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## **Odd bedfellows sue over fuel efficiency rollback** **By: Maxine Joselow**

A coalition of odd bedfellows has sued EPA over its push to loosen Obama-era clean car standards. The National Coalition for Advanced Transportation, which includes several electric utilities and Tesla Inc., filed suit earlier this month in the U.S. Court of Appeals for the District of Columbia Circuit.

EPA's Office of General Counsel disclosed the suit on Twitter yesterday.

Utilities and Tesla have previously gone to bat over electric vehicle rebates in California (Greenwire, April 27). But the two parties have a shared interest in maintaining the stringency of the clean car rules, which would have brought real-world average fuel efficiency to around 36 mpg.

That's because weakening the standards could lead to less demand for electric vehicles, which would be bad news for their bottom lines.

Tesla is currently trying to ramp up production of the Model 3 sedan. And utilities recognize that greater demand for electric vehicles would in turn create greater demand for electricity.

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**"And, yes, it's unusual. It's not every day that electric utilities team up with an electric car company," Becker added.**

Bob Wyman, a lawyer at Latham & Watkins in Los Angeles who speaks on behalf of the coalition, said in an email to E&E News, "Briefly stated, we believe that consumer demand for electric vehicles is growing quickly and will continue to grow for a number of reasons, including desirable vehicle attributes and an increasing range of vehicle choices. The standards are important for many reasons, but principal among them is the clear investment signal it provides to public and private investors."

The existence of the coalition, which was formed last year, is more evidence of how the fuel efficiency rollback has scrambled traditional industry alliances.

Two leading trade associations, the Association of Global Automakers and the Alliance of Automobile Manufacturers, have aligned themselves with environmentalists in saying they don't want a rollback because it would lead to a fragmented national market and a protracted legal fight with California.

The suit adds to other related litigation. California, 16 other states and the District of Columbia sued the Trump administration over the rollback earlier this month (E&E News PM, May 1). So did a coalition of seven advocacy groups, including the Natural Resources Defense Council and the Center for Biological Diversity (E&E News PM, May 15).

An EPA spokesman said the agency doesn't comment on pending litigation.

EPA and the National Highway Traffic Safety Administration are hammering out a detailed proposed rule for vehicles built from 2022 to 2025.

An EPA draft proposal obtained by E&E News outlines eight scenarios. In the "preferred" scenario, the agency would freeze fuel economy targets at 2020 levels through 2026.

Two officials briefed on the matter told Reuters that the agencies could submit a proposal to the White House Office of Management and Budget as soon as next week.