

Testimony of the Alliance for Automotive Innovation At the EPA Public Hearing on Proposed GHG Standards through Model Year 2026

August 25-26, 2021

Good morning, I am Michael Hartrick, representing the Alliance for Automotive Innovation, or Auto Innovators. Auto Innovators represents automakers that produce nearly 99 percent of all new light-duty vehicles sold in the United States, their suppliers, and technology and mobility companies.

Auto Innovators and our member companies are aligned with this Administration's goals and vision for addressing climate change and fostering a strong and competitive U.S. economy. We support the goals of EPA's GHG program.

Today, the auto industry is transforming to provide cleaner, safer, and smarter automobiles. Auto companies are stepping up to the challenge to greatly expand electrification – setting aspirations for 40 percent to 50 percent of new light-duty vehicle sales in 2030 and investing over \$330 billion on electrification by 2025.

Thus, it is critical that EPA, NHTSA, Auto Innovators, auto companies, and other stakeholders work together to reduce greenhouse gas emissions and to enable a shift to electrified and zero emission vehicles, including BEVs, PHEVs, and FCEVs, while continuing to support U.S. auto jobs.

There are three aspects that I want to highlight today:

1. The Long-Term Vision Starts Today

First, the long-term vision starts today. Going from two percent electric vehicle (EVs) sales today to 40 percent, or more, in less than nine years will be challenging. Achieving this goal will require more than just regulating vehicles. It requires significant efforts by all stakeholders, including federal, state and local governments; utilities; refueling infrastructure providers; builders; and fleet operators to name a few.

Ensuring EVs and their charging and refueling infrastructure are affordable, equitable and convenient for customers will be crucial to growing customer demand and making the EV transition. This will require a comprehensive national strategy, which includes state, local, and federal investments to put into place the necessary conditions for success – which are in addition to the substantial investments that automakers are making towards the EV transition.

2. Today's Standards Need to Set the Stage for Long-Term Success

Second, today's standards need to include actions to set the stage for longer-term success.

These standards will require a significant increase in electrification. Therefore, we support EPA's inclusion of provisions that incentivize and encourage this, including electric vehicle production multipliers and the recognition that electric vehicles have zero tailpipe emissions. These tools are necessary and important to a robust and well-balanced program.

3. Harmonization and Coordination Support the Goals of EPA's and NHTSA's Programs

Finally, I want to note the importance of coordination and stringency alignment between EPA's GHG and NHTSA's CAFE programs. Fundamental to the principles the agencies and the auto industry have worked under since 2009, alignment of these regulations is critical to reducing unnecessary burdens. We must put all resources toward achieving our shared goals. This is especially important as automaker investments transition away from ICE and increase in electric vehicle technologies.

Thank you for your time. Auto Innovators anticipates submitting written comments to address EPA's GHG standards, NHTSA's CAFE standards, and the coordination and harmonization between the two.

I am happy to take any questions.