

# Bloomberg

## Oil and Corn Foes Unite to Battle Biden Policy Promoting EVs

**Supporters of the new requirements called the lawsuits a cynical attempt to preserve the market for liquid fuels. “This is the oil and the ethanol industry and others happily trying to allow more pollution and health harm so they can continue to profit into the future,” said Dan Becker, director of the Center for Biological Diversity’s Safe Climate Transport Campaign.**

Jennifer A. Dlouhy

June 13, 2024

(Bloomberg) -- Advocates of rival petroleum- and plant-based fuels are joining forces to challenge new Biden administration pollution limits they say will unlawfully force automakers to sell electric cars while slashing demand for their own products.

Nearly three dozen companies and trade associations opened their legal fight against the vehicle standards Thursday, filing petitions with the US Court of Appeals for the District of Columbia Circuit. The challengers include such oil industry heavyweights as the American Petroleum Institute as well as the National Corn Growers Association, which backs ethanol, and a Valero Energy Corp. subsidiary that makes it.

Auto dealers, fuel marketers and convenience stores also joined the effort, in at least three separate petitions taking aim at the requirements issued by the Environmental Protection Agency in March. The Renewable Fuels Association and National Farmers Union are set to file their own lawsuit within days.

“Congress has not authorized EPA to effectively ban the sale of new gas and diesel cars and overhaul the US economy in such a major way,” said Chet Thompson, president of the American Fuel and Petrochemical Manufacturers association that represents refiners.

**Supporters of the new requirements called the lawsuits a cynical attempt to preserve the market for liquid fuels. “This is the oil and the ethanol industry and others happily trying to allow more**

**pollution and health harm so they can continue to profit into the future,” said Dan Becker, director of the Center for Biological Diversity’s Safe Climate Transport Campaign.**

The litigation will test one of President Joe Biden’s most far-reaching climate regulations. Together with incentives in the 2022 Inflation Reduction Act, the new standards are already reshaping the US auto industry, steering it toward more electric vehicles. Manufacturers have announced \$179 billion of investments in EV and battery manufacturing plants across the US, according to a Natural Resources Defense Council analysis.

Biden’s pro-EV policies have also become a battle line in the upcoming presidential election, with presumed Republican nominee Donald Trump vowing to scrap them if elected.

The legal attack unites longtime foes, as both oil and ethanol producers increasingly find common ground after years of jockeying over market share. Now, the growth of electric vehicles threatens all liquid transportation fuels.

Opponents say the EPA overstepped its authority under the Clean Air Act by setting pollution standards that only electric vehicles can meet. The cap on carbon dioxide emissions — 85 grams per mile for model year 2032 — is too stringent for cars and light trucks burning gasoline or diesel. The EPA’s approach, however, is based on fleet-wide averages, allowing automakers to keep selling cars that exceed the cap so long as they also sell more EVs.

Michael Buschbacher, a partner at Boyden Gray PLLC representing a coalition of state corn grower groups and biorefining manufacturer ICM Inc., said the EPA is attempting a novel use of its authority “to reverse engineer an electric vehicle mandate.”

Critics also fault the EPA for focusing on tailpipe pollution while ignoring other environmental impacts, such as when battery-powered cars use electricity generated with coal. They accuse the agency of arbitrarily dismissing other pollution-cutting options, such as boosting gasoline octane levels, which could have expanded ethanol sales.

In effect, the standards “mandate the production of electric vehicles, while blatantly ignoring the ability of low-carbon, high-octane renewable fuels like ethanol to achieve significant vehicle emissions reductions,” said Geoff Cooper, president of the Renewable Fuels Association.

Representatives of the EPA declined to comment on pending litigation. But administration officials and supporters of the standards say the new requirements are well within the agency’s authority.

“There’s nothing novel” in the EPA’s approach, said David Cooke, senior vehicles analyst with the Union of Concerned Scientists. He compared it to the embrace of catalytic converters to combat emissions in the 1970s. Now, Cooke said, “electrification has advanced the level of emissions reductions possible, proving itself a viable technology that EPA needs to incorporate.”

<https://finance.yahoo.com/news/longtime-oil-corn-foes-unite-090000642.html>