

The Honorable Michael S. Regan, Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, DC 20004

June 15, 2023

Docket ID Nos. EPA-HQ-OAR-2022-0829 EPA-HQ-OAR-2022-0985

Dear Administrator Regan,

I write to you on behalf of the U.S. Climate Alliance (Alliance), a bipartisan coalition of 25 governors committed to climate action that together represent approximately 60 percent of the U.S. economy and 55 percent of the U.S. population. We appreciate the opportunity to comment on the U.S. Environmental Protection Agency's (EPA) recent proposals to strengthen federal light- and medium-duty (LD+MD) and heavy-duty (HD) vehicle emission standards and encourage the administration to quickly finalize stringent standards that maximize climate and equity benefits delivered to all Americans.

Earlier this year, Alliance states and territories came together to recommend more than 20 specific climate actions that the federal government can take to empower climate-leading states and speed America's transition to a netzero future.¹ We are pleased to see EPA now moving forward on two of those recommendations — strengthening federal vehicle emission standards by 2024 to align with the administration's 2030 emissions reduction and electric vehicle sales targets, and revising existing preemption regulations for nonroad vehicles and engines to allow states and territories to more easily act under the Clean Air Act to address air quality issues. As EPA takes these important actions, our members are committed to doing their part at the state and territorial level to cut emissions throughout the transportation system and will continue to lead the nation in deploying zero-emission vehicles (ZEV) and ZEV infrastructure.

These proposed rules, along with critical new federal programs and investments, can propel us forward in securing a cleaner, greener future across America. By tackling greenhouse gas emissions in the transportation sector — the largest source of climate pollution in the United States — we can move closer to achieving our shared goals to protect public health, advance environmental justice, spur technological innovation and economic growth, support consumers and businesses, create good-paying jobs, and confront the climate crisis.

Improving public health and advancing environmental justice. The proposed rules would reduce more than 400,000 tons of harmful NOx, PM2.5, and hazardous air pollutant emissions through 2055, significantly improving public health across America. Importantly, finalizing and adopting stringent standards is critical to advancing environmental justice and fulfilling the President's goals of addressing adverse health impacts and reducing harmful air pollutants in overburdened communities — including near ports, railyards, freight logistics hubs, highways, and freight corridors. These standards would also help states and territories meet National Ambient Air Quality Standards (NAAQS) while preventing premature deaths, hospitalizations for cardiovascular illness, hospitalizations for respiratory illness, and emergency room visits, yielding as much as \$300 billion in health benefits through 2055 under both proposals. EPA's proposed revisions to the locomotive preemption regulations are a particularly welcome step to provide states and territories with an additional tool to further advance environmental justice, protect public health, and ensure NAAQS compliance in their jurisdictions.

Driving economic growth and opportunity. Adoption of strong federal rules would support economic opportunities and good-paying, family-sustaining jobs in a quickly emerging growth sector, while expanding access to cleaner vehicle technologies across our states and territories. In fact, the rules are estimated to provide at least \$1.5 trillion in cumulative economic benefits through 2055, reducing costs for consumers and businesses and mitigating Americans' exposure to volatile fuel prices. They would also increase consumer and business choice by expanding the market availability of in-demand ZEVs, which are increasingly more accessible and affordable

thanks to new tax credits under the Inflation Reduction Act (IRA) that are simultaneously expanding domestic ZEV production and ZEV component sourcing, manufacturing, and recycling. Finally, by growing clean car and truck jobs that provide good pay and benefits and support families, the rules would help Alliance members ensure the transition to a clean energy economy is just and equitable.

Accelerating climate benefits. Transportation remains the largest source of greenhouse gas emissions nationwide, representing 32 percent of net U.S. emissions, with over 80 percent of those coming from vehicles regulated under these proposals.² Simply put, finalizing stringent standards for this share of emissions is essential to meet our climate goals. Alliance members are already leading on efforts to decarbonize the transportation sector and transition to cleaner vehicles, and together, our states and territories accounted for nearly 70 percent of the country's light-duty ZEV sales last year.³ Many Alliance members are also collaborating with each other to foster a self-sustaining market for zero-emission medium- and heavy-duty vehicles (MHDVs).⁴ With an expected emissions reduction benefit of 9.1 billion metric tons through 2055 for the LD+MD and HD rules — in addition to reductions from potential state and territorial adoption of locomotive regulations under the Clean Air Act — these rules set a strong floor that builds upon Alliance state leadership and helps put the U.S. on path to meet its Nationally Determined Contribution (NDC) under the Paris Agreement.

The Alliance stands ready to support EPA's efforts to promptly finalize these rules. The proposed LD+MD standards would meaningfully reduce emissions from the largest source of mobile emissions in the country and provide substantial public health and climate benefits, helping our country meet its zero-emission vehicle sales and NDC targets while expanding Americans' access to increasingly popular, in-demand, and lower-cost vehicles. The HD rule, including the proposed revisions to the locomotive and locomotive engine preemptions regulations, is a crucial step forward in advancing environmental justice for overburdened communities near major freight hubs and corridors. These revised HD standards would further accelerate our mutual efforts to decarbonize the second largest source of mobile emissions — moving us closer to achieving our zero-emission MHDV sales and emissions reduction targets — and deliver critical cost savings to businesses and fleets. As EPA moves to swiftly finalize these rules, we encourage you to prioritize all opportunities to maximize the benefits delivered to Americans in every state and territory.

Thank you again for the opportunity to comment and for the administration's ongoing collaboration with states and territories to confront the climate crisis.

Sincerely,

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Executive Director, U.S. Climate Alliance

¹ U.S. Climate Alliance, Federal Action Recommendations Letter to President Biden,

https://static1.squarespace.com/static/5a4cfbfe18b27d4da21c9361/t/63e40c659379eb37e91542e7/1675889766130/U.S.+Climate+Alliance+Letter Presi dent+Biden Federal+Action+Recommendations 2.9.23.pdf.

² U.S. EPA, Inventory of U.S. Greenhouse Gas Emissions and Sinks, 1990 – 2021 <u>https://www.epa.gov/system/files/documents/2023-04/US-GHG-Inventory-2023-Main-Text.pdf</u>.

 ³ Alliance for Automotive Innovation, *Electric Vehicles Sales Dashboard*, <u>https://www.autosinnovate.org/resources/electric-vehicle-sales-dashboard</u>.
⁴ NESCAUM, *Multi-State Medium- and Heavy-Duty Zero Emission Vehicle Memorandum of Understanding*, <u>https://www.nescaum.org/documents/mhdv-zev-mou-20220329.pdf</u>.