U.S. Chamber of Commerce



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The Honorable Lee Zeldin Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, DC 20460

Re: Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards, 90 Fed. Reg. 36288 (Aug. 1, 2025) [Docket No. EPA-HQ-OAR-2025-0194]

Dear Administrator Zeldin:

Thank you for the opportunity to provide comments on the U.S. Environmental Protection Agency's ("EPA") proposed rule, "Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards," 90 Fed. Reg. 36288 (Aug. 1, 2025) (the "Proposal" or "Proposed Rule").

The U.S. Chamber of Commerce ("the Chamber") is the world's largest business federation. It represents approximately 300,000 direct members and indirectly represents the interests of more than three million companies and professional organizations of every size, in every industry sector, and from every region of the country.

The Chamber recognizes the risks posed by global climate change and is working with its members to reduce greenhouse gas ("GHG") emissions through policies and programs that are realistic, are durable, and that reinforce and enhance U.S. competitiveness. The Chamber supports reasonable and legally supportable government actions to reduce GHG emissions, including efforts to reduce GHG emissions from the transportation sector.

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¹ See U.S. Chamber of Commerce, "Our Approach to Climate Change," available at https://www.uschamber.com/climate-change/our-approach-to-climate-change.

The Chamber strongly supports EPA's current efforts to revoke or revise the regulations that would be amended by the Proposed Rule because they are enormously costly and ultimately unachievable. When these motor vehicle and engine standards were proposed in 2021 – 2023, we raised these concerns in our written comments, but our comments were largely disregarded. We are pleased that EPA is now focused on eliminating unrealistic and unattainable GHG standards for vehicles and engines that harm both businesses and consumers by forcing a rushed transition to electric vehicles at a time when customer adoption of such vehicles remains low and charging infrastructure is still quite limited.

Likewise, the Chamber strongly supports the actions that Congress and the President have recently taken under the Congressional Review Act (CRA) to overturn the waivers that EPA had granted to California to allow that state (and other states that choose to adopt California's standards) to ban the sale of gasoline- and diesel-powered cars and trucks.² The CRA actions will help to ensure a unified national regulatory regime under which manufacturers can plan with confidence and invest in the large capital expenses associated with new vehicle and engine equipment.

The Proposal provides several alternative rationales for repealing GHG emissions standards for vehicles and engines. Using any additional procedure that may be suitable (including, as appropriate, potential interim relief), EPA should propose and finalize an additional alternative rationale for revoking the previous Administration's GHG emission standards for vehicles and engines on the grounds of technical feasibility and cost. Such an action should include workable and cost-effective alternative GHG emissions standards for vehicles and engines. Doing so will contribute to ensuring that EPA's actions are durable notwithstanding future developments, including the prospect of new litigation challenging EPA's actions.

In addition, EPA should act quickly to begin and complete a separate regulatory action to revise the previous administration's criteria pollutant emission standards for motor vehicles and engines that were premised on that administration's aggressive efforts to force a rapid transition to electric vehicles. Given the rapidly approaching compliance deadlines for these standards, EPA should consider granting expeditious interim relief through an appropriate mechanism to ensure that vehicle and engine manufacturers are not forced to incur substantial costs to comply with the previous administration's unworkable criteria pollutant standards.

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² See Chamber Letter Supporting CRA Resolutions of Disapproval to Overturn U.S. EPA's Federal Preemption Waivers, available at https://www.uschamber.com/environment/hill-letter-supporting-cra-resolutions-of-disapproval-to-overturn-u-s-epas-federal-preemption-waivers-advanced-clean-cars-ii-acc-ii-s-j-res-45-the-omnibus-low-nox-s-j-res-47-and-advanced-clean-trucks-s-j-res-46.

Finally, when EPA issues the final rule in this rulemaking, the Agency should make clear that, under both the Clean Air Act and the Energy Policy and Conservation Act, states will continue to be preempted from issuing their own GHG emission standards for vehicles and engines, regardless of the outcome of this rulemaking. Likewise, EPA should reaffirm that (1) in light of (among other precedents) the Supreme Court's decision in *Am. Electric Power Co. vs Connecticut*, 564 U.S. 410 (2011) (*AEP*), the Clean Air Act will continue to displace federal common-law claims regarding GHG emissions and (2) both common-law claims under state law and state statutes that seek to impose liability of any kind on energy producers for harms allegedly caused by GHG emissions beyond a state's borders are barred under the federal Constitution, as well as by the Clean Air Act.

