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While some environmental experts applauded California’s deal, others argued that the state’s terms left too many loopholes to be effective. Unlike the Obama rules, car companies could get lower gas mileage if they also increase their sales of electric vehicles and would also get credits for other measures not included in engine tests.

It sets a bad precedent,” Becker said. “What California does in setting up these new standards is going to be critical for the future — they need to be more aggressive standards, because the technology justifies it and the climate requires it.”
California reaches deal with car companies to toughen auto emission standards, in latest blow against Trump administration

Four automakers agree to higher national emissions standard

By Casey Tolan

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In the latest sign that California’s economic clout is helping it stand up to the Trump administration, state leaders announced Thursday a new pact with four automakers to lock in tougher standards on tailpipe emissions.

Four of the biggest automakers in the world — Ford Motor Company and the U.S. branches of Honda, Volkswagen and BMW — agreed to new fuel efficiency standards similar to those already set by the Obama administration. The agreement is essentially an end-run around the Trump administration’s plan to reduce those standards and revoke California’s ability to set its own stricter rules.

“California is really upping the pressure on the Trump administration,” said Deborah Sivas, an environmental law professor at Stanford. “I don’t think it’s going to change what the Trump EPA is going to do. But because California is such a big market, it really is significant.”

The Obama administration previously had put forward a national requirement that new vehicles get an average of about 50 miles per gallon by model year 2025 (although drivers could get somewhat lower mileage in real-world driving conditions). Under the deal with the California Air Resources Board, the automakers will have to reach a slightly lower level of fuel efficiency a year later, by 2026, with some new loopholes that allow them lower mileage rates if they deliver more electric vehicles, for example. The standards will apply to the companies’ entire national fleet.

The four companies account for about 30 percent of car sales in the country, and state leaders said they hoped other firms will join the pact as well.

“California, a coalition of states, and these automakers are leading the way on smart policies that make the air cleaner and safer for us all,” Gov. Gavin Newsom said in a statement.

The Trump administration, which is expected to release its final decision on the emissions standards in the next few months, blasted the California agreement.

“This voluntary framework is a PR stunt that does nothing to further the one national standard that will provide certainty and relief for American consumers,” said Michael Abboud, an EPA spokesman, adding that California leaders “continually refused to produce reasonable and responsible proposals.”
Auto emissions are among the biggest drivers of climate change, and scientists agree that reducing them swiftly should be one of the world’s top priorities to avert disastrous weather and devastating flooding and sea level rise. The Obama standards, which were finalized in 2012, represented the single largest step taken by any government to reducing greenhouse gases.

More cars are sold in the Golden State — which would be the fifth largest economy in the world if it were a separate country — than anywhere else in the country. That gives state leaders leverage in negotiating with the companies.

The voluntary agreement also is a sign that the automakers are looking for market stability and trying not to get burned in the fire fight between Sacramento and D.C. Last month, 17 automakers — including the four that signed onto Thursday’s deal — wrote a letter to the White House and California urging them to work together to create a single national standard.

The Trump administration had argued that a lower fuel efficiency standard would help boost automakers and be good for the American economy. But California already has sued over the move, arguing that attempts to reduce the requirements or strip the state of its own authority violated the Clean Air Act.

As the state and federal governments duke it out in the courts, car companies could be in for years of uncertainty over their requirements. The fight also raised the prospect of divergent standards going into place, with one rule for cars sold in California and other states that follow its lead, and another requirement for the rest of the country.

In other words, the companies agreed to California’s terms because it was good economics to do so, experts say.

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