

National Tribal Air Association's

Fact Sheet on EPA's Draft SAFE Vehicle Rule and Modifications to CAFE Standards

The Environmental Protection Agency (EPA) and the National Highway Traffic Safety Administration (NHTSA) jointly developed the national program for greenhouse gas (GHG) standards for passenger cars and trucks (also known as the *Corporate Average Fuel Economy*, or *CAFE*) in order to reduce CO₂ and other GHG emissions, save families trillions in fuel costs, and reduce America's dependence on oil through fuel economy improvements.¹

After the completion of the midterm evaluation (MTE) process, the EPA and NHTSA are proposing to amend the existing CAFE and GHG standards for cars and light trucks under the proposed rule, Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021 – 2026 Passenger Cars and Light Trucks (SAFE Vehicles Rule). If passed, the rule would freeze carbon emission and fuel efficiency standards for model years (MY) 2021 through 2026 (the current standards only apply until 2025) as well as removing California's authority to set its own standards. **Table 1** shows the estimated average required fleet-wide fuel economy and CO₂ standards for the current standards and preferred alternative proposed in the SAFE Vehicle rule.

According to EPA's regulation 40 CFR 86.1818-12(h), the Administrator shall consider the information available on the factors of setting GHG emissions standards under Section 202(a) of the Clean Air Act (CAA) for MY 2021 - 2026, including but not limited to:

- 1. The availability and effectiveness of technology, and the appropriate lead time for the introduction of technology;
- 2. The cost to the producers or purchasers of new motor vehicles or new motor vehicle engines;
- 3. The feasibility and practicability of the standards;
- 4. The impact of the standards on a reduction of emissions, oil conservation, energy security, and fuel savings by consumers;
- 5. The impact of the standards on the automobile industry;
- 6. The impact of the standards on automobile safety;
- 7. The impact of the greenhouse gas emission standards on the CAFE standards and a national harmonized program; and
- 8. The impact of standards on other relevant factors. ²

According to the EPA's proposed rule assessment, the current standards for MY 2021 - 2025 are no longer appropriate or in alignment with Factors 1 and 3 from above for the following reasons: 1) it was found that many automobile companies had to rely on bank credits to be compliant, which may

 ${}^{1}\,\underline{\text{https://www.epa.gov/regulations-emissions-vehicles-and-engines/safer-affordable-fuel-efficient-safe-vehicles-proposed}$

²Mid-Term Evaluation of Greenhouse Gas Emissions Standards for Model Year 2022-2025 Light-Duty Vehicles. EPA-HQ-OAR-2015-0827. https://www.gpo.gov/fdsys/pkg/FR-2018-04-13/pdf/2018-07364.pdf

jeopardize the future of the company; 2) reliance on future technology advances: although each automotive producer has their own patented technology, there is no guarantee this technology can play a role in improving efficiency and reducing CO₂ emissions enough to meet the 2025 MY requirements; and 3) the acceptance rate of the necessary technology by consumers: in order to reach the 2025 MY standards, consumers' preferences must change. However, EPA's 2018 annual report found consumers' preferences are not based on emissions standards but rather on fuel economy. They based this conclusion on the sales of hybrids, which peaked in 2013 at 3.1%, but only accounted for 2% of the market in 2016. The proposed rule is based on claims that more fuel-efficient cars would be costly to consumers and less safe.

Table 1. Projected Average Required Fleet-Wide Fuel Economy and CO₂ standards for Combined U.S. Passenger Cars and Light Trucks by Model Year for Current Standards and Proposed SAFE Vehicle Rule

Model	Current Standards for Final		SAFE Vehicle Rule Standards	
Year	Rulemaking in 2012		for Preferred Alternative	
	Projected	Projected CO ₂	Projected	Projected CO ₂
	Required MPG	Target (g/mile)	Required MPG	Target (g/mile)
MY 2021	39.0	199	36.9	241
MY 2022	40.8	190	36.9	241
MY 2023	42.7	180	36.9	241
MY 2024	44.7	171	37.0	241
MY 2025	46.8	163	37.0	240
MY 2026	46.8	163	37.0	240

MPG=miles per gallon; MY= model year; CO₂=Carbon Dioxide G/mile =grams/mile Note: Projected data from EPA-HQ-OAR-2010-0799¹ and EPA-HQ-OAR-2018-0283⁴

How Does this Affect Air Quality?

