The new requirements "improve emissions cuts too slowly and extend key loopholes," said Dan Becker, director of the Center for Biological Diversity's Safe Climate Transport Campaign. "Before this presidential term ends, the administration must issue long-term standards strong enough to usher in the age of electric vehicles. They must close the loopholes and force automakers to actually deliver electric vehicles, rather than just churning out promises to make them."

Biden Toughens Auto-Emissions Proposals Once Scorned as Weak

- New standards govern cars, pickups and SUVs from 2023 to 2026
- Transportation is top U.S. source of greenhouse gas emissions

By Jennifer A Dlouhy
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The Biden administration is imposing limits on automobile greenhouse gas emissions that were toughened after environmentalists blasted its earlier proposal as too weak.

The final standards, which govern the release of carbon dioxide from the tailpipes of cars and light trucks, roughly translate into fleet-wide fuel economy values of 55 miles (89 kilometers) per gallon in model year 2026. They replace mandates weakened by former President Donald Trump and will force automakers to pare 22.6% more carbon dioxide emissions from their fleets over the requirements they are replacing.

"We are setting robust and rigorous standards that will aggressively reduce the pollution that is harming people and our planet -- and save families money at the same time," Environmental Protection Agency Administrator Michael S. Regan said during a ceremony outside the agency's headquarters Monday.

The move takes aim at a major source of carbon dioxide emissions and will help President Joe Biden fulfill his Paris Agreement pledge to at least halve U.S. greenhouse gas releases by the end of the decade. The transportation sector is the single-largest source of greenhouse gas emissions in the U.S.; passenger cars and trucks alone contribute 17% of the national total.

The standards also are expected to encourage more electric vehicle sales, hastening an industry shift that is already underway, with nearly all major automakers having promised to transition their fleets to zero-emission models. However, automakers have made clear they are depending on a slew of government policies to help propel electric vehicle sales -- including tax incentives that were part of Biden's signature economic plan, now stalled in Congress.

The new requirements are key to putting the U.S. "on a course toward a zero-emission future and reestablishing the United States auto industry as the global leader in clean vehicle technology," Regan said.

John Bozzella, president of the Alliance for Automotive Innovation that represents carmakers, stressed in a statement that the final rule "is even more aggressive than originally proposed" and will require a substantial increase in electric vehicle sales as well as investments in the charging infrastructure to power them and other government support.

Responding to pressure from environmentalists and public health advocates, the EPA strengthened the mandates so they are tougher than an initial plan outlined in August and are broadly aligned with requirements the Obama administration charted in 2012.

The EPA's August proposal would have capped carbon dioxide emissions fleet-wide at 171 grams per mile for model year 2026, potentially translating to a fuel economy value of as much as 38 mpg in real-world conditions. But the EPA tightened the final requirements so fleet-wide emissions are limited to 161 grams of carbon dioxide per mile in model year 2026, potentially translating to 40 mpg. By contrast, the Trump-era targets that are being replaced would have capped tailpipe emissions of carbon dioxide at 208 grams per mile -- potentially 32 mpg.

Under the EPA's projections, the standards are expected to help put more electric vehicles on the road -- pushing sales of EVs and plug-in hybrids to about 17% in model year 2026 from an expected 7% in model year 2023.

Still, that's far from Biden's own goal for half of U.S. car sales to be emission-free models by the end of the decade, much less the International Energy Agency's warning that the world must stop selling conventional gasoline-powered cars by 2035 in order to limit global warming to 1.5 degrees Celsius (2.7 degrees Fahrenheit) above pre-industrial levels.

The mandates, which will take effect in 60 days and govern passenger cars, SUVs and light trucks from model years 2023 through 2026, represent the toughest-ever standards of the kind. Still, the administration did not bow to the demands of environmentalists to tighten a suite of proposed credits and incentives that give automakers more flexibility to fulfill the requirements.

Although environmentalists and administration officials had warned those provisions risked undercutting actual, real-world emissions reductions, automakers stressed the flexibilities are vital to meeting the new standards. Without them, the industry wouldn't have been able to independently satisfy model year 2020 requirements, according to a recent EPA analysis.

In the final rule, the EPA said it would continue effectively overcounting the sales of electric vehicles and rewarding automakers with extra credit for technologies that make cars more fuel efficient but don't necessarily show up in tailpipe readings.

Flexibilities

"Automakers are in a strong position to meet these final standards," the EPA said. Still, "the program includes averaging, credit banking and trading provisions to aid the industry in meeting standards through a multiyear planning process."

Those flexibilities could be critical in the out years, as annual emissions improvements get tougher. For model year 2023, the EPA is requiring a combined fleet-wide average of 202 grams of carbon dioxide per mile -- a 9.8% increase in stringency over the relaxed Trump-era standards for model year 2022. In model year 2024, requirements would tighten an additional 5.1%, followed by another 6.6% in model year 2025 and 10.3% in model year 2026.

The updated standards set the stage for another tranche of auto standards governing multiple pollutants for model year 2027 and beyond. The EPA is already working to develop that next era of requirements, which it said will govern light- and medium-duty vehicles through at least model year 2030.

The new requirements "improve emissions cuts too slowly and extend key loopholes," said Dan Becker, director of the Center for Biological Diversity's Safe Climate Transport Campaign. "Before this presidential term ends, the administration must issue long-term standards strong enough to usher in the age of electric vehicles. They must close the loopholes and force automakers to actually deliver electric vehicles, rather than just churning out promises to make them."

The EPA estimated the new requirements would yield $190 billion in net benefits tied to public health improvements, gasoline savings and avoided emissions -- some 3 billion tons worth through 2050. While the standards are expected to boost the price tag of cars, the EPA estimates fuel savings will ultimately exceed that initial cost increase by more than $1,000 over the lifetime of an average model year 2026 vehicle.

The EPA's final requirements represent the kind of executive action Biden can employ to trigger deep greenhouse gas emissions cuts without help from Congress, after Senator Joe Manchin rejected the president's tax-and-spending legislation.

"Today's executive action will unlock literally hundreds of billions in fuel savings for American consumers," said Ali Zaidi, deputy national climate adviser. "It's part of a broader win-win playbook for our consumers, workers and environment."

https://www.bloomberg.com/news/articles/2021-12-20/biden-toughens-his-own-auto-emissions-proposal-decried-as-weak