July 11, 2023

The Honorable Joseph R. Biden, Jr. President of the United States The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

## Re: U.S. EPA Proposed Rules on Heavy-Duty and Light- and Medium-Duty Vehicle Greenhouse Gas Emission Standards

Dear Mr. President:

Our organizations represent diverse businesses throughout the transportation sector that collectively employ millions of Americans. We share the goal of reduced greenhouse gas (GHG) emissions across the broader economy and, specifically, those from energy production, transportation, and use by society. We support federal policies that accomplish these goals and believe it is critical to preserve consumers' access to affordable, reliable, and efficient transportation. We write today to express our concern with EPA's proposed rules "Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles—Phase 3" and "Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles."

EPA's proposals inhibit the marketplace from identifying the most efficient, lowest cost opportunities to reduce GHG emissions from vehicles and greatly restrict consumer choice. We are concerned that such a prescriptive policy is not in the best interest of the consumer or of U.S. energy and economic security. According to the EPA, fuel and vehicle technologies have reduced emissions from common pollutants by roughly 99 percent in both light- and heavy-duty vehicles and buses,<sup>1</sup> and CO<sub>2</sub> emissions from light-duty internal combustion engine vehicles (ICEV) have decreased 25 percent since model year 2004.<sup>2</sup>

According to the U.S. Energy Information Administration (EIA), there are about 272 million ICEVs<sup>3</sup> on the road today, and EIA projects over 140 million ICEV sales will occur between 2023 and 2032.<sup>4</sup> Further, EIA projects there will be about 269 million ICEVs in the fleet in 2050 along with

 $<sup>^{\</sup>rm 1}$  U.S. EPA, History of Reducing Air Pollution from Transportation in the United States,"

https://www.epa.gov/transportation-air-pollution-and-climate-change/history-reducing-air-pollution-transportation, accessed June 2, 2023.

<sup>&</sup>lt;sup>2</sup> U.S. EPA, "Highlights of the Automotive Trends Report," https://www.epa.gov/automotive-trends/highlightsautomotive-trends-report, accessed June 2, 2023.

<sup>&</sup>lt;sup>3</sup> That is: light-, medium-, and heavy-duty internal combustion engine vehicles (ICEV) including gasoline, diesel, and hybrid electrics (HEV).

<sup>&</sup>lt;sup>4</sup> U.S. Energy Information Administration, *Annual Energy Outlook 2023,* Supplemental Tables 38. LDV Sales by Technology Type, 39. LDV Stock by Tech. Type, and 49 Freight Transport Energy Use.

47 million battery electric and plug-in hybrid electric vehicles.<sup>5</sup> As such, energy and carbon reduction policies should consider opportunities to address emissions from the existing fleet.

We urge EPA to evaluate a broader range of GHG emission reduction options in the light- and medium-duty segment, including using renewable liquid fuels in existing and new ICEV and to explore all opportunities for market-based solutions. A diversified portfolio of vehicle and fuel technologies that meets the multitude of transportation needs of Americans and makes meaningful GHG reductions can be achieved while also allowing new zero-emission vehicle (ZEV), and specifically battery electric vehicle (BEV), technologies to advance. Improved crop yield, innovative biofuel and refined product processing, and manufacturing efficiency tied with carbon capture each represent promising advancements for current liquid and gaseous fuels to continue to accelerate emissions reductions.

The heavy-duty proposed regulation is non-traditional in terms of reducing GHG emission stringencies through driving the penetration of ZEVs into the marketplace. EPA's approach does not consider that GHG emission reductions can also be achieved by accelerating the turnover of existing fleets to advanced diesel technology and using more renewable and alternative fuels. These approaches could deliver substantially more GHG emission reductions sooner and at significantly lower cost than the proposed rule. They can also help to reduce emissions from city buses, tractor-trailers, delivery trucks, and other vehicles critical to our economy while heavy-duty ZEV infrastructure and vehicles envisioned by the proposal are being developed, tested, and eventually deployed.

Pursuing a broader range of emissions-reducing transportation pathways can also help guard against an over-reliance on foreign adversaries and volatile global supply chains associated with critical minerals that are necessary for rapid expansion of electric vehicle markets.

Our organizations have worked with EPA on numerous regulatory programs to successfully reduce emissions across the transportation sector. We urge your Administration to reconsider these proposals from EPA to better allow for emissions reductions from a myriad of vehicle and fuels technologies and strategies to be realized while meeting Americans' transportation needs. We stand ready to work with your Administration to improve these rules.

