Administrator Scott Pruitt U.S. Environmental Protection Agency 1200 Pennsylvania Avenue NW Washington, DC 20460

RE: Final Determination on the Appropriateness of the Model Year 2022-2025 Light-Duty Vehicle Greenhouse Gas Emissions Standards under the Midterm Evaluation

Dear Administrator Pruitt,

We write in strong support of the 2017 Final Determination on the Appropriateness of Model Year 2022-2025 Light Duty Vehicle Greenhouse Gas Emissions Standards. The decision to complete the Environmental Protection Agency's (EPA) Midterm Evaluation process is supported by an extremely robust record, presented in the Technical Assessment Report that EPA and the National Highway Transportation Safety Administration (NHTSA) jointly released in July 2016 as well as additional responses and analyses accompanying the Proposed Determination four months later. At every step in the process, the technical analyses clearly demonstrated that these standards remain appropriate and leverage low-cost, available technologies that reduce greenhouse gas emissions, save fuel, enhance our nation's energy security, and save American consumers money at the pump. The Agency should therefore decline requests from industry trade groups to withdraw this Final Determination, which would unnecessarily re-open the EPA's Midterm Evaluation.

This Final Determination, released January 13, 2017, came as a result of a thorough and open process of review and consultation over the course of years, drawing on independent technical analysis and multiple opportunities for public comment. EPA's analysts solicited input from a wide range of stakeholders, including automobile manufacturers and suppliers, and took seriously and responded to that input. The Technical Assessment Report (TAR) released last year, on which this Final Determination is largely based, relies on extensive technical and economic analysis by three government agencies of the most current data available, including teardown studies to estimate costs, extensive vehicle testing to assess the wide variety of technologies deployable to achieve the standards, and full-vehicle simulation to project forward even further advances. In addition, the agencies held extensive meetings with all of the auto manufacturers well before they started writing the TAR and continued to solicit input from them throughout the process, ensuring that the industry input to the final document was robust. The conclusion drawn from this data was clear: automakers can comply with the standards with available, cost-effective technology. Manufacturers are bringing new conventional technologies to the market on time and at a faster pace and lower cost than the Agency projected in the 2012 rulemaking. In fact, EPA's analysis shows that automakers could actually surpass the 2025 standards, but the Agency decided to forego strengthening the standards in favor of enhancing the certainty needed to promote industry investment. The Agency considered the full range of indepth technical, scientific and socioeconomic analyses, including those provided by industry stakeholders. Critically, the Agency found no basis for weakening or reversing the standards,

instead finding a clear and compelling basis to make the determination that the current MY2022-2025 standards remain appropriate.

Withdrawing the Final Determination at this point would create new and unnecessary uncertainty to industry and consumers—and put at risk the very real benefits that Americans have gained from the Light Duty Vehicle Greenhouse Gas Emissions Standards. These standards have driven innovation that has cut carbon pollution and fuel use from the average car, truck, and SUV, resulting in real savings for the average new car buyer the moment the vehicle leaves the lot. This innovation from suppliers and manufacturers has created thousands of new American jobs: the automotive industry has added nearly 700,000 good jobs since 2009. In the years to come, the standards are slated to add thousands more jobs with investment in the technologies needed to meet these standards and compete in the global marketplace, and many more jobs indirectly as a result of consumers' expenditure of fuel savings.<sup>2</sup> The warnings of automaker trade groups notwithstanding, these manufacturers are enjoying record sales while continuing to sell more and more efficient cars, trucks, and SUVs to their consumers. And importantly, these standards have resulted in nearly \$35 billion in savings at the pump for Americans while continuing to reduce emissions—taken in total, the MY2012-2025 standards finalized and reaffirmed by the EPA stand to save consumers more than \$1 trillion over the lifetimes of these vehicles while eliminating 5 billion tons of carbon pollution.<sup>3</sup>

The groups requesting withdrawal of the Final Determination continue to reference outdated and critically flawed studies. In their requests, the trade groups make several claims that are plainly at odds with the factual record and are inconsistent with the real-world track record of job creation, innovation, and consumer savings these standards have delivered. For example, there is no rational basis for the assertion that these standards could cost 1.1 million jobs, a number which rests upon false assumptions and economic models that are not internally consistent. In claiming that more advanced technologies would be required to meet the standards, the trade organizations single out one scenario of an industry analysis but ignore another from the same report which shows that, in fact, the standards can be met with conventional technologies. And to suggest that these standards adversely impact low-income individuals is not only at odds with the peer-reviewed literature but strains credulity, since these standards will reduce the fuel costs of those for whom gas prices are the greatest burden. There is an extensive and well-established body of evidence refuting these industry assertions, which EPA analyzed as part of its thorough review, and our organizations plan to communicate further evidence to the Agency underscoring the fallacies and shortcomings of the trade groups' claims.

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<sup>&</sup>lt;sup>1</sup> Bureau of Labor and Statistics. Current Employment Statistics (National): CES3133600101, CES4244110001, CES8081112001.

<sup>&</sup>lt;sup>2</sup> BlueGreen Alliance and American Council for an Energy-Efficient Economy. 2012. *Gearing Up: Smart Standards Create Good Jobs Building Cleaner Cars.* http://aceee.org/research-report/e127

<sup>&</sup>lt;sup>3</sup> EPA, Final Rulemaking to Establish Light-Duty Vehicle Greenhouse Gas Emission Standards and Corporate Average Fuel Economy Standards: Regulatory Impact Analysis (2010) (Tables 5-3, 6-18) EPA, Regulatory Impact Analysis: Final Rulemaking for 2017-2025 Light-Duty Vehicle Greenhouse Gas Emission Standards and Corporate Average Fuel Economy Standards (2012) (Tables 10-32, 10-35) EPA, Proposed Determination on the Appropriateness of the Model Year 2022-2025 Light-Duty Vehicle Greenhouse Gas Emissions Standards under the Midterm Evaluation (2016) (Tables IV.6, IV.13)

EPA is empowered to protect the health and welfare of Americans and to preserve the natural environment. The Agency would be derelict in its duty if, as administrator, you discarded clear scientific and technical evidence that supports reaffirming the Light Duty Vehicle Greenhouse Gas Standards. The record is clear: this policy reduces pollution, saves consumers money, spurs the development of cleaner technologies, and reduces the risks of climate change. Any decision that runs contrary to this extensive, well-documented record would be arbitrary and unlawful.

Accordingly, we strongly urge you to leave undisturbed the Agency's science-based determination that these standards remain appropriate. We hope you will consider the robust body of data supporting the Final Determination, which will continue the Agency's record of progress on cutting emissions and protecting Americans.

Sincerely,

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Kenneth Kimmell, President Union of Concerned Scientists

Fred Krupp, President

Fred Krups

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**Environmental Defense Fund** 

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