analysis. This no doubt allowed for a shorter and less technical opinion and avoided any need to consider whether the EPA’s interpretation of Section 7411 could qualify for *Chevron* deference, but it also left the Court majority vulnerable to the criticism that it had abandoned textualism in favor of a result-oriented, purposivist analysis.

Under this approach, even if one might conclude that the EPA’s preferred interpretation of Section 7411 were reasonable, the nature of the power the EPA was asserting, and its lack of precedent, counseled a narrower construction. That the EPA’s interpretation of its authority to define BSER might be plausible “as a matter of ‘definitional possibilities’” was insufficient to justify the breadth of authority the EPA sought to assert. That the word “system”—and the phrase “best system of emission reduction”—could be interpreted broadly when “shorn of all context” was “not close to the sort of clear

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79 Id. at 665.

80 For reasons why the OSHA standard was legally vulnerable even without resort to the major questions doctrine, see Jonathan H. Adler, OSHA (Finally) Issues Emergency Standard Mandating Large Employers Require Vaccination or Testing (Updated), Volokh Conspiracy (Nov. 4, 2011), https://bit.ly/3QfVRW2.

81 West Virginia, 142 S. Ct. at 2614.
authorization required by our precedents.” Such a cursory argument may have sufficed given this was a “major questions case,” but it was hardly a compelling statutory interpretation.

Justice Kagan did not pass up the opportunity to point out the weakness of the Court’s statutory analysis, which relied more on the history of EPA past practices and congressional inaction than on a meaningful engagement with the text. She wrote a forceful dissent, harping on the majority’s failure to provide a convincing explanation for why generation shifting could not be a “system” of emission reduction. While her analysis is superficially powerful, Justice Kagan did not grapple with the full statutory text either, nor did she delve much into the CAA’s structure and operation. Instead, she hammered away at the pliable nature of the word “system” and the majority’s rush to embrace the major questions doctrine. There were textual counterarguments to be made. The majority did not make them. Justice Gorsuch’s concurrence responded to the dissent to defend the provenance and utility of the major questions doctrine, but it too failed to square off with Kagan on the statutory text.

**What Makes a Question Major?**

Once Chief Justice Roberts declared *West Virginia v. EPA* a major questions case, his task became easier. No longer did he need to find that the EPA’s desired interpretation of the relevant statutory provisions was out of bounds (with or without *Chevron* deference). Invoking the doctrine enabled him to flip the presumption and demand that those defending the D.C. Circuit’s interpretation of the CAA find “clear congressional authorization” for that position. But what made *West Virginia v. EPA* a “major questions case”?

82 Id.

83 Id. at 2641 (Kagan, J., dissenting) (“Some years ago, I remarked that ‘[w]e’re all textualists now.’ . . . It seems I was wrong. The current Court is textualist only when being so suits it.”).

84 See Nathan Richardson, Trading Unmoored: The Uncertain Legal Foundation for Emissions Trading under § 111 of the Clean Air Act, 120 Penn St. L. Rev. 181 (2015) (identifying reasons why the EPA may not be able to require or utilize emissions trading as the BSER); see also Lisa Heinzerling & Rena I. Steinzor, A Perfect Storm: Mercury and the Bush Administration, 34 Envt. L. Rep. 10297, 10309 (2004) (arguing Section 7411 “clearly contemplates individualized, performance-based standards for sources”).

85 *West Virginia*, 142 S. Ct. at 2609.
Chief Justice Roberts identified several factors indicative of “major questions” cases under the Court’s precedents. These include that an agency is seeking to exercise broad regulatory power over a substantial portion of the economy, that this power is “unheralded” or had not been previously discovered or utilized, and that Congress has “conspicuously and repeatedly declined to enact” express authorization for what the agency wants to do. If these criteria sound somewhat fuzzy, that is because they are. Even before West Virginia v. EPA, scholars complained that the doctrine did not produce an administrable line between which cases should be considered major and which should not. Even though West Virginia v. EPA was more obviously a “major questions” case than some others, the chief justice did little to delineate a set of clear legal criteria that could resolve closer cases.

In cases such as FDA v. Brown & Williamson and NFIB v. OSHA, the agencies sought to use long extant power in a new way that was likely unanticipated by the Congress that enacted the statute, or Congresses since. Insofar as an agency’s delegated power derives its legitimacy from a deliberate choice by the legislature to authorize such power, finding new powers in old statutes is a problem. If an agency can go decades before discovering broad authority within its authorizing legislation, that is “telling” evidence that such power was not delegated.

