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EPA proposes retaining vehicle fuel economy rules

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Washington, 30 November (Argus) — The US Environmental Protection Agency (EPA) today proposed to maintain the stringency of landmark rules that called for US cars and trucks to achieve an average fuel economy standard of 54.5 miles/USG by 2025.

That action could make it harder for president-elect Donald Trump's administration to weaken the standards, which apply to model year 2022-25 vehicles. US automakers initially backed the standards but over the past year have <u>argued</u> that the recent plunge in gasoline prices, combined with shifting consumer preferences toward heavier vehicles, justify softening the standards.

EPA in a technical assessment <u>released</u> in July projected that light-duty vehicles sold in 2025 would be 3-8pc less fuel efficient than President Barack Obama's administration anticipated when it first issued the standards in 2012. That assessment found the standards could be tightened, something environmentalists strongly supported to counter the projected increase in greenhouse gas emissions from heavier vehicles.

But EPA today said it was proposing to leave the standards in place because it would provide certainty to the auto industry. The agency projects that full implementation of the standard will cut 6.6bn tons (6bn metric tonnes) of CO2 emissions over the lifetime of vehicles sold through 2025, an amount equivalent to all the greenhouse gas emissions in the US in 2014.

US automakers today criticized the agency's decision to keep the standards in place without conducting a more exhaustive review. The Alliance of Automobile Manufacturers, a trade group, called the action an "extraordinary and premature rush to judgment" that circumvented any attempt to conduct a serious analysis of the standards.

EPA only plans to accept comment on its proposed determination through 30 December, fueling expectations from environmentalists that the agency is trying to finalize the determination before

Obama leaves office on 20 January. That would make it far harder for the Trump administration to revise the standards because doing so would probably require an entirely new rulemaking process.

"Unless there is some reason not to, then I expect it would be finalized" before Obama leaves office, the non-profit Center for Auto Safety climate campaign director Dan Becker said. Becker said EPA seems to be taking a "middle course" with the fuel-economy standards by leaving them in place, rather than making changes requested by environmentalists and automakers.

EPA today said its final determination would not be subject to the Congressional Review Act, a law Republicans are hoping to use to overturn a number of last-minute regulations issued by the Obama administration. The determination is outside the reach of that law because it is not a new rule, EPA said.

Environmentalists had worried the incoming administration would soften the fuel-economy standards, based on Trump's calls to throw out regulations and his skepticism of the need to cut greenhouse gas emissions. Environmentalists today were supportive of EPA's decision to act now to retain the standards.

"There is no reason to wait," Natural Resources Defense Council senior vehicle analyst Luke Tonachel said. "In fact, dragging it out only creates uncertainty for the industry."

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