Sincerely,

Agricultural Retailers Association Alaska Fuel Storage and Handlers Alliance American Exploration & Production Council American Farm Bureau Federation American Fuel & Petrochemical Manufacturers American Highway Users Alliance American Petroleum Institute **API** Colorado **API Gulf Coast Region API Illinois API Midwest Region API Northeast Region** API Ohio **API Pennsylvania API Southeast Region** Arizona Petroleum Marketers Association Arkansas Chamber of Commerce Arkansas Independent Producers and Royalty Owners Arkansas Oil Marketers Association, Inc. Associated Industries of Florida Associated Pennsylvania Constructors Business and Industry Association of New Hampshire Clean Fuels Alliance America Colorado Oil & Gas Association Colorado Petroleum Marketers & Convenience Store Association **Connecticut Energy Marketers Association Connecticut Farm Bureau Association** Empire State Energy Association, Inc. Energy Marketers Association of Rhode Island **Energy Marketers of America** Florida Independent Petroleum Producers Association Florida Petroleum Marketers Association, Inc. Florida State Hispanic Chamber of Commerce Florida Trucking Association Fuel Merchants Association of New Jersey Fuel True: Independent Energy and Convenience of Kansas **Fueling Minnesota FUELIowa** Georgia Oilmen's Association Grow America's Infrastructure Now (GAIN) Growth Energy Hawaii Energy Marketers Association

Idaho Petroleum Marketers and Convenience Store Association

Illinois Manufacturers' Association Illinois Fuel & Retail Association Indiana Food & Fuel Association James Madison Institute Kentucky Petroleum Marketers Association Liquid Energy Pipeline Association Louisiana Association of Business and Industry Louisiana Mid-Continent Oil & Gas Association Louisiana Oil & Gas Association Louisiana Oil Marketers and Convenience Store Association Maine Energy Marketers Association Maine State Chamber of Commerce Maryland Chamber of Commerce Michigan Petroleum Association / Michigan Association of Convenience Stores Mid-Atlantic Petroleum Distributors' Association Mississippi Petroleum Marketers & Convenience Stores Association Missouri Petroleum & Convenience Association Montana Petroleum Marketers & Convenience Store Association National Association of Convenience Stores NATSO, Representing America's Travel Plazas and Truck Stops National Corn Growers Association Nebraska Petroleum Marketers & Convenience Store Association Nevada Petroleum Marketers & Convenience Store Association New England Convenience Store & Energy Marketers Association New Jersey Business & Industry Association New Jersey Gasoline, C-Store, Automotive Association New Jersey State Chamber of Commerce New Mexico Petroleum Marketers Association NGVAmerica North Carolina Petroleum & Convenience Marketers North Dakota Petroleum Marketers Association Ohio Chamber of Commerce Ohio Energy & Convenience Association Ohio Oil & Gas Association **Oklahoma Petroleum Marketers & Convenience Store Association Oregon Fuels Association** Pennsylvania Chamber of Business and Industry Pennsylvania Farm Bureau Pennsylvania Food Merchants Association Pennsylvania Grade Crude Oil Coalition Pennsylvania Independent Oil and Gas Association Pennsylvania Independent Petroleum Producers Pennsylvania Manufacturers' Association

Pennsylvania Motor Truck Association Pennsylvania Petroleum Association Petroleum & Convenience Marketers of Alabama **Renewable Fuels Association** SIGMA: America's Leading Fuel Marketers South Carolina Convenience & Petroleum Marketers Association South Dakota Petroleum & Propane Marketers Association Specialty Equipment Market Association **Tennessee Fuel and Convenience Store Association Texas Food & Fuel Association Truck Renting and Leasing Association** U.S. Chamber of Commerce Utah Petroleum Marketers & Retailers Association Utility & Transportation Contractors Association of New Jersey Vermont Fuel Dealers Association Virginia Petroleum & Convenience Marketers Association Washington Independent Energy Distributors West Virginia Chamber of Commerce West Virginia Manufacturers Association West Virginia Oil Marketers & Grocers Association Western Energy Alliance Western Petroleum Marketers Association Western States Petroleum Association Wisconsin Fuel and Retail Association Wyoming Petroleum Marketers and Convenience Store Association

CC: EPA Administrator, Michael Regan

Speaker of the House, Kevin McCarthy

House Minority Leader, Hakeem Jefferies

Senate Majority Leader, Chuck Schumer

Senate Minority Leader, Mitch McConnell