The age of the statute and the novelty of the agency’s asserted authority played a significant role in the chief justice’s analysis. Citing Justice Felix Frankfurter, the chief justice placed substantial

86 Id. at 2610.
88 See Richardson, supra note 87, at 388–89 (explaining why a challenge to the CPP would almost certainly be considered a “major questions” case).
90 West Virginia, 142 S. Ct. at 2609.
weight on history and agency practice in the major questions analysis:

[J]ust as established practice may shed light on the extent of power conveyed by general statutory language, so the want of assertion of power by those who presumably would be alert to exercise it, is equally significant in determining whether such power was actually conferred.\(^91\)

This is a reasonable inference to draw. Yet as discussed below, it is not clear why this inference should only be drawn in the context of “major questions.” If the question before the Court is whether an agency is exercising delegated power, and agency practice and historical understandings are probative of statutory meaning, this would seem to be true for major and minor questions alike. Further, suggesting that once litigants are able to convince a court that a given case presents a “major question” they can discard traditional methods of statutory interpretation is not conducive to consistent and principled decisionmaking.

Justice Gorsuch wrote a separate concurrence, stressing his view that the major questions doctrine is properly understood as a clear statement rule that prevents Congress from delegating broad legislative power to agencies. There is much to this intuition, even if one does not ground the major questions doctrine in a concern for excessive delegation, as Justice Gorsuch would wish to do. It does not, however, solve the problem of identifying which cases are major and which are not. If anything, it suggests that whether a case presents a “major question” should not be a threshold inquiry.

**A Step (Zero) beyond Major Questions**

Rather than focus on whether a given case presents a “major question” that would justify loading the interpretive deck, the Court should have instead started at the beginning, what we might call “delegation step zero.”\(^92\)

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\(^91\) FTC v. Bunte Bros., Inc., 312 U.S. 349, 352 (1941).

\(^92\) See Jonathan H. Adler, A ‘Step Zero’ for Delegations, in The Administrative State before the Supreme Court: Perspectives on the Nondelegation Doctrine (Peter Wallison & John Yoo eds., 2022), from which this portion of this article draws. For the origins of the “step zero” concept, see Thomas W. Merrill & Kristin E. Hickman, Chevron’s Domain, 89 Geo. L.J. 873 (2001).
All legislative powers are vested in Congress. Although such powers may be delegated to the executive branch, there is no question where they begin. Put another way, the constitutional allocation of powers embodies a nondelegation baseline: Absent legislative action, all legislative power is in the legislature’s hands, and none is in the hands of any administrative agency or part of the executive branch. This is not a nondelegation doctrine, so much as a delegation doctrine; a doctrine that recognizes that delegations are necessary for agencies to have regulatory power.

As the Supreme Court has noted repeatedly, “an agency literally has no power to act . . . unless and until Congress confers power upon it.”93 This is (or should be) “axiomatic.”94 As the Court further explained in Chrysler Corp. v. Brown:

The legislative power of the United States is vested in the Congress, and the exercise of quasi-legislative authority by governmental departments and agencies must be rooted in a grant of such power by the Congress and subject to limitations which that body imposes.95

Thus, a delegation of power is necessary for administrative agencies to act. Without a delegation, the agency has no regulatory power. Chief Justice Roberts reiterated this point in West Virginia v. EPA, as he has in other opinions.96 In his City of Arlington dissent, for instance, the chief justice noted that Chevron deference is premised on legislative delegation of interpretive authority to a federal agency.97 Without such a delegation, no deference is due. And because it is for courts to resolve questions of law, “whether Congress has delegated to an agency the authority to provide an interpretation that carries

94 Bowen v. Georgetown Univ. Hosp., 488 U.S. 204, 208 (1988) (“It is axiomatic that an administrative agency’s power to promulgate legislative regulation is limited to the authority delegated by Congress.”).
96 West Virginia, 142 S. Ct. at 2609 (“Agencies have only those powers given to them by Congress.”).
the force of law is for the judge to answer independently.”98 Further, such delegations are not dispersed wholesale. Rather, such authority is delegated with regard to “particular” statutory provisions or purposes.99

