

# Automotive News

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## **Ford, VW pressured by green groups to defend CAFE standards**

**By: Eric Kulisch, October 25, 2017**

WASHINGTON -- A coalition of environmental groups on Wednesday launched a campaign to persuade automakers -- Ford and VW in particular -- to live by their commitments for meeting emissions and fuel economy targets for the next decade.

It accused the industry of colluding with the Trump administration to loosen the clean-car standards. The coalition initially plans to pressure Ford Motor Co. and Volkswagen Group of America to publicly support the fuel efficiency program, one of President Barack Obama's key initiatives for curbing greenhouse gases that contribute to climate change.

It wants the companies to disassociate themselves from the Alliance of Automobile Manufacturers, a major trade association that is actively lobbying to relax the standards, and chart their own green path. Supporters say the federal greenhouse gas program, which was designed to double fuel efficiency to more than 50 mpg, is a rousing success. Rapid technological advancements have significantly reduced automakers' compliance costs, fuel savings will more than offset the higher cost of clean vehicles, and 6 billion tons of carbon tailpipe emissions will not be released, they say. A 2016 EPA technical assessment showed that automakers were meeting the standards faster than predicted.

"The automakers and the Trump administration are conspiring to undo clean car standards that will save consumers thousands of dollars on each vehicle they purchase," Robert Weissman, president of Public Citizen, said in a statement. "That the Trump administration is willing to drain billions of dollars from consumers' collective pockets is yet more evidence of the complete corporate takeover of our government. Consumers will not stand by quietly -- we're going to hold the auto makers accountable, starting with Ford and Volkswagen."

Eighteen automakers, including Ford and VW, in February asked President Donald Trump to take a second look at the standards for the 2022-25 model years, arguing they were prematurely locked in by the Obama administration last January before new data could be evaluated to determine whether assumptions made in the 2012 agreement with automakers still were valid. The EPA reopened the midterm review process and expects to make a final determination by the original timetable of April 2018.

Manufacturers say adjustments are needed because consumers are opting for larger, less fuel-efficient vehicles and that they will not buy clean cars that are not affordable. They also complain that the EPA and the National Highway Traffic Safety Administration haven't settled on a unified model for measuring compliance, as promised.

In September, the coalition sent letters to CEOs of 20 automakers, calling on them to stop efforts to weaken or delay the implementation of the greenhouse gas and corporate average fuel economy standards.

The groups also asked the companies to pull support for the Fuel Economy Harmonization Act, which is designed to bring consistency to the practice of transferring fleetwide credits earned under the NHTSA and EPA programs. Clean air advocates say the bill lowers the bar for emissions compliance and would increase fuel usage. Automakers also were pressed to reaffirm support for the authority of states under the Clean Air Act to enforce their own emissions standards after reports that the EPA is considering whether to withdraw California's waiver allowing it to set stricter rules.

Only Ford and the alliance responded, according to the coalition.

The alliance said manufacturers remain dedicated to pursuing gains in fuel economy and reduced emissions and are merely pushing the government to live up to its obligation to provide a comprehensive, data-driven midterm review. Manufacturers "remain steadfast in our commitment to sustained environmental progress," wrote the alliance CEO, Mitch Bainwol.

In its letter, Ford said it was prioritizing electric vehicles and new mobility solutions based on smart cars that would help reduce carbon emissions, but it did not specifically address the midterm review and the organizations' other requests.

Ford released this statement on Wednesday: "We remain absolutely committed to reducing greenhouse gas emissions. The auto industry's collective support for tough fuel economy rules that were 13 years in the future was predicated on a sensible notion -- check half way through to make sure the data and the targets matched up. This is exactly what One National Program was designed to do -- consistent with the agreement made under President Obama."

VW had no comment about the new coalition campaign.

### **Ford singled out**

Ford is being singled out because Executive Chairman Bill Ford has championed environmental causes and sustainable practices, and the company helped broker the deal on emissions standards in 2011. Margie Alt, executive director of Environment America, said Ford's announced investment in EV technology -- \$4.5 billion over five years -- is puny compared with many competitors.

"As the best-selling car brand in the U.S., and one of our most historic auto manufacturers, Ford should be a leader, not a laggard, when it comes to getting zero-emission vehicles on the road. So today, we call on Ford to put its foot on the accelerator to build and sell 100 percent zero-polluting cars by the end of the next decade.

"Henry Ford was an innovator. Bill Ford needs to keep up the family reputation and lead the zero-car-polluting revolution instead of turning back the clock to the era of dirty gas guzzlers," she said in a teleconference with reporters.

The coalition said Ford also is being targeted because former CEO Mark Fields invited Trump to attack the CAFE standards in a Jan. 23 White House meeting, claiming they would cost 1 million jobs.

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In an interview with Automotive News last month, Margo Oge, who headed the EPA's Office of Transportation and Air Quality for many years, challenged Bill Ford to help the industry meet the emissions targets. She said the alliance is dragging down progressive companies by representing the lowest common denominator that is reluctant to innovate.

### **Targeting VW**

The organizations are targeting VW because they believe it should do more to make up for the 2015 scandal in which it was caught using software to bypass emissions controls on diesel vehicles to improve their mileage, Sierra Club spokeswoman Lauren Lantry said. VW has reached settlements with U.S. regulators and customers totaling about \$16 billion in connection with the diesel scandal. VW now faces about \$30 billion in total costs globally associated with the scandal, Reuters reported last month.

Coalition officials said they will mobilize their supporters to urge automakers to support the standards. They declined to mention specific tactics other than the use of social media, but they said the goal is to expose what the companies are doing and steer consumers away from gas-guzzling cars and trucks.

Sen. Sheldon Whitehouse, D-R.I., criticized manufacturers for reneging on emissions commitments and suggested people might protest in front of dealer showrooms, which could hurt Ford's bottom line.

"The fuel economy standards -- which they agreed to -- will save drivers money, reduce our dependence on foreign oil, and cut the carbon pollution driving global climate change," he said in a statement.

"Automakers acknowledged these benefits and promised to make more efficient, cleaner vehicles. That's why it's so important to call out the Auto Alliance for working hand-in-hand with climate deniers like [EPA Administrator] Scott Pruitt to go back on that promise."