



September 15, 2022

Docket No. NHTSA-2022-0075

Docket Management Facility
U.S. Department of Transportation
1200 New Jersey Avenue SE
West Building Ground Floor, Room W12–140
Washington, DC 20590–0001

Submitted via Regulations.gov

RE: *Notice of Intent to prepare an environmental impact statement for model years 2027 and beyond corporate average fuel economy standards and model years 2029 and beyond heavy-duty pickup trucks and vans vehicle fuel efficiency improvement program standards*

The American Petroleum Institute (API)¹ appreciates the invitation from the National Highway Traffic Safety Administration (NHTSA) to comment on the scope of the environmental impact statement that it intends to prepare in support of the referenced future rulemakings. Our comments specifically focus on the evaluation of climate change effects associated with the forthcoming NHTSA rulemakings to establish new vehicle fuel economy standards.

API and its members commit to delivering solutions that reduce the risks of climate change while meeting society's growing energy needs. We support global action that drives greenhouse gas (GHG) emissions reductions and economic development. API believes that an economy-wide government carbon price policy is the most impactful, efficient and transparent mechanism for achieving this societal goal. However, in its absence, sectoral policies such as fuel economy standards for new vehicles in transportation should be based on a systems approach to the assessment of GHG emission impacts.

Systems Approach to Evaluating Transportation Emissions

Liquid fuels can provide near-term and ongoing GHG reductions from the on-road vehicle fleet when evaluated within an analytical systems-based framework that comprehends technology neutral, performance-based standards for fuels, vehicles, and infrastructure. To achieve this goal, it is critical to link standards

¹ API represents all segments of America's natural gas and oil industry, which supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our nearly 600 members produce, process, and distribute the majority of the nation's energy. API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency, and sustainability. See www.api.org.



American
Petroleum
Institute

David Lax
Senior Policy Advisor
API
202-682-8479
lax@api.org

influencing the carbon intensity of motor fuel with requirements for new vehicle fuel economy/GHG performance to ensure consistent accounting across all fuel/vehicle technology options. A well-to-wheels approach provides a systems-based analytical framework for evaluating the GHG impacts of various fuel-vehicle pathways, including internal combustion engines (i.e., gasoline, diesel, or natural gas), battery electric, hydrogen, and hybrid technologies.

API also supports federal policy that improves fuel carbon intensity to drive CO₂ reductions from transportation. Liquid fuels can provide GHG emissions improvements using feedstock and process technologies that reduce fuel carbon intensity. Existing federal programs, including, for example, the current Renewable Fuel Standard, do not adequately incentivize the deployment of available technologies to produce lower carbon fuels.

There are significant benefits to developing a holistic, systems-based approach to regulating greenhouse gas emissions from transportation. Establishing a carbon intensity standard for the motor fuel pool that declines over time and is reflected in the evolution of the test fuel properties used for fuel economy and emissions compliance purposes would not only benefit new vehicles, but also could achieve efficiency improvements and emissions reductions across the entire existing vehicle fleet. A well-to-wheels approach would allow the market to drive carbon reductions at the lowest abatement cost, while preserving consumer choice. Vehicle manufacturers benefit with the ability to demonstrate the overall emissions reductions that are achieved as the carbon intensities of the fuel pool, electric grid and vehicle fleet improve over time. And consumers will benefit through market competition that results in a variety of innovative technologies that help to reduce the cost of carbon abatement for each fuel/vehicle technology pathway. Adopting a well-to-wheels approach, combined with fuel carbon intensity reductions, provides a broad spectrum of industries that power the transportation system (e.g., automakers, engine and equipment makers, petroleum refiners, power generators, and biofuels manufacturers) with incentives to reduce GHGs.

We appreciate this opportunity to provide comments and would be happy to discuss in greater detail strategies for reducing carbon emissions from transportation.

Sincerely,

David H. Lax