As then-Judge Stephen Breyer noted in a 1985 lecture, “Congress is more likely to have focused upon, and answered, major questions, while leaving interstitial matters to answer themselves in the course of [a] statute’s daily administration.”100 While Breyer was focused on the question of Chevron deference, he was making a point about when it is reasonable to presume that a delegation of authority has occurred absent a clear statement in the statutory text. This approach simply reflects “common sense as to the manner in which Congress [is] likely to delegate” power to federal agencies.101

Statutory language may be ambiguous or creatively interpreted to justify a particular assertion of regulatory power. But ambiguity is not enough to establish that a delegation has taken place. In Chevron cases, courts recognize that statutory ambiguity is not enough to justify deference to an agency’s interpretation. There must also be reason to believe that Congress delegated authority to resolve the ambiguity to the agency. Thus, in King v. Burwell, the Court refused to grant Chevron deference to the Internal Revenue Service even though it found the relevant statutory language to be ambiguous (and ultimately agreed with the agency’s interpretation on the merits).102 Likewise, the U.S. Court of Appeals for the D.C. Circuit has recognized that “mere ambiguity in a statute is not evidence of congressional delegation of authority.”103 Ambiguity is necessary but not sufficient.

There is no reason to confine this inquiry to Chevron cases. If the Chevron step-zero inquiry is necessary because courts must first

98 City of Arlington, 569 U.S. at 317.
99 Id. at 320.
100 Stephen Breyer, Judicial Review of Questions of Law and Policy, 38 Admin. L. Rev., 363, 370 (1986). See also Robert A. Anthony, Which Agency Interpretations Should Bind Citizens and the Courts?, 7 Yale J. on Reg. 1, 11–12 (1990) (noting courts were less likely to defer to agencies when a “major question” is at issue).
101 West Virginia, 142 S. Ct. at 2609 (quoting FDA v. Brown & Williamson, 529 U.S. at 133).
102 King, 576 U.S. at 485–86.
103 Am. Bar Assoc. v. FTC, 430 F.3d 457 (D.C. Cir. 2005).
determine whether Congress has delegated interpretive authority before deferring to an agency, then a similar inquiry should be required before a court upholds an agency’s assertion of regulatory authority. And, as with Chevron, such authority must be demonstrated. As the Court held in Interstate Commerce Commission v. Cincinnati, New Orleans & Texas Pacific Railway Co., known as the Queen and Crescent case, in 1897, the power to issue rules mandating or prohibiting private conduct (in this case, rates for rail transport) “is not to be presumed or implied from any doubtful and uncertain language.”

The Supreme Court has not always adhered to this approach (which is why Chief Justice Roberts found himself in dissent in City of Arlington), but it has never been repudiated.

In place of a threshold inquiry into whether the economic or political stakes of a case are sufficiently “major” or “extraordinary,” courts would be better off focusing on the root question of whether Congress delegated the asserted authority to the agency and whether the evidence of such a delegation is commensurate with the nature of the authority asserted. In this way, the major-ness of the question at issue would be less of a threshold to be crossed than a continuum to be incorporated into the statutory analysis. The weight of evidence necessary to support an asserted delegation should be proportional to the breadth, scope, and novelty of the delegated power claimed.

The specific inquiry contemplated here would consider several factors, all of which center on whether a prior delegation authorizes the agency action in question. The delegation of authority must be explicit in the plain language of the authorizing statute, as it would

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104 See Interstate Com. Comm’n v. Cincinnati, New Orleans, & Tx. Pacific Ry. Co., 167 U.S. 497, 505 (1897). The case is referred to as the Queen and Crescent case because the rail line went between the Queen City (Cincinnati) and the Crescent City (New Orleans).

