Opening Statement of Joseph Goffman Principal Deputy Assistant Administrator Office of Air and Radiation U.S. Environmental Protection Agency

Hearing on "Proposed Standards to Reduce Greenhouse Gas Emissions from Heavy-Duty Vehicles for Model Year 2027 and Beyond"

"Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles"

and

U.S. House of Representatives
Committee on Oversight and Accountability
Subcommittee on Economic Growth, Energy Policy, and
Regulatory Affairs

June 21, 2023

Chairman Fallon, Ranking Member Bush, Members of the Subcommittee: Thank you for the opportunity to testify today on EPA's "Proposed Standards to Reduce Greenhouse Gas Emissions from Heavy-Duty Vehicles for Model Year 2027 and Beyond" and "Proposed Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles."

The transportation sector accounts for the largest portion—nearly one third—of GHG emissions and for a significant level of health-threatening air pollutants in the United States, and EPA is

prioritizing taking action to reduce these emissions in order to ensure that Americans enjoy healthier lives.

In April, EPA announced proposed pollution standards for light-, medium-, and heavy-duty vehicles, for model year 2027 and beyond. The proposed standards align with commitments already made by automakers and commercial vehicle manufacturers as they plan to accelerate clean vehicle technologies in the on-road vehicle fleet over the next 5 to 10 years. Consistent with EPA's traditional approach to establishing pollution standards under the Clean Air Act, these proposals would deliver dramatic improvements in public health, notable savings for consumers and commercial fleets, and increased energy security for Americans. They would help American workers lead in the jobs and industries of tomorrow. If finalized, these proposals would mark a significant step towards improving air quality, protecting people's health, and addressing the climate crisis.

These proposals would deliver widespread reductions in harmful air pollutants and deliver important public health benefits. They would improve air quality for communities across the nation, especially communities that have borne the burden of polluted air. Motor vehicle pollution is linked with avoidable premature deaths

and serious illnesses, including respiratory illness, cardiovascular problems, and cancer.

In addition, EPA estimates that between 2027 and 2055, the proposed light- and medium-duty standards would reduce CO₂ emissions by 7.3 billion metric tons. The heavy-duty proposal would reduce CO₂ emissions by 1.8 billion metric tons. Together, these reductions would be equivalent to more than twice the total U.S. CO₂ emissions in 2020.

The proposed standards would also deliver significant economic benefits, including lower fuel and maintenance costs for families. The proposed light-duty vehicle standards would on average save consumers \$12,000 over the lifetime of a vehicle, and together, these proposals would strengthen American energy security by reducing 20 billion barrels of imported oil from 2027 through 2055. Under the heavy-duty proposal, EPA expects that truck and bus owners would see approximately \$250 billion in savings associated with reduced fuel used and vehicle maintenance requirements and fewer repairs needed.

Overall, EPA estimates that the benefits of the proposed light-duty vehicle standards alone would exceed costs by at least \$1 trillion. EPA developed the vehicle proposals recognizing the significant investments Congress has made in clean vehicle technologies

through the Inflation Reduction Act and the Bipartisan Infrastructure Law, and that industry has made in response to market shifts, technology innovation, and increasing consumer interest in electric vehicles.

Developments in vehicle electrification are also driven in part by the need to compete in a diverse and global market, as zeroemission transportation policies continue to be implemented across the world. These proposed standards, if finalized, would play an important role in maintaining and expanding the U.S.'s position as a global leader in clean vehicle technologies.

Since President Biden took office, the number of EV sales has more than tripled, while the number of available models has doubled. There are over 130,000 public chargers across the country—a 40% increase since 2020. The private sector has also committed more than \$120 billion in domestic EV and battery investments since President Biden signed the Inflation Reduction Act into law.

Car and truck companies moving to include more electric and other zero-emission vehicles in their product lines leads to an increasing diversity of clean vehicle choices for consumers. We know that Americans need and want flexibility in the types of vehicles they drive. These proposals are not a national Zero

Emission Vehicle mandate, or an "internal combustion engine ban." The proposed standards are performance-based emissions standards and are technology neutral, meaning that manufacturers can choose the mix of technologies (including internal combustion technologies) that they believe would be best suited for their fleet to meet the standards and to meet the needs of American drivers.

Under the light- and medium-duty proposal, EPA projects that over the proposed phase-in of the program from 2027 through 2032, approximately 42 million to 48 million internal combustion engine vehicles would continue to be sold, with about 5 to 6 million new internal combustion engine vehicles still being sold annually in 2032 and beyond. Similarly, under the heavy-duty proposal, EPA projects that approximately 2.5 million internal combustion engine vehicles would continue to be sold over the proposed phase-in of the program, with about 330 to 390 thousand new internal combustion engine vehicles still being sold annually in 2032 and beyond. That preserves a lot of choice for consumers to find the vehicle that meets their needs.

I want to emphasize that EPA is in the proposal stage of our rulemakings, and that our proposals include several different alternative approaches. For the heavy-duty proposal, EPA held a two-day public hearing in early May, where more than 210 stakeholders provided testimony on the proposed rule. The public comment period ended on June 16, and we are currently reviewing the comments and input we received. For the light- and medium- duty proposal, EPA held 3 days of public hearings in May, and heard from more than 200 testifiers. The public comment period for this proposal is open until July 5th, so we encourage any interested stakeholders to continue to share their input by submitting comments to the rulemaking docket. We look forward to reviewing the ample feedback on these proposals, and we will take those comments into consideration as we work to finalize the rulemakings.

I look forward to your questions. Thank you.