



MICHELLE LUJAN GRISHAM
GOVERNOR

JAMES C. KENNEY
CABINET SECRETARY

September 21, 2021

The Honorable Michael S. Regan
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, District of Columbia 20460
a-and-r-Docket@epa.gov

Re: Comments to Proposed Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards (Docket EPA-HQ-OAR-2021-0208)

Dear Administrator Regan:

New Mexico Environment Department (NMED) applauds your leadership in addressing climate change consistent with Executive Order 13990 on *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis* (January 20, 2021), including the recently proposed *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards*. As light-duty vehicles (LDVs) contribute 17 percent¹ of the US greenhouse gas emission (GHGe), these CO₂ standards are urgently needed to address emissions from transportation. The EPA rule, modeled as average fleet-wide CO₂ targets, will also assist New Mexico in achieving the targets laid out by New Mexico Governor Lujan Grisham to reduce the state's GHGe by 45 percent by the end of the decade.² NMED respectfully submits these comments on the proposed standards for your consideration.

First, NMED recommends the EPA adopt the standards in Alternative 2,³ which decrease the fleet average CO₂ target level to 169 g/mile by Model Year 2026 (MY2026), as opposed to the proposed standard which provides a target level of 171 gCO₂/mile.

Second, NMED recommends the EPA increase the stringency of the fleet average compliance CO₂ targets for MY2026 by 10 g/mile more than the proposed rules (Table 8 and Figure 2),⁴ which in combination with Alternative 2 would reach a proposed fleet average target CO₂ level of 159 g/mile for MY2026.

Third, NMED recommends the EPA set the advanced technology vehicle multiplier and the credit caps⁵ at levels appropriate to protect the rigor of the standard and drive increased levels of electric and other zero-emission vehicles into the market.

NMED supports increasing stringency standards that best advance the needs of New Mexicans and would, at a

¹ Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2019 (EPA-430-R-21-005, published April 2021)

² New Mexico Governor Lujan Grisham Executive Order [2019-003 On Addressing Climate Change and Energy Waste Prevention](#)

³ EPA Notice of Proposed Rulemaking, *Revised 2023 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions Standards*, 86 Fed. Reg. 43,726 at 43,738 (August 10, 2021), available at <https://www.govinfo.gov/content/pkg/FR-2021-08-10/pdf/2021-16582.pdf> (hereafter "Proposed Rule").

⁴ Proposed Rule at page 43,739.

⁵ Proposed Rule at page 43,733.

minimum, achieve the same level of emission benefits as under the standards adopted in 2012. NMED's reasons for supporting the increased stringency are presented below.

- 1. Increasing standard stringency drives technology innovation in the automotive industry and creates jobs in electrifying the transportation fueling system.** EPA's Regulatory Impact Analysis acknowledges the available and planned capacity of the automobile industry to advance GHGe-reduction technology. Five automobile manufacturers that account for approximately one-third of the new vehicles sold in the United States (US) signed onto the California Framework and already plan to meet the stringency of Alternative 1. Additionally, this year many automobile manufacturers, including General Motors, Volvo, Volkswagen, Honda, Ford, Fiat, Stellantis, and Mercedes-Benz, announced their planned shift to greater investments in automotive electrification technology and to strategically increase production of zero-emission vehicles. In New Mexico, new jobs will be created to build the network to fuel the zero-emission vehicles.
- 2. The more stringent standards will help improve the air quality in those areas of New Mexico where ambient ozone concentrations are climbing.** Reducing ozone precursors by reducing emissions from mobile sources, such as automobiles, will improve public health and protect the most vulnerable populations in overburdened New Mexican communities, including children, the elderly, and those with respiratory conditions.
- 3. The more stringent standards help New Mexico address global warming as swiftly as possible.** New Mexico has already been experiencing the impacts of climate change. Over the past half-century New Mexico has experienced a 2.0-degree Fahrenheit average rise in temperature and a 15 percent reduction in Rio Grande surface water flows leading to heavier reliance on mined groundwater.⁶ Surface water flows in the Rio Grande are projected to decrease by an additional 30% by mid-century.⁷ Increased temperatures combined with altered precipitation amounts will create conditions for catastrophic, landscape-scale vegetation changes, including hotter droughts, woody plant dieback, increased forest fires, and intrusion of invasive plants.⁸
- 4. The total benefits of the more stringent standards far exceed the total cost of the program.** Using a 3 percent discount rate, Table 13⁹ shows that Alternative 2 has an estimated \$34 billion net benefit in 2018 dollars. As shown in Table 17¹⁰ with the 3% discount rate, Alternative 2 has a \$9 billion greater lifetime benefit in fuel savings to consumers, and \$8 billion greater monetized environmental benefits than the EPA standard proposal.
- 5. EPA proposed national standards support New Mexico's current efforts to adopt California's advanced clean car standards as permitted under Section 177 of the Clean Air Act.** NMED and the City of Albuquerque will petition their respective air quality boards to adopt California advanced clean car standards before the end of this year. NMED anticipates that the EPA-proposed national emission standard, together with the Corporate Average Fuel Economy proposed by the National Highway Traffic

