



April 9, 2018

The Honorable Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Mail Code: 1101A
Washington, D.C. 20460

The Honorable Elaine L. Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Ave, S.E.
Washington, D.C. 20590

Re: EPA Mid-Term Evaluation and Upcoming Joint Rulemaking

Dear Administrator Pruitt and Secretary Chao:

As members of the *National Coalition for Advanced Transportation (NCAT)*, we write in response to the U.S. Environmental Protection Agency's April 2, 2018 Notice regarding the Mid-Term Evaluation of its Model-Year (MY) 2022-2025 greenhouse gas emission standards for light-duty vehicles (MTE Notice) and the upcoming joint rulemaking described in the notice.

The United States is undergoing an unprecedented transformation of its economy, including the simultaneous reshaping of both the transportation and energy sectors. No country is better positioned to lead the world in creating and building the transportation system of the future. We are confident that we will succeed beyond any past measure if we do not falter in our commitment to deliver to consumers anywhere in the world the highest-performance, smartest and cleanest vehicles and, consistent with this Administration's goals, the modern infrastructure needed to support them. While the MTE Notice identifies a range of uncertainties associated with this pivotal period of technology transition, we firmly believe that weakening fuel economy or greenhouse gas standards in reaction to short-term uncertainties would be self-defeating and wholly inconsistent with our shared goals of strengthening U.S. competitiveness, growing jobs and protecting our current technological superiority.

NCAT stands ready to work with you and the Administration to find a path forward that addresses any short-term challenges while preserving, and indeed accelerating, the transportation and energy transformation that consumers eagerly seek and that will help secure America's technology leadership for decades. We ask that you engage with NCAT, its members, and other stakeholders in a robust dialogue regarding how to ensure that these standards continue to reward innovation and preserve and strengthen stable growth of advanced vehicle technologies.

NCAT is a coalition of companies that supports electric vehicle (EV) and other advanced transportation technologies and related infrastructure, including business leaders engaged in energy supply, transmission and distribution; vehicle and component design and manufacturing; and charging infrastructure production and implementation, among other activities. Our members support government initiatives, including federal and state vehicle standards, that provide regulatory, financial, infrastructure and other support for emerging EV and other clean vehicle technologies to compete in the marketplace. NCAT also recognizes the critical role that California and other states play in adopting and implementing vehicle standards that support advanced technologies. Such state leadership has historically ensured that the United States remained on the cutting edge of technology development, and we see no reason to reconsider that approach at this key juncture. If stakeholders work together, we firmly believe that state and federal interests can remain aligned to ensure ongoing regulatory certainty and stable, long-term signals to guide investment.

NCAT's members are concerned by, and strongly disagree with, many of the statements in EPA's MTE Notice regarding the availability, affordability, consumer acceptance and benefits of EV technologies. EV and related technologies and infrastructure provide major economic and energy security benefits, and U.S. leadership in this space is critical to our economic health, global competitiveness and environmental quality. As detailed in our October 5, 2017 comments to EPA on its reconsideration of the January 2017 Mid-Term Evaluation final determination, there have been substantial advances in EV technologies and corresponding decreases in costs since 2012. Sales of these vehicles are increasing significantly, demonstrating growing consumer demand. U.S. and other manufacturers are scaling up investments and rapidly expanding their EV offerings across a range of vehicle types and price points. Range, performance, options and affordability are all improving rapidly, making EVs increasingly attractive to consumers. The simultaneous rapid development of autonomous vehicle technologies and on-demand transportation, both of which work synergistically with EV technologies, signal the beginning of a major transformation in our transportation system. In recognition of these trends, governments across the world are announcing policies to transition away from conventional vehicles and towards EVs, creating a race among manufacturers to capture the expanding global market for these vehicles.

To win that race, the United States must establish and maintain leadership through robust, long-term fuel economy and greenhouse gas standards at the federal level. When the current standards were adopted in 2012, it was clear that this Mid-Term Evaluation would find us where we are now – in the early stages of a transition from predominant reliance on efficiency improvements in conventional vehicles to increasingly greater reliance on EVs. While it may be tempting to look to short-term signals, the federal greenhouse gas emissions and fuel economy programs are intended to take the longer view. When we do take that longer view, all signs clearly support our readiness to make this transition. Failure to recognize, embrace and support these trends presents serious risks that the United States will lose its role as a global leader in these technologies of the future.

NCAT respectfully requests that you work closely with our members and other stakeholders in the period leading up to issuance of a proposed rule for the MY 2022-25 standards. These issues are too important and the stakes are too high to rely exclusively on the notice-and-comment rulemaking process to reach outcomes that meet our shared objectives. A more iterative,

interactive and inclusive dialogue is needed. We stand ready to work with you and others to identify solutions that can address any near-term challenges while preserving the benefits of the current standards and strengthening long-term growth of EVs and other advanced technologies.

Thank you for your consideration.

Sincerely,



Robert A. Wyman
Devin O'Connor
Latham & Watkins LLP
Counsel to NCAT
555 11th Street, NW
Washington, DC 20004-1304

National Coalition for Advanced Transportation (<https://www.lwnocat.com>)

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