105 The D.C. Circuit has also recognized this doctrine in numerous cases going back decades. See, for example, Atlantic City Elec. Co. v. FERC, 295 F.3d 1, 9 (D.C. Cir. 2002) (“Agency authority may not be lightly presumed. ‘Were courts to presume a delegation of power absent an express withholding of such power, agencies would enjoy virtually limitless hegemony.’”) (cleaned up); Am. Bus. Ass’n v. Slater, 231 F.3d 1, 9 (D.C. Cir. 2000) (Sentelle, J., concurring) (“Agencies have no inherent powers. They . . . are creatures of statute . . . [that] may act only because, and only to the extent that, Congress affirmatively has delegated them the power to act.”); Ry. Labor Execs. Ass’n v. Nat’l Mediation Bd., 29 F.3d 655, 659 (D.C. Cir. 1994) (“[T]he Board would have us presume a delegation of power from Congress absent an express withholding of such power.”) (emphasis is removed).
have been understood at the time of enactment. It must be plausible that the delegation of power is supported by the statute’s original public meaning. In addition, the agency must be able to demonstrate that the problem it seeks to address is that which the legislature had in mind when the authority was delegated—or was at least of the sort that the legislative enactment was designed to address. That a contemporary reading of previously enacted statutory language would seem to encompass a previously unknown problem would not be sufficient. Relatedly, insofar as the authorizing legislation embodies an “intelligible principle,” this principle should be understood as it would have been at the time of enactment. Accordingly, any such delegation must be understood to address then-contemporary problems and not as an open-ended grant of future authority to be deployed in unforeseen circumstances to address unanticipated problems. It is also appropriate for the Court to ask whether the agency is claiming delegated authority in an area within its expertise and the expertise it had at the time of the enactment.

Ambiguous language and the passage of time should not present an opportunity for agencies to “bootstrap” authority over previously unregulated concerns.\textsuperscript{106} Merely because a given word (say, “system”), taken out of context, may seem to be a capacious vessel for a convenient power is no reason to green-light a newfound regulatory power. There is good reason for courts to be skeptical when agencies (or outside litigants) purport to identify previously undiscovered and unused authority to address emergent mischief. Agency departures from past practice or prior understandings of their own authority should be particularly suspect. Indeed, where an agency seeks to enter a new field or exercise long dormant powers, this should create a presumption against the existence of a delegation.

Both for deciding \textit{West Virginia v. EPA} and for bequeathing a manageable doctrine to the lower courts, the Court would have done better to engage in a holistic statutory inquiry into the nature of the agency power asserted and the sufficiency of evidence to support the agency’s claim of delegated power. Instead, it offered a one-off escape hatch dependent on a contested judgment about whether

\textsuperscript{106} See Adams Fruit Co. v. Barrett, 494 U.S. 638, 650 (1990) (“It is fundamental ‘that an agency may not bootstrap itself into an area in which it has no jurisdiction.’”) (cleaned up).
a given action is sufficiently “major” or “extraordinary.” The latter course invites unprincipled and politically contingent inquiries outside of judges’ core competencies and invites the complaint that courts are making political judgments rather than legal ones.

Questions about EPA’s Remaining Authority

West Virginia v. EPA bars the EPA from adopting expansive regulations under Section 7411 that would require existing power plants to engage in generation shifting. The decision does not bar the EPA from continuing to regulate GHGs, however. The Court took no steps toward overturning Massachusetts v. EPA and raised no questions about the legal viability of other GHG regulations on the books. West Virginia v. EPA does not even bar the regulation of GHGs under Section 7411. It simply bars the EPA from reinterpreting longstanding regulatory authority in new and expansive ways, particularly insofar as such reinterpretation is intended to adopt regulatory measures that the enacting Congress had not anticipated. In this sense, West Virginia v. EPA is a clear sequel to UARG v. EPA, which likewise reaffirmed the EPA's traditional regulatory authority while simultaneously invoking the major questions doctrine to reject the agency’s effort to unilaterally update its authority to more effectively control GHGs.

While a Section 7411(d) rule requiring generation shifting is off the table, the EPA is likely to adopt a new set of rules governing GHG emissions from coal-fired power plants. In late June, the EPA indicated that it had already begun working on a new rule, with plans to release a proposed rule in March 2023 and a final rule in 2024.107 These new rules will not replicate the CPP or anything like it, but the agency retains a range of options beyond a narrow focus on heat-rate improvements and other plant-specific efficiency improvements. Possibilities include basing BSER on co-firing, which would require power plants to incorporate greater use of natural gas or other lower-carbon fuels.108 While the Trump administration rejected co-firing as an option in promulgating the ACE rule, co-firing is used at a


substantial percentage of fossil-fuel-fired power plants. Thus the EPA could argue that it has been adequately demonstrated as a system of emission reduction that can be adopted at individual stationary sources. Another possibility would be to identify carbon capture and sequestration as the BSER, though this might be challenged as either not adequately demonstrated or too costly.

