## EPA and NHTSA to Propose Greenhouse Gas and Fuel Efficiency Standards for Heavy-Duty Trucks; Begin Process for Further Light-Duty Standards

The U.S. Environmental Protection Agency (EPA) and the National Highway Traffic Safety Administration (NHTSA), on behalf of the U.S. Department of Transportation (DOT), are taking the next steps to reduce greenhouse gas (GHG) emissions and fuel use from cars and trucks. This fact sheet contains an overview of President Obama's memorandum on "Improving Energy Security, American Competitiveness and Job Creation, and Environmental Protection through a Transformation of our Nation's Fleet of Cars and Trucks," announced on May 21, 2010.

#### **Overview**

EPA and NHTSA will initiate two joint rulemakings, one to improve fuel efficiency and reduce GHG emissions for commercial trucks, and another to adopt the secondphase of GHG and fuel economy standards for light-duty vehicles. Through these efforts, the United States has the opportunity to lead the world in the development of a new generation of clean cars and trucks through innovative technologies and manufacturing that will spur economic growth and create high-quality domestic jobs, enhance our energy security, and improve our environment.

EPA and NHTSA's April 1, 2010 final rule set the first-ever harmonized GHG and fuel economy standards for light-duty vehicles for model years 2012 through 2016 – a historic first step in addressing the transportation segment's largest contributor to oil consumption and GHG emissions. Light-duty vehicles are responsible for about 60 percent of U.S. transportation GHG emissions.



Building on this success, EPA and NHTSA will for the first time address heavy-duty trucks, which are the transportation segment's second largest contributor to oil consumption and GHG emissions. The heavy-duty sector, from the largest pickups to 18-wheelers, emits about 20 percent of U.S. transportation GHG emissions.

The president also requested that EPA and NHTSA develop a coordinated national program that will set further standards to improve fuel efficiency and reduce greenhouse gas emissions for passenger cars and light-duty trucks for model years 2017 and later. Both programs have the goal of taking coordinated and aggressive steps to deliver a new generation of clean vehicles, and to do this through a coordinated federal program that is also harmonized with applicable state requirements. In that way, car and truck manufacturers will be able to build a single, national fleet of new, clean vehicles.

EPA and NHTSA will be seeking input on these rulemakings from an array of stakeholders, including automobile and truck manufacturers, labor unions, environmental organizations, and others. The agencies will also work closely with the State of California and other key states, recognizing their continued leadership role.

# Need to Reduce Greenhouse Gases and Reduce Fuel Use from Vehicles

Our country has two intertwined and critically important needs - to address global climate change and to reduce oil consumption. EPA and NHTSA are developing a national program to meet these needs by reducing GHG emissions and fuel use from on-highway transportation sources. The effect of these actions will be to reduce GHG emissions, improve energy security, increase fuel savings, and provide regulatory certainty for manufacturers.

Transportation sources emitted 28 percent of all U.S. GHG emissions in 2007 and have been the fastest-growing source of U.S. GHG emissions since 1990<sup>1</sup>. The mobile sources addressed in this regulatory announcement – light-duty vehicles and heavy-duty vehicles – accounted for 23 percent of all U.S. GHG emissions in 2007<sup>2</sup>.

### **Standards for Heavy-Duty Engines and Vehicles**

Building on EPA's and NHTSA's successful collaboration and the overwhelming stakeholder support for establishing harmonized fuel economy and GHG emission standards for light-duty vehicles built in model years 2012-2016, EPA and NHTSA will work to develop strong, coordinated national GHG and fuel efficiency standards for heavy-duty vehicles that will begin with model year 2014.

http://epa.gov/climatechange/emissions/downloads09/GHG2007entire\_report-508.pdf

<sup>&</sup>lt;sup>1</sup> U.S. Environmental Protection Agency. 2009. Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2007. EPA 430-R-09-004. Available at

<sup>&</sup>lt;sup>2</sup> U.S. EPA. 2009 Technical Support Document for Endangerment and Cause or Contribute Findings for Greenhouse Gases under Section 202(a) of the Clean Air Act. Washington, DC. pp. 180-194. Available at http://epa.gov/climatechange/endangerment/downloads/Endangerment%20TSD.pdf

The agencies will propose and take comment on strategies, including those designed to increase the use of existing technologies, to achieve substantial annual progress in reducing transportation sector GHG emissions and fossil fuel consumption from the truck sector, consistent with the Administration's energy and climate security goals. The agencies will seek comment on standards flexible enough to account for the unique market structure of the trucking industry and the diverse demands of heavy-duty vehicle applications. They will also seek to harmonize with applicable state standards.

To inform their work, EPA and NHTSA will seek input from an array of stakeholders, including, but not limited to, vehicle and engine manufacturers, fleet owners and operators, and environmental organizations. The agencies will also work with the State of California and other states in this process, and will consider the findings and recommendations of the National Academies of Science. EPA's preliminary analysis indicates that the heavy-duty standards under consideration have the potential to reduce GHG emissions by approximately 250 million metric tons and save over 500 million barrels of oil over the life of vehicles produced in the first five years of the program.

#### **Further Standards for Light-Duty Vehicles**

EPA's and NHTSA's successful collaboration and the strong stakeholder support for establishing harmonized light-duty fuel economy and GHG emission standards for vehicles built in model years 2012-2016, forms the foundation for a new joint rulemaking to develop a coordinated national program to improve fuel efficiency and reduce GHG emissions for light-duty vehicles manufactured in model years 2017 and beyond. The national program will seek to develop joint federal standards that are harmonized with applicable state standards, with the goal of ensuring that automakers will be able to build a single light-duty fleet that satisfies all requirements. This program will aim to achieve substantial annual progress in reducing transportation sector emissions and fossil fuel consumption, consistent with the Administration's energy and climate security goals, through the increased domestic production and use of existing, advanced, and emerging technologies.