If the SAFE Vehicle rule is implemented, it will be a setback for air quality and environmental policy, and will mostly benefit the automotive industry: automakers will not need to invest in developing new and cleaner technologies for cars or trucks. The proposal, if implemented, would also set up a legal clash between the federal government and the state of California by challenging the state's authority to set its own stricter air pollution rules. California has possessed unique authority under the 1970 CAA to establish its own pollution standards. Tribes and states have always had the option to be more stringent in setting emissions standards than the federal guidelines. This proposed rule will modify this longstanding authority. Additionally, SAFE Vehicle rule overlooks Tribal and Alaskan Native Villages and the adverse impact on Tribal health and the environment from the air pollution and GHG emissions from cars and light trucks. The EPA must consult with Tribes and Alaskan Native Villages to incorporate input on the proposed alternatives.

The EPA's assessment of the impact of emissions and fuel-efficiency standards does not match other studies or the last previous estimates issued by the EPA in January 2017, which concluded the GHG

³ Light-Duty Automotive Technology, Carbon Dioxide Emissions, and Fuel Economy Trends: 1975 through 2017. EPA-420-R-18-001. January 2018 https://www.epa.gov/newsreleases/fuel-economy-reaches-new-record-manufacturers-meet-greenhouse-gas-standards-epa-0

standards currently in place are appropriate⁴. The National Research Council reported that current regulations do not compromise the safety of new vehicles produced under the fuel efficiency standards, in fact, making vehicles lighter will have a beneficial effect on safety for society as a whole.⁵ It is estimated that revising the regulations will increase CO₂ emissions by 9 percent from the vehicles manufactured under the new proposed rule by backsliding the trajectory of the standards ⁶, further contributing to climate change and the impact on Tribal lands. The rule, also, underestimates vehicle pollution adversely impacting air quality and human health. Compared to the current standards, all proposed alternatives would result in increased adverse health impacts nationwide due to the increase in emissions of PM2.5, DPM, and SO_x from MY 2021-2026 vehicles⁶. A 2013 study by the Massachusetts Institute Technology found roughly 200,000 early deaths occur in the US each year due to U.S. combustion emissions.⁷

Where Can I Find More Information and Submit Comments?

Submit your comments, identified by Docket ID No. EPA-HQ-OAR-2018-0283 to the Federal eRulemaking Portal: http://www.regulations.gov/. Follow the online instructions for submitting comments. *Comments must be received on or before October 23, 2018.*

NHTSA and EPA will jointly hold three public hearings on the dates and at the locations listed below. The hearings will start at 10 a.m. local time. If you would like to present oral testimony at one of these public hearings, please contact <u>Kil-Jae Hong</u> (<u>kil-jae.hong@dot.gov</u>) at NHTSA.

September 24, 2018	September 25, 2018	September 26, 2018
The Grand 1401	Dearborn Inn	DoubleTree by Hilton Hotel &
1401 Fulton Street	20301 Oakwood Boulevard	Suites Pittsburgh Downtown
Fresno, CA 93721	Dearborn, MI 48124 One Bigelow Square	
		Pittsburgh, PA 15219

The NTAA is developing a Policy Response Kit for Tribes, including a template letter and this fact sheet posted on www.ntaatribalair.org under the Policy Response Kits tab. For additional information, please contact:

Andy Bessler, NTAA Project Director, at Andy.Bessler@nau.edu, or (928)523-0526.

Agency Contact: Christopher Lieske, Office of Air and Radiation (OAR)

2565 Plymouth Road, Ann Arbor, MI 48105 Telephone: 734 214-4584, fax: (734) 214-4816

Email: lieske.christopher@epa.gov

⁴ Final Determination on the Appropriateness of the Model Year 2022-2025 Light Duty vehicle Greenhouse Gas Emission Standards under the Midterm Evaluation. EPA-420-R-17-001. January 2017. https://www.govinfo.gov/content/pkg/FR-2018-08-24/pdf/2018-18418.pdf

⁶ https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/ld_cafe_my2021-26_deis_0.pdf

⁵ http://www8.nationalacademies.org/onpinews/newsitem.aspx?RecordID=21744

⁷ Caiasso, F. et al. Air pollution and early deaths in the US. Part I: Quantifying the impact of major sectors in 2005. https://doi.org/10.1016/j.atmosenv.2013.05.081.