⁶ New Mexico Interstate Stream Commission [50 Year Water Plan – In Depth Webinar from the Leap Ahead Analysis/ Surface and Groundwater](#), August 26, 2021.

⁷ [Santa Fe Basin Study: Adaptations to Projected Changes in Water Supply and Demand](#), August 2015

⁸ New Mexico Interstate Stream [Commission 50 Year Water Plan – In Depth Webinar from the Leap Ahead Analysis/ Ecological Dynamics](#), August 13, 2021.

⁹ Proposed Rule at page 43,742.

¹⁰ Proposed Rule at page 43,744-45.

Safety Administration will send a strong signal to the boards, stakeholders, and the public in New Mexico about the importance of reducing LDV tailpipe emissions.

6. **EPA's proposed standards can go into effect three years earlier - with Model Year 2023 - than New Mexico will be able to require compliance with the California advanced clean car standards.** The New Mexico timeline for adoption is dictated, in part, by the required two-year waiting period for Section 177 states, such as New Mexico, under the Clean Air Act. EPA's proposed credit programs and technology incentives provide flexible pathways for the LDV manufacturers to meet EPA's tighter timeline.
7. **Adopting the most stringent standards now will allow the EPA to adopt more ambitious standards for Model Year 2027 and beyond.** Future car standards that increase stringency of standards for GHG, criteria pollutants, and air toxins will be fundamental to meet the national and state GHGe reduction goals and improve public health.

In addition to the more stringent proposed rules currently proposed by the EPA, New Mexico supports EPA in proposing future, longer-term policies and regulatory actions¹¹ that will address LDV criteria pollutants and air toxin emissions in addition to GHGe. These future regulations will be instrumental in defining a strong national program with a path that accelerates the transition to zero-tailpipe emission for all vehicles sold in the United States.

Thank you for considering the State of New Mexico's input on this matter.

Sincerely,

James C. Kenney
Cabinet Secretary

Cc: Sandra Ely, Director of the Environmental Protection Division, NMED, Sandra.Ely@state.nm.us
Joseph Goffman, Principal Deputy Assistant Administrator, Office of Air and Radiation;
Goffman.Joseph@epa.gov
Casey Katims, Deputy Associate Administrator for Intergovernmental Affairs, Office of Intergovernmental Relations; Katims.Casey@epa.gov
Courtney Kerster, Director of Federal Affairs, Office of Governor Michelle Lujan Grisham;
Courtney.Kerster@state.nm.us
Rebecca Roose, Deputy Cabinet Secretary of Administration, NMED, Rebecca.Roose@state.nm.us

¹¹ Proposed Rule at page 43,730.