

United States Senate

November 5, 2021

The Honorable Michael S. Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Mail Stop 1301A
Washington, DC 20460

Dear Administrator Regan:

We write concerning your proposal to revise the existing federal greenhouse gas (GHG) emission standards for passenger cars and light duty trucks through the 2026 model year released by the Environmental Protection Agency (EPA) on August 10, 2021.¹ We urge you to strengthen the proposed standards by adopting the most stringent alternative in order to better respond to the urgency of the climate crisis, protect public health, and support American consumers. While we appreciate the urgency with which the EPA has worked to reinvigorate our federal vehicle greenhouse gas emissions standards, the proposed rule's current preferred option includes loopholes that could harm the Biden administration's efforts to make up for the lost years of climate inaction under the Trump administration. More robust standards are affordable and technologically feasible. Raising the bar and ensuring that the standards are not weakened by unnecessary credits would help avoid the most catastrophic effects of the climate crisis and save money for consumers.

The proposed rule could create as many as 23,000 jobs by 2030—a total that could be even higher with stronger standards and broader support for vehicle electrification and domestic manufacturing.² More stringent vehicle greenhouse gas emissions standards will make the United States a technological leader on zero-emission vehicles, as well as address essential equity issues.³ More than 45 million people in the United States live within 300 feet of a major roadway, a population that is both growing and made up disproportionately of people of color and low-income individuals.⁴ By lowering air pollution from roadways, we can begin to

¹ U.S. Environmental Protection Agency, *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards*, Federal Register Vol. 86, No. 151 (Aug. 10, 2021), <https://www.govinfo.gov/content/pkg/FR-2021-08-10/pdf/2021-16582.pdf>.

² U.S. Environmental Protection Agency, *Revised 2023 and Later Model Year Light Duty Vehicle GHG Emissions Standards: Regulatory Impact Analysis*, (Aug. 2021), <https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockey=P1012ONB.pdf>.

³ Marc Melaina et al., National Renewable Energy Laboratory, *National Economic Value Assessment of Plug-In Electric Vehicles, Vol. 1* (Dec. 2016), <https://www.nrel.gov/docs/fy17osti/66980.pdf>.

⁴ United States Environmental Protection Agency, *Research on Near Roadway and Other Near Source Air Pollution*, <https://www.epa.gov/air-research/research-near-roadway-and-other-near-source-air-pollution>.

reduce the impact that pollution from motor vehicles has on reduced lung function, asthma, cardiovascular disease, and premature death.

The proposed rule lays out for consideration the Administration proposal, a weaker Alternative 1, and a stronger Alternative 2. The Administration proposal would increase the stringency of the vehicle greenhouse gas emissions standard by 10 percent in Model Year (MY) 2023 over MY 2022 standards, and then by 5 percent annually from MY 2024 through 2026. These decreases avoid 2,019 million metric tons of greenhouse gases by 2050.⁵

Unfortunately, we have concerns about the Administration proposal, including how effectively it would incentivize electric vehicle uptake and deliver real-world emissions reductions. We support additional changes to the credits included in the proposed rule, in order to further maximize greenhouse gas emission reductions:

- Decrease or eliminate the per vehicle multiplier credits, as proposed in Alternative 2. These credits allow automakers to sell additional polluting vehicles if they also manufacture electric vehicles (EV), which can disincentivize EV uptake in the long term because automakers will be able to use banked credits and will have to meet a less-stringent standard;⁶
- Not extend credit lifetimes, which would limit the standards' effectiveness;
- Tighten the off-cycle credit system to ensure that technologies that do not produce real-world emissions reductions do not qualify for credits; and
- Not allow for the full reinstatement of advanced technology full size pick-up truck credits.

The Administration's preferred option would fail to achieve the emissions reductions that the 2012 Obama-Biden standards would have delivered—standards that the EPA, the Department of Transportation, unions, automakers, the state of California, and other key stakeholders all negotiated.⁷

Alternative 2, the more stringent alternative in the proposed rule, would avoid 2,202 metric tons of greenhouse gas emissions.⁸ Alternative 2 would move the EPA closer to restoring the 2012 Obama-Biden standards, which the EPA determined to be attainable, affordable, and

⁵ U.S. Environmental Protection Agency, *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards: Regulatory Impact Analysis*, (Aug. 2021), <https://nepis.epa.gov/Exe/ZyPDF.cgi?Dockkey=P1012ONB.pdf>.

⁶ U.S. Environmental Protection Agency, *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards*, Federal Register Vol. 86, No. 151 (Aug. 10, 2021), <https://www.govinfo.gov/content/pkg/FR-2021-08-10/pdf/2021-16582.pdf>.

⁷ Office of the Press Secretary, *Obama Administration Finalizes Historic 54.5 MPG Fuel Efficiency Standards*, the White House (Aug. 28, 2012), <https://obamawhitehouse.archives.gov/the-press-office/2012/08/28/obama-administration-finalizes-historic-545-mpg-fuel-efficiency-standard>.

⁸ U.S. Environmental Protection Agency, Regulatory Update, *Revised 2023 and Later Model Year Light Duty Vehicle GHG Emissions Standards: Regulatory Impact Analysis*, (Aug. 2021), <https://www.epa.gov/system/files/documents/2021-08/420r21018.pdf>.

technologically feasible almost ten years ago.⁹ Alternative 2 also does not include the multiplier credits — although the other loopholes remain — and would produce as much as \$180 billion in net benefits through 2050. This represents \$40 billion more net benefits than the Administration proposal and \$50 billion more than the weaker Alternative 1.¹⁰

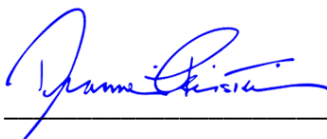
In order to save lives, money, and the climate, *we urge EPA to adopt Alternative 2 in MY 2023-2025 and reduce the MY 2026 standards by an additional 10 grams of carbon dioxide per mile below that of Alternative 2*, in order to keep the country on track to reach its vehicle electrification and transportation decarbonization goals. And we urge the EPA—whether it adopts the Administration proposal, Alternative 1, or Alternative 2—to take the necessary additional policy adjustments to ensure the rule’s overall effectiveness.

We thank you in advance for your consideration of this request, and look forward to working with you to achieve these important goals while protecting public health, maintaining national competitiveness, and combating climate change.

Sincerely,



Edward J. Markey
United States Senator



Dianne Feinstein
United States Senator



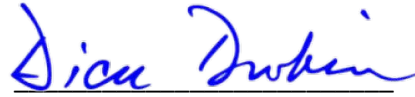
Alex Padilla
United States Senator

⁹ U.S. Environmental Protection Agency, Office of Transportation and Air Quality, *EPA and NHTSA Set Standards to Reduce Greenhouse Gases and Improve Fuel Economy for Model Years 2017-2025 Cars and Light Trucks*, EPA-420-F-12-051 (Aug. 2012), <https://nepis.epa.gov/Exe/ZyPDF.cgi/P100EZ7C.PDF?Dockkey=P100EZ7C.PDF>.

¹⁰ U.S. Environmental Protection Agency, *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards*, Federal Register Vol. 86, No. 151 (Aug. 10, 2021), <https://www.govinfo.gov/content/pkg/FR-2021-08-10/pdf/2021-16582.pdf>.



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