

As America's historic standards for fuel-efficient, low-pollution cars face an imminent mid-term review, a number of major auto makers – including General Motors and Honda – are on the record in their formal submissions to the U.S. Securities and Exchange Commission (SEC) affirming their commitment to deliver cleaner cars.

Indeed, General Motors stated in a recent submission to the SEC, "We are fully committed to improving fuel efficiency and meeting regulatory standards...." (*bold added*).

In 2012, the U.S. Environmental Protection Agency (EPA) and National Highway Traffic and Safety Administration (NHTSA) jointly finalized national greenhouse gas reduction and fuel efficiency standards for new cars and passenger trucks for model years 2017 to 2025. Those landmark phase two <u>Clean Car standards</u>, together with the phase one standards, are expected to double the average fuel economy of the nation's fleet of cars and light trucks to **54.5 miles per gallon.** As part of the rulemaking, EPA and NHTSA are conducting a <u>mid-term review</u>. Policymakers will consider feedback from industry and the public and then decide whether to adjust target goals for model year 2022 to 2025 vehicles. The process will officially kick off with the imminent release of a <u>Draft Technical Assessment Report</u>, after which there will be a public comment period.

In formal filings with the SEC, major auto companies have included statements addressing the advances in technology and the viability of strong fuel efficiency and greenhouse gas emission standards. Some major auto companies have asserted their commitment to reducing greenhouse gases, improving fuel efficiency, and developing and deploying advanced technologies to meet these important safeguards.

Here are statements from some major auto companies:

"One of our priorities for research is to continue to develop and advance our alternative propulsion strategy because energy diversity and environmental leadership are critical elements of our overall business strategy. **Our objective is to be the recognized industry leader in fuel efficiency** through the development of a wide variety of technologies to reduce petroleum consumption."

- General Motors, <u>Form 10-K</u>, filed 2015, page 4 (bold added)

"We are investing significantly in multiple technologies offering increasing levels of vehicle electrification including eAssist, plug-in hybrid, full hybrid, extended range and battery electric vehicles ... We are fully committed to improving fuel efficiency and meeting regulatory standards..."

- General Motors, <u>Form 10-K</u>, filed 2016, pages 5 and 6 (bold added)

"We are strengthening and investing in our core business of designing, developing, manufacturing, marketing, financing, and servicing cars, trucks, SUVs, and electrified vehicles ... We will add more electrified products for Ford and Lincoln, including the new Focus Electric, which features all-new DC fast-charge capability delivering an 80% charge in an estimated 30 minutes and a projected 100-mile range. Through 2020, we plan to invest \$4.5 billion in electrified vehicle solutions."

## - Ford Motor Company, Form 20-F, filed 2016, page 31

"We also continue to research vehicle applications for improving recuperation and re-use of thermal energy and of kinetic energy, thereby reducing energy consumption and related CO2 emissions of conventional and hybrid electric vehicle models ... Launching in 2016, the new Chrysler Pacifica Hybrid is expected to achieve an efficiency rating of 80 miles per gallon equivalent (MPGe), based on U.S. Environmental Protection Agency standards and provide an estimated range of 30 miles solely on zero-emissions electric power." [98]

## - Fiat Chrysler, <u>Form 20-F</u>, filed 2016, pages 98 and 99

"Honda will step up its efforts to create better, cleaner and more fuel-efficient engine technologies ... [w]ith the long-term goal of reducing total CO2 emissions by 50% compared to year 2000 levels by 2050, Honda has set an interim target to reduce CO2 emissions from its global products by 30% by 2020. Honda will strengthen its efforts to realize reductions in CO2 emissions through its entire corporate activities including its supply chain ... In the electrical technologies, development has been underway for plug-in hybrids that Honda regards and expects as the future of EVs, and development is also underway for zero emission vehicles such as fuel cell vehicles and battery EVs ahead of an expected eventual rise in demand."

## - Honda Motor Co., <u>Form 20-F</u>, filed 2016, Pages 27 and 59 (bold added)

"The standards of fuel economy are stringent, and Toyota strives to meet the fuel economy standards by further developing fuel-efficient technology, alternative fuel technology and other advanced technology ... Toyota is promoting research and development into the early commercialization of next generation environmentally friendly, energy-efficient and safe-vehicle technology and is making efforts to produce vehicles that are friendly to people and the environment by focusing on the following areas:

- further improvements in hybrid technologies, including in functions and cost, and contributions to the environment through advancements;
- improvement in gasoline engine fuel economy technology as well as improvement in technology in connection with more stringent emission standards;
- promoting improvements in functions and fuel economy of clean diesel engines;
- development of electric vehicles, fuel cell vehicles and other alternative fuel vehicles; and
- development of technology designed to promote driving and vehicle safety."

## - Toyota Motor Corporation, <u>Form 20-F</u>, filed 2016, pages 39 and 47

The Clean Car standards have already been delivering tremendous benefits to Americans, and the technologies needed to meet the standards are readily available. **Reaffirming the standards is critical to continue to drive technological advances, and make sure that our families and communities continue to get the significant health, environmental, national security and economic benefits of this historic program.** 

You can find more about the Clean Car standards on <u>our website</u>. I would also be happy to talk about further about the issue. Please feel free to call me.

Sincerely,

Vickie Patton EDF General Counsel 720-837-6239 vpatton@edf.org

Or you can reach me through:

Sharyn Stein Environmental Defense Fund 202-905-5718 <u>sstein@edf.org</u>