

Memorandum



U.S. Department of Transportation
National Highway Traffic Safety
Administration



Subject: EO 12866 Meeting with Stellantis and OIRA **Date:** August 16, 2021

From: Michael Koppersmith, Trial Attorney
Office of the Chief Counsel

To: Docket No. NHTSA-2021-0001

On April 1, 2021, representatives from NHTSA and the Department of Transportation (DOT) attended an Executive Order 12866 meeting with representatives of Stellantis and the Office of Information and Regulatory Affairs (OIRA). The meeting occurred telephonically to discuss issues relating to the Corporate Average Fuel Economy (CAFE) civil penalties rulemaking, which was pending EO 12866 regulatory review at the time. NHTSA was represented by Michael Koppersmith, Trial Attorney, Office of Chief Counsel; DOT was represented by Tim Mullins, Senior Attorney, Office of General Counsel. Stellantis was represented by Shane Karr and Will Otero, as well as Rich Gold of Holland and Knight. OIRA was represented by Mary Fitzpatrick, Matthew Oreska, and Rich Theroux. Also in attendance were Josh Nasser representing the United Auto Workers union (UAW) and Austin Brown representing the Council on Environmental Quality (CEQ).

In the meeting, Stellantis' representatives discussed their preferred path forward regarding NHTSA's interim final rule on CAFE civil penalties, 86 FR 3016 (Jan. 14, 2021). Specifically, Stellantis expressed its concerns about the CAFE civil penalty rate being increased to apply beginning in Model Year 2019. Stellantis described its economic situation and how applying the increase in Model Year 2019 would negatively affect it economically, without any corresponding environmental benefit because the underlying conduct has already occurred. Accordingly, Stellantis urged NHTSA not to reconsider the interim final rule that applies the increased rate beginning in Model Year 2022. The UAW representative generally agreed, emphasizing the negative impact that increasing the rate for Model Year 2019 would have on domestic automobile manufacturing.