While the EPA’s options are much narrower than they would have been under the D.C. Circuit’s interpretation of Section 7411, the agency retains some residual flexibility to draft a new Section 7411(d) rule governing GHG emissions from power plants. And nothing in *West Virginia v. EPA* precludes states from authorizing cap-and-trade or generation shifting as a means of complying with more traditional standards of performance. Indeed, the chief justice seemed to go out of his way to make clear that the Court was not embracing the rigid interpretation of Section 7411 the Trump administration had adopted, noting the Court had “no occasion to decide whether the statutory phrase ‘system of emission reduction’ refers exclusively to measures that improve the pollution performance of individual sources, such that all other actions are ineligible to qualify as the BSER.” The only question the Court decided was “whether the ‘best system of emission reduction’ identified by EPA in the Clean Power Plan was within the authority granted to the Agency in Section 7411(d) of the CAA.”

As noted, *West Virginia v. EPA* does nothing to curtail the EPA’s use of other existing authorities to regulate GHG emissions directly, such as has been done with vehicular emissions in the wake of *Massachusetts v. EPA* and with major sources already subject to regulation under Section 165. *West Virginia v. EPA* may, however, make it more difficult for the EPA to deploy other CAA provisions against GHGs.

The CAA provisions establishing and enforcing National Ambient Air Quality Standards (NAAQS) for criteria air pollutants are the “heart” of the act. Ever since *Massachusetts v. EPA*, environmentalist organizations have urged the EPA to utilize these provisions more

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109 Id. at 1.
110 West Virginia, 142 S. Ct. at 2615–16.
111 Id.
aggressively to mitigate climate change. Some have even proposed listing GHGs as criteria air pollutants for purposes of the NAAQS provisions. Given that the NAAQS provisions were written and structured to ensure that each portion of the country achieves a set national standard for ambient air quality, and not to control emission levels generally or stabilize atmospheric concentrations of a globally dispersed pollutant, any such effort would be likely to fail in the wake of *West Virginia v. EPA*.

GHGs need not be listed as criteria air pollutants for the NAAQS provisions to be useful in reducing GHG emissions, however. Tightening the national ambient air quality standard for particulate matter, for example, would not only reduce soot and fine particles in the air. It would put the squeeze on many large sources of GHGs, coal-burning facilities in particular, reducing GHG emissions as well. This strategy would appear to be viable, so long as the EPA does not lead courts to believe that such regulatory measures are adopted for the purpose of GHG control.

*West Virginia v. EPA* and the covid cases highlight the Court’s concern that the executive branch sometimes seeks to expand and repurpose existing statutory authority to address broader (and perhaps worthwhile) policy goals beyond those with which Congress was focused when the statute was enacted. There is no problem if an agency action that addresses A (particulates) necessarily addresses B (GHGs) at the same time. In such cases, B is an added benefit of addressing A. If, however, the agency decides to address A for the purpose of B—and Congress has not authorized B—this raises the prospect of what we might call “regulatory pretext.”

Concern for pretext is common in administrative law, but the rule against it is rarely enforced with much vigor. Provided that an agency can offer a reasoned explanation of its actions and justify the choices it made in terms aligned with its statutory authority, that is usually good enough to survive judicial review. In the census case, however, Chief Justice Roberts suggested courts should look more

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113 See, e.g., Ctr. for Biological Diversity, Petition to Establish National Pollution Limits for Greenhouse Gases Pursuant to the Clean Air Act (Dec. 2, 2009). The EPA denied this petition in January 2021, but then subsequently withdrew and reversed the denial in March 2021 “as the agency did not fully and fairly assess the issues raised by the petition.” See Letter from Acting Administrator Jane Nishida, Mar. 4, 2021, https://bit.ly/3Q9Vdti.
closely when there is reason to suspect an agency’s explanation is “contrived.”114 What judicial review requires, Roberts explained, is that agencies provide “genuine justifications for important decisions,” and not “distractions” or subterfuge.115

