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To: Wheeler, Andrew [wheeler.andrew@epa.gov]; Jackson, Ryan [jackson.ryan@epa.gov]; Wehrum, Bill [Wehrum.Bill@epa.gov]; Gunasekara, Mandy [Gunasekara.Mandy@epa.gov]; Lewis, Josh [Lewis.Josh@epa.gov]
Subject: Auto Alliance testimony - CAFE/GHG Field Hearings

<https://autoalliance.org/2018/09/24/alliance-remarks-nhtsa-epa-hearings-fuel-economy-standards/>

Alliance remarks for NHTSA/EPA hearings on fuel economy standards:

September 24, 2018

Fresno, CA: Steve Douglas, Senior Director, Energy & Environment, Auto Alliance
Dearborn, MI: Chris Nevers, Vice President, Energy & Environment, Auto Alliance

Thank you for the opportunity to speak on our priorities today. We are still working on detailed comments to respond to the Administration's notice of proposed rulemaking. So today, I will focus on important themes that will appear in our comments.

The Alliance and our members appreciate the Administration's efforts to restart the midterm review and continue a single national program for CAFE and greenhouse gas standards. After all, standards must reflect the most up-to-date information to guide compliance. The notice of proposed rulemaking certainly provides stakeholders with a wide range of alternatives on which they can provide robust comments.

First, let me say climate change is real and automakers are taking action to reduce carbon emissions from new vehicles. Automakers are also committed to continued improvements in fuel economy. Today, consumers have more choice in energy-efficient vehicles than ever before. About 500 models are on sale that achieve 30 MPG or more on the highway, and 80 of those models achieve 40 MPG or more. Consumers can choose from 45 hybrid-electric models and another 50 plug-in electric and fuel-cell models. And more electrified vehicles are on their way to market.

As we have often stated, automakers support continued improvements in fuel economy but future standards must account for marketplace realities like consumer acceptance.

Consumer acceptance – which includes affordability – plays a critical role in determining the sustainability of future standards and performance. No one wins if our customers are not buying the new highly efficient products offered in our showrooms. The standards must account for consumer willingness and ability to pay for newer technologies in order for all the benefits of new vehicles to be realized.

Maintaining One National Program for the regulation of fuel economy and greenhouse gases is important to automakers. We urge EPA and NHTSA to continue to work with all stakeholders, including California, to develop a lasting rule that enables manufacturers to plan and build a single fleet of vehicles for the U.S.

I would like to turn now to flexibilities. Flexibilities can reduce fuel use and emissions and at the same time reduce compliance costs, and that helps keep new vehicles affordable to more Americans.

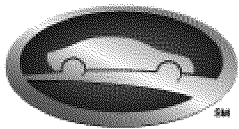
The Alliance supports the ability to incentivize certain technologies, such as electrification, that could prove a key factor in meeting EPA and California's long-term greenhouse gas goals. The Alliance also supports the continuation and expansion of flexibilities such as accounting for the benefits of air conditioning system

efficiency improvements, accounting for new refrigerants with lower greenhouse gas impacts, and fully acknowledging the benefits of technologies that improve efficiency beyond what is measured in laboratory testing.

In closing, automakers support continued improvements in fuel economy while balancing priorities like affordability, safety, jobs, and the environment. We urge California and the federal government to find a common-sense solution that sets continued increases in vehicle efficiency standards while also meeting the needs of America's drivers. One National Program enables us to keep new vehicles affordable, so more Americans can replace older vehicles with models that are cleaner, safer, and more energy-efficient.

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