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June 20, 2018

William Wehrum
Assistant Administrator
United States Environmental Protection Agency
Office of Air and Radiation
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

RE: Model Year 2020 Fuel Economy Testing Extension with Fuel Containing no Ethanol (E0)

Dear Assistant Administrator Wehrum:

The Association of Global Automakers, Inc. (“Global Automakers”) and the Alliance of Automobile Manufacturers (“Alliance”) request that EPA issue an immediate extension of the E0 testing provisions in 40 C.F.R. § 600.117 past their current expiration date at the end of Model Year (MY) 2019. This action is needed because there are no provisions in existing regulations to test on E0 or fuel containing ten percent ethanol (E10) starting in MY2020. **There is no federal regulatory path forward beyond MY2019 for fuel economy testing with gasoline.** We therefore request that you issue the attached guidance letter or take an equivalent action.

EPA’s current planned course of action, to address all the necessary issues in a Final Rule by March 2019, will be too late to address the lack of regulatory specifications for MY2020 fuel economy (FE) & greenhouse gas (GHG) testing. In discussions with EPA staff, EPA has also suggested that it may be possible to advance the MY2020 regulatory fixes separately from other proposed changes in the NPRM. Because this plan is also tied to the release of a full NPRM, it will not provide the immediate resolution needed to begin MY2020 testing.

The provisions of 40 C.F.R. § 600.117 were put in the Tier 3 rule as a stopgap measure until EPA could incorporate the necessary changes to allow E10 testing for FE and GHG via new rulemaking. The lack of EPA action to date to promulgate these regulations has created a situation where the MY2020 regulations do not permit testing on either fuel (E0 or E10) for FE and GHG reporting. Vehicle manufacturers are in the process of certifying MY2020 vehicles, and it could take years to run entire test fleets through certified test facilities.

We have urged the EPA to separately address the immediate lack of MY2020 regulations and to address the other necessary issues in the Rulemaking to Establish Light Duty Greenhouse Gas and CAFE standards. We therefore request that you issue the attached guidance letter or take an equivalent action.

Global Automakers and the Alliance would like to request to meet with you as soon as possible on this issue. Thank you for your consideration of our request.

Sincerely,

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CC: Chris Grundler, EPA
William Charmley, EPA
Byron Bunker, EPA

Attachment – Possible Draft Guidance Letter for EPA Review

Possible Draft Guidance Letter for EPA Review

Dear Manufacturers:

This letter is in response to concerns raised by the manufacturers of vehicles and engines regarding Tier 3 E10 test fuel requirements, applicable to 2020 Model Year (MY) and thereafter. For the reasons set forth below, the United States Environmental Protection Agency (EPA) instructs that manufacturers continue to use the interim provisions at 40 C.F.R. § 600.117 to test for Corporate Average Fuel Economy (CAFE), greenhouse gas (GHG), and labeling purposes on Tier 2 (E0) test fuels for each Emissions Data Vehicle (EDV) and Fuel Economy Data Vehicle (FEDV). This guidance is effective immediately and will remain in effect until EPA takes future regulatory action.

The EPA adopted the Tier 3 Motor Vehicle Emission and Fuel Standards (Tier 3 Final Rule), including interim certification (test) fuel requirements, on April 28, 2014.¹ In response to concerns expressed by manufacturers during the Tier 3 rulemaking, EPA identified five interim changes to existing regulations to both clarify testing requirements and to provide the manufacturers a reasonable opportunity to continue to test for CAFE, GHG, and labeling purposes on Tier 2 E0 test fuels for each EDV and FEDV until such time as EPA determined appropriate adjustments related to a change to Tier 3 E10 test fuels.² We stated “these interim changes . . . apply only to vehicles certified to the Tier 3 and/or LEV III exhaust emission standards in the model years before the future action mentioned above takes effect.”³ The Tier 3 regulations were written such that the interim changes would expire at the end of MY2019, anticipating that the future rulemaking proscribing a more permanent solution to the concerns expressed by the manufacturers would become effective prior to that time. Because of delays in promulgating the “future action,” the current regulations fail to provide any regulatory path for manufacturers to develop, test, and certify 2020 and subsequent MY vehicles.

Therefore, EPA instructs that manufacturers continue to use the interim provisions 40 C.F.R. § 600.117 to test for CAFE, GHG, and labeling purposes on Tier 2 (E0) certification (test) fuels for each FEDV. We would have intended this result had we known at the time of publication of the Tier 3 Final Rule that the future final rule regarding certification (test) fuel would have been delayed. In addition, today’s determination is consistent with our intent for creating the interim provisions. This guidance is conditioned upon manufacturers identifying the fuels used for certification testing in their required documentation and submissions to EPA. The issuance of this guidance is to remain in effect until EPA takes future action.

The issuance of this guidance is in the public interest. In addition, this action will not result in any adverse environmental impacts, as no requirements to comply with emissions standards are affected by this action.

If you have any further questions regarding this matter, please contact Byron Bunker of my staff.

¹ *Control of Air Pollution From Motor Vehicles: Tier 3 Motor Vehicle Emission and Fuel Standards: Final Rule*, 79 Fed.Reg. 23,414 (Apr. 28, 2014).

² *Id.* at 23,531-23,532.

³ *Id.* at 23,532.

Possible Draft Guidance Letter for EPA Review

Sincerely,

Assistant Administrator