Whereas pretext analysis is often used to ferret out truly nefarious motives, such as racial or religious discrimination, the Roberts Court is suspicious of agency attempts to use regulatory authority delegated for one purpose to address another. For example, it appears the Court’s majority in NFIB was concerned that the Biden administration was trying to use OSHA’s authority to set workplace safety standards as a means of increasing vaccination more generally.116 Lacking any clear statutory authority to impose a nationwide covid-19 vaccination requirement, the Biden administration sought to use the OSHA rule as part of (what the president described as) “a new plan to require more Americans to be vaccinated.”117 Likewise, in West Virginia, the Court’s majority showed some concern that the Biden administration was seeking to use provisions authorizing the imposition of source-specific pollution control standards as a way to “drive a[n] . . . aggressive transformation in the domestic energy industry.”118 Thus, were the EPA to tighten the particulate NAAQS standards for the stated purpose of reducing coal consumption and thereby reducing GHG emissions, this might raise a red flag.

More broadly, West Virginia v. EPA suggests that efforts to encourage an “all-of-government” approach to climate change through executive order and presidential directive are likely to face stiff headwinds in court.119 Congress retains the authority to direct any and all federal agencies to do more to mitigate the threat of climate change. But unless and until it does so, the authority of individual

115 Id. at 2556.
117 See NFIB, 142 S. Ct. at 663.
118 West Virginia, 142 S. Ct. at 2604 (quoting White House Fact Sheet on Clean Power Plan).
119 See White House Office of Domestic Climate Policy (Jan. 27, 2021), https://bit.ly/3ORhgnG (establishing the office which “implements the President’s domestic climate agenda, coordinating the all-of-government approach to tackle the climate crisis, create good-paying, union jobs, and advance environmental justice”).
administrative agencies to pursue climate goals is limited, particularly where it involves taking pre-existing authorities and redirecting them toward climate change.

One regulatory proposal sure to get additional scrutiny in the wake of *West Virginia v. EPA* is the Security and Exchange Commission’s (SEC) proposal to “enhance and standardize climate-related disclosures for investors.” Insofar as such disclosure requirements represent an extension of SEC authority beyond its core mission of protecting investors and force it to address matters outside of its traditional areas of expertise, that would seem to implicate the major questions doctrine and be vulnerable to challenge under *West Virginia v. EPA*. To defend its rule, the SEC will likely argue that climate disclosures merely represent an update of traditional disclosure requirements in light of recent developments. Efforts by other regulatory agencies, including the Federal Energy Regulatory Commission, to focus their pre-existing regulatory authority on climate change would seem potentially vulnerable to major questions as well.

The implications of *West Virginia v. EPA* extend beyond environmental policy, however. As the chief justice noted, such questions of extraordinary importance may arise from any corner of the administrative state, and the opinion makes clear that courts are to be suspicious when agencies engage in self-aggrandizing behavior or otherwise seek to pour new wine from old bottles. Wherever an agency opts to update, redirect, or repurpose its authority in light of technological or other changes, it risks implicating the major questions doctrine. Agencies such as the Federal Communications Commission and Federal Trade Commission are on notice too.

**Conclusion**

When the Supreme Court concludes that an agency action exceeds the scope of the agency’s delegated authority, it invites Congress to consider whether the agency *should* have such authority. After the Court rejected the FCC’s claimed authority to relieve long-distance

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carriers of tariff filing obligations in *MCI v. AT&T*,\(^{122}\) Congress enacted the 1996 reforms to the Communications Act, providing the FCC with the authority to relieve regulatory burdens so as to enhance competition in telecommunications services.\(^{123}\) Similarly, after the Court rejected the Food and Drug Administration’s claimed authority to regulate tobacco as a “drug” under the Food, Drug, and Cosmetic Act,\(^{124}\) Congress soon enacted a new tobacco-control statute providing the agency with new authority to regulate tobacco products, tailored to the particulars of the tobacco industry.\(^{125}\) In both cases, the new authorities delegated by Congress were different from the authority the agencies had sought to exercise.

The Supreme Court’s decision in *West Virginia v. EPA* need not be the last word on whether generation shifting should play a role in mitigating the threat of climate change. There is broad consensus that more flexible, outcome-based strategies are more cost effective and efficient than facility-by-facility permitting. If legislative majorities support federal regulation of the power sector to reduce greenhouse gas emissions, Congress can still take that step. What Congress cannot do is sit back and hope that agencies discover how to unearth broad regulatory powers in the deepest regions of statutes it passed decades ago.

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\(^{122}\) 512 U.S. 218 (1994).


