

To: Dravis, Samantha[dravis.samantha@epa.gov]
From: Marie Sanderson
Sent: Tue 3/14/2017 3:52:16 PM
Subject: FW: Governors comment on EPA action

Hey- just flagging this again. We've been asked to help with govs. Going to start some outreach but wanted to make sure we didn't crossways. Thanks again 601 946 4529

From: Marie Sanderson
Sent: Monday, March 13, 2017 11:40 AM
To: 'Dravis, Samantha' <dravis.samantha@epa.gov>
Subject: Governors comment on EPA action

Hey there- per our convo- this is what we've been asked to do. It does go beyond what I represented as I review what we sent to me. Take a look and let me know if you are comfortable with our proceeding. Not trying to influence you here- flagging what was sent to me. My cell is 601 946 4529

Letters will request that the EPA Administrator set aside the Final Determination for Model Year 2022-2025 vehicle GHG standards that the previous EPA Administrator hastily issued just days prior to President Trump's inauguration.

Points from Governors, ideally, would be:

- Smart regulation is vital to a strong manufacturing sector
- Midterm review of the fuel economy standards was due to be finalized under Trump by April of 2018; last Administration jammed a political determination just days before leaving office
- Right thing to do to get back to the process – without prejudging the outcome
- So much is at stake, not just the success of this program but affordability and jobs
- Administration promised a pro jobs agenda; we're seeing it play out here

Trump Said Open to Relaxing Obama's Auto Fuel Efficiency

Targets

March 4, 2017 10:28AM ET | Bloomberg Government

(Bloomberg) -- The Trump administration plans to open the door to a possible reconsideration of greenhouse gas emission standards for cars and light trucks that has been sought by automakers, according to a person familiar with the plans.

The Environmental Protection Agency in the final days of the Obama administration decided to lock in the emissions standards through 2025 that had been negotiated with the industry in 2011.

That decision will be withdrawn for reconsideration as early as next week, said the person, who would only discuss the plans on the condition of anonymity because they have not been made public. An EPA spokeswoman declined to comment.

It will be one of a series of actions taken by the Trump administration recently to reconsider or reverse Obama-era regulations opposed by industry.

On Thursday, the EPA effectively abandoned work to develop a rule clamping down on methane releases from oil and gas wells and the Department of Transportation suspended work on a regulation requiring airlines to disclose fees for checking bags. Trump also just directed his agencies to rescind and rewrite an Obama-era environmental rule governing water pollution, after criticism from ranchers, farmers and developers.

Previous story: Carmakers' Plea for Fuel Economy Review Sets Stage for Showdown

Eighteen auto industry executives sent a letter to Trump in February, asking him to reinstate the review of fuel economy regulations. The EPA's decision in January to end the review came more than a year before deadline, which automakers say prematurely ended a promised debate over standards that they argue are costly and could jeopardize employment amid low gasoline prices which have boosted the appeal of sport utility vehicles and limited sales of hybrids and electric cars.

The companies and then-President Barack Obama had struck a deal in 2011 to double average fuel economy of vehicles across the U.S. car and light truck fleet to 54.5 miles per gallon by 2025, with the caveat that a mid-term review would determine whether the standards for the final years of the program were feasible.

Just a week before Trump took office, the EPA said it had concluded its review and the rules didn't need to be changed.

Automakers disagreed, saying falling gasoline prices had squelched demand for the most fuel-efficient vehicles, making achieving the standards more difficult.

The plea from the executives came after Trump made the automotive industry a major focus of

his first days as president. After a Jan. 24 meeting with auto executives, Trump vowed to ease regulatory burdens to lure more car factories to the U.S., calling environmental rules “out of control.”

Midterm Evaluation

The withdrawal could come as early as next week in the form of a joint notice from EPA and the Transportation Department. As a result, the “midterm evaluation” of the efficiency standards through 2025 would resume, potentially leading to the relaxation of the standards desired by automakers.

Still, even if the EPA revisits the mid-term review, it won’t necessarily come to a different conclusion than the one reached in Obama’s final days in office. That decision was the culmination of an evaluation that began last summer with the publication of a more than 1,200-page Technical Assessment Report that examined costs, technology effectiveness, and other aspects of the standards.

Association of Global Automakers spokeswoman Annemarie Pender said the trade group, which represents 12 automakers including Toyota Motor Corp., [Honda Motor Co.](#), [Nissan Motor Co.](#) and Hyundai Motor Co., hasn’t received a formal response to its Feb. 21 [letter](#) asking the EPA to withdraw the decision. The association declined to comment as did the Alliance of Automobile Manufacturers.

Environmental Push

“This is an all-out attack on environmental protection,” Gina McCarthy, EPA administrator during Obama’s second term, said of the potential fuel-standards move on MSNBC Saturday. “This latest news on clean cars is actually rolling back significant benefits that we have provided to people -- cleaner air, as well as addressing some of the challenge we have with carbon pollution that’s fueling climate change.”

McCarthy derided the new administration’s overall approach to the environment. The White House Office of Management and Budget this week recommended slashing the [EPA’s budget](#) by 25 percent and eliminating thousands of jobs and more than a dozen programs.

‘Core Values’

“I don’t know why they’ve decided that our core values no longer include clean air and clean water, but that seems to be what this is about,” McCarthy said.

On Friday, a coalition of environmental groups including the Sierra Club, Natural Resources Defense Council and Union of Concerned Scientists issued a joint statement urging the vehicle standards be maintained.

“EPA’s clean car standards are driving unprecedented reductions in carbon pollution and saving

drivers money at the pump,” Natural Resources Defense Council President Rhea Suh said in a statement. “Strong standards have been a critical factor in the auto industry’s recovery from financial distress, so it makes no sense to reverse this progress. EPA should stay the course and look to the future, to protect our climate and the workers developing clean car technologies.”

To change the standards, EPA must produce a new rule to replace the current one including notice and comment and raising the potential of a court challenge by environmental groups.

--With assistance from John Lippert and Michelle Jamrisko.

To contact the reporter on this story:
Ryan Beene in Washington at rbeene@bloomberg.net