

### **Alliance for Automotive Innovation**

## **Comments to National Highway Traffic Safety Administration**

# Regarding

**Exemptions From Average Fuel Economy Standards; Passenger Automobile Average Fuel Economy Standards** 

Docket ID No. NHTSA-2022-0048

August 1, 2022

#### Introduction

The Alliance for Automotive Innovation (Auto Innovators)<sup>1</sup> hereby submits comment on the proposed rule "Exemptions From Average Fuel Economy Standards; Passenger Automobile Average Fuel Economy Standards."<sup>2</sup> The proposed standards and exemptions include our member Ferrari N.V., a low volume manufacturer of sports cars for several of the model years under consideration.

#### Comment

Auto Innovators agrees with NHTSA's proposed approach to setting low volume manufacturer standards through MY 2023. For past model years, setting alternative standards at levels reflective of final or estimated final CAFE values is reasonable. These model years have been completed, and affected manufacturers have no ability to change the technologies installed on their vehicles, to alter U.S.-directed production, or to otherwise achieve compliance with the CAFE regulation other than through the purchase of credits from other manufacturers<sup>3</sup> or the payment of civil penalties. We further

<sup>&</sup>lt;sup>1</sup> Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative, and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 98 percent of cars and light trucks sold in the U.S. The organization is involved in regulatory and policy matters impacting the light-duty vehicle market across the country. Members include U.S. operations of international motor vehicle manufacturers, original equipment suppliers, technology, and other automotive-related companies and trade associations. The Alliance for Automotive Innovation is headquartered in Washington, DC, with offices in Detroit, MI, and Sacramento, CA. For more information see http://www.autosinnovate.org.

<sup>&</sup>lt;sup>2</sup> 87 Fed. Reg. 39439 (Jul. 1, 2022).

<sup>&</sup>lt;sup>3</sup> We agree with NHTSA's evaluation of the relationship between 49 U.S.C. § 32902(d) and (h) at 87 Fed. Reg. 39444 (Jul. 1, 2022), note 39 and its resulting implication that NHTSA should not consider the availability of traded credit in evaluating maximum feasible standards for low volume manufacturers.

note that MY 2022 production will likely soon be drawing to a close and MY 2023 production beginning. Designs for these vehicles are generally fixed, with little or no opportunity to change them.

In general, we urge NHTSA to set future low volume manufacturer alternative standards at least 18 months prior to the start of each affected model year, now and in the future, presuming that an applicant has submitted its petition in a timely manner. Low volume manufacturers require similar or even more lead-time as larger manufacturers to adjust product designs and production plans if NHTSA finalizes fuel economy standards other than those proposed by a limited volume manufacturer in its petition.

## Closing

Thank you for your consideration of our comments. Finalizing the proposed alternative standards and exemptions will provide much needed certainty for the affected low volume manufacturers. We encourage NHTSA to process future petitions and to propose alternative standards at least 18 months in advance of affected model years in the future. If you have any questions regarding these comments, please contact Mike Hartrick (mhartrick@autoinnovators.org).