The president's May 21, 2010 memorandum requests that EPA and NHTSA do two key things:

- 1. EPA and NHTSA, working with the State of California, will develop by September 1, 2010, a technical assessment that will inform the rulemaking process. The assessment will reflect input from an array of stakeholders on relevant factors, including viable technologies and costs, benefits, lead time to develop and deploy new and emerging technologies, incentives and other flexibilities to encourage the development of new and emerging technologies, impacts on jobs and the automotive manufacturing base in the U.S., and infrastructure for advanced vehicle technologies.
- 2. By September 30, 2010, EPA and NHTSA will issue a Notice of Intent to Issue a Proposed Rule, announcing plans for setting stringent light-duty vehicle standards for model year 2017 and beyond. The Notice will describe key elements of the program that EPA and NHTSA intend to propose in a future joint rulemaking, and identify potential standards that could be practically implemented nationally for the 2017-2025 model

years. It will also announce a rulemaking schedule for setting standards as expeditiously as possible to provide sufficient lead time to vehicle manufacturers.

#### **Vehicle Descriptions**

For purposes of these future regulatory actions, the light-duty fleet covered by the second-phase joint EPA/NHTSA rulemaking includes passenger cars, light-duty trucks, and medium-duty passenger vehicles. The light-duty vehicle class collectively includes smaller vehicles ranging from subcompact cars and sedans to minivans, sport utility vehicles (SUVs), smaller (1/2 ton) pickup trucks, and similar vehicles with a gross vehicle weight rating (GVWR) of less than 8,500 pounds. Medium-duty passenger vehicles are those between 8,500 and 10,000 lbs GVWR if they are designed and used primarily for transporting persons<sup>3</sup>. An example of a vehicle in this class would be the Hummer H2.

The lightest class of heavy-duty trucks is "class 2b," which includes heavy pickup trucks and vans used primarily for commercial purposes, weighing between 8,500 and 10,000 lbs GVWR. This class would be embodied by a Dodge Ram 2500, for example. EPA would regulate these under the Clean Air Act as heavy-duty vehicles. Other classes covered by the national heavy-duty program would include vocational work trucks, such as new concrete mixers, refuse trucks, urban buses, and utility trucks, as well as combination tractor-trailers, commonly known as "18-wheelers." For a complete listing of vehicle weight classifications, please visit EPA's web page at http://www.epa.gov/otaq/standards/weights.htm.

#### **EPA and NHTSA's Rulemaking Process**

EPA and NHTSA currently anticipate that the joint rulemaking for new heavy-duty engines and vehicles will be proposed this fall, finalized by July 2011, and would begin with model year 2014. When published, the proposal will include full details on the proposed heavy-duty program and supporting analyses, including the costs and benefits of the proposal and its effects on the economy, manufacturers, and consumers. Once the proposed joint rulemaking is published in the Federal Register, there will be an opportunity for public comment and public hearings.

To address further standards for light-duty vehicles, EPA and NHTSA will issue a Notice of Intent by September 30, 2010, announcing our plans for setting stringent light-duty vehicle standards for model year 2017 and beyond, consistent with the respective statutory authorities. The Notice will include a rulemaking schedule for setting standards as expeditiously as possible, while providing sufficient lead-time. The agencies also will gather any additional information needed to support regulatory action. The future proposed rulemaking will provide an opportunity for public notice and comment, including public hearings.

The EPA establishes GHG emissions standards under the Clean Air Act, whereas NHTSA establishes fuel economy standards under the Energy Independence and Security Act (EISA) and

<sup>&</sup>lt;sup>3</sup> Medium-duty passenger vehicles are generally complete vehicles between 8,500 and 10,000 pounds GVWR designed primarily for the transportation of persons. For the complete definition with exclusions, see the Tier 2 final rulemaking, 65 FR 6698, February 10, 2000.

the Energy Policy and Conservation Act (EPCA). The goal of the joint rulemakings is coordinated federal standards that are also harmonized with applicable state standards.

#### **Cleaner Vehicles and Fuels and Necessary Infrastructure**

The president's memorandum asks EPA to review whether the current non-GHG emissions regulations for new motor vehicles/engines and fuels are adequate, including whether current tailpipe standards for nitrogen oxides, air toxics, and gasoline sulfur standards are adequate. If EPA finds that new emission regulations are required, the agency will promulgate new regulations as part of a comprehensive approach toward regulating motor vehicles.

The president also calls on the Department of Energy (DOE), coordinating with EPA and DOT/ NHTSA and working with stakeholders, to develop voluntary standards to facilitate the robust deployment of advanced vehicle technologies, such as electric vehicles and plug-in hybrid electric vehicles.

These efforts recognize that the success of efforts to enhance energy security and protect the environment also depend upon the development of infrastructure and the promotion of fuels, including biofuels, which will enable the development and widespread deployment of advanced technologies.

#### For More Information

You can access the May 2010 White House press release and President Obama's Memorandum to EPA, DOT/NHTSA and DOE through the White House Briefing Room web page:

President Obama Directs Administration to Create First-Ever National Efficiency and Emissions Standards for Medium- and Heavy-Duty Trucks

Presidential Memorandum Regarding Fuel Efficiency Standards

You can learn more about the current regulations to reduce GHG emissions from mobile sources on EPA's web site at:

www.epa.gov/otaq/climate/regulations.htm

You can learn more about the current regulations for fuel economy on NHTSA's web site at:

www.nhtsa.gov/fuel-economy

For additional information, please contact EPA's Office of Transportation and Air Quality, Assessment and Standards Division, E-mail at asdinfo@epa.gov or (734) 214-4636.