October 16, 2023

Ann Carlson, Acting Administrator National Highway Traffic Safety Administration - US DOT 1200 New Jersey Avenue, SE Washington, D.C. 20590

Attn: Docket ID No. NHTSA-2023-0022

RE: Proposed Rule: Corporate Average Fuel Economy (CAFE) standards

Dear Acting Administrator Carlson,

On behalf of the 31 undersigned advocacy groups, we are reviewing NHTSA's proposed Corporate Average Fuel Economy standard with great interest.

NHTSA has historically set Corporate Average Fuel Economy (CAFE) standards that have successfully saved consumers money at the pump, reduced oil use, increased our energy security, and protected our health.

Stringent standards are necessary to ensure automakers manufacture the most fuel-efficient cars. We believe there are opportunities to strengthen the proposal to ensure that it cuts our nation's reliance on dirty oil and provides meaningful consumer benefits. NHTSA must take this opportunity to finalize stronger CAFE standards that maximize environmental and economic benefits.

A major component of the average household budget consists of transportation energy. The cost of fuel for cars is over 3% of the total expenditures nationwide for most households. The average household spends over \$2,000 per year on fuel, which is on par with what households spend on electricity and methane gas combined.<sup>1</sup>

Notably, a study on the impacts of fuel economy improvements demonstrates that stronger standards provide greater benefits for families that need them the most. The highest-income households experienced savings that were about 2.9 times greater than costs, while the lowest-income households experienced savings at 4.3 times greater than costs.<sup>2</sup>

According to research by Consumer Reports, the average fuel economy improved an average of \$7,000 in per-vehicle lifetime fuel savings.<sup>3</sup> During this time, inflation-adjusted vehicle prices did not increase.

<sup>&</sup>lt;sup>1</sup> <u>https://www.energy.gov/eere/analysis/transportation-energy-affordability</u>

<sup>&</sup>lt;sup>2</sup> https://www.nrdc.org/sites/default/files/energy-independence-clean-car-standards-fs.pdf

<sup>&</sup>lt;sup>3</sup> https://advocacy.consumerreports.org/research/vehicle-price-trends-report

Finally, the benefits of ambitious fuel economy standards can deliver economic benefits well beyond individual families. Research from BlueGreen Alliance found that there is a robust domestic industrial sector dedicated to building the technologies improving fuel economy for today's workers. In 2017, there were 1,200 facilities in 48 states employing over 280,000 workers making fuel efficient technology. Continuing to increase the stringency of fuel economy standards is one essential piece of retaining and fostering this sector.<sup>4</sup>

These findings should prompt NHTSA to be aggressive in ensuring that automakers continue to deliver cost-effective technology improvements that save families money.

As one of the world's largest oil importers, America's economy is uniquely vulnerable to the volatility of gas prices, at a time when we should prioritize clean energy investments to drive down costs. A strong CAFE standard can help the U.S. substantially reduce our dependence on oil over the long term given that we'll continue to have combustion vehicles on our roads for decades to come.

The strongest fuel economy standard is one of the most significant actions the United States can take to shift away from oil consumption and save drivers money at the pump. These recommendations are essential to protecting our health, providing fuel savings, and creating good, green jobs. We thank you for your consideration as you work to finalize these long-term standards.

Sincerely,

ACEEE CALSTART Center for Biological Diversity Clean Energy for America Climate Group Coltura Dream.Org Ecology Center **Electric Vehicle Association** Environmental Law & Policy Center **Evergreen Action EVHybridNoire** Grand Rapids Climate Coalition GreenLatinos Interfaith Power & Light League of American Bicyclists League of Conservation Voters (LCV) MEVA

<sup>&</sup>lt;sup>4</sup> <u>https://www.bluegreenalliance.org/resources/supplying-ingenuity-ii-u-s-suppliers-of-key-clean-fuel-efficient-vehicle-technologies</u>

MI Air MI Health Michigan Clinicians for Climate Action Michigan Electric Vehicle Alliance National Consumer Law Center, on behalf of our low-income clients NRDC (Natural Resources Defense Council) Plug In America Public Citizen Respiratory Health Association Sierra Club Southern Environmental Law Center Southwest Detroit Environmental Vision Project (S.D.E.V.) Southwest Energy Efficiency Project Union of Concerned Scientists