The Chamber has long expressed serious concerns about regulatory overreach, with particular attention to the enormous cost of recent EPA regulations.

During the four years of the Biden Administration, federal agencies adopted new regulations that, according to the agencies' own estimates, were projected to have a net present value cost of more than \$1.8 trillion.³ This vastly exceeds the regulatory cost imposed under any prior presidential administration, including those in office for eight years. And if these regulations are left in place, actual costs are likely to be higher than the costs projected by the agencies when those regulations were promulgated.

Regulatory relief is one of the Chamber's highest priorities.⁴ In her 2025 State of American Business Address, Chamber President and CEO Suzanne P. Clark stressed the need for regulatory relief to create opportunities for businesses and workers to thrive. She noted that the "unprecedented bureaucratic micromanagement of business" during the Biden Administration would impose enormous costs that "trickle down into Americans' lives and pocketbooks through higher prices, lower wages, and fewer jobs."

EPA is responsible for the vast majority of the total regulatory costs imposed by all federal agencies during the prior administration. Remarkably, more than \$1.3 trillion of the \$1.8 trillion in total regulatory costs are attributable to EPA, and the majority of these costs (nearly \$1.1 trillion) come from EPA's recently adopted GHG emission standards for vehicles and engines.

³ See Dan Goldbeck, "The Biden Regulatory Record" (January 29, 2025), available at https://www.americanactionforum.org/insight/the-biden-regulatory-record/.

⁴ See Suzanne P. Clark, *Let the Trump Deregulation Begin*, WSJ (Nov. 11, 2024), available at https://www.wsj.com/opinion/let-the-trump-deregulation-begin-us-chamber-of-commerce-second-term-economic-growth-73f24387?msockid=30467651eeaf651537436045eff364fd.

When the previous administration issued new EPA motor vehicle and engine emission standards designed to force a rapid transition to electric vehicles, it largely disregarded the concerns raised by the Chamber and others regarding the feasibility, cost, and unintended consequences of those standards.

During the prior administration, EPA issued three major rules designed to force a rapid transition to electric vehicles: (1) GHG emission standards for model year 2023 and later light-duty vehicles; (2) multi-pollutant emissions standards for model year 2027 and later light- and medium- duty vehicles; and (3) Phase 3 GHG emission standards for heavy-duty vehicles. When EPA proposed these rules for public comment, the Chamber (along with others) raised several major concerns that were largely disregarded.

Specifically, we urged EPA to consider key factors outside the control of vehicle and engine manufacturers, including supply chain constraints, charging infrastructure availability, and consumer acceptance of and willingness to buy electric vehicles. Since those rules were finalized, the importance of those factors has only become more apparent.

In particular, a practical challenge inherent in vehicle GHG standards is that manufacturers' compliance is largely driven by the products that *consumers are willing to buy*. The long-standing trend toward larger and more capable vehicles with new features indicates that factors beyond mileage and emissions are influencing consumer behavior, including not only cost but fueling convenience, performance, family needs, and others. Notwithstanding the enormous investments that vehicle manufacturers have made to develop and promote electric vehicles, EPA's prior assumptions about consumer interest in purchasing electric vehicles have proven to be overly optimistic.

As we emphasized in our comments, regulations that increase the cost of new vehicles or limit consumer choice do not just impose economic costs on manufacturers and consumers. They can also cause consumers to delay or forgo the purchase of new vehicles and to continue driving older, higher-emission vehicles that are often less safe than new vehicles, resulting in unintended environmental, safety, and economic consequences. We appreciate EPA's acknowledgment of these unintended consequences in its Proposal.

Additionally, Section 202(a) of the Clean Air Act requires that EPA must consider technological feasibility, compliance costs, and appropriate lead time for manufacturers when promulgating vehicle emissions standards. EPA's prior rules failed to adequately address these requirements, relying on overly optimistic and unrealistic market assumptions, and including administratively infeasible testing and certification requirements that disrupt vehicle product planning and investment

cycles and leave automakers with insufficient lead time to bring new products to market.

In addition, we expressed other serious concerns that EPA failed to address when it issued overly aggressive rules to force a transition to electric vehicles:

- Underdeveloped and insecure supply chains for electric vehicle batteries and other components. Electric vehicles need approximately six times more critical and other key minerals than conventional vehicles, and the International Energy Agency estimates that EV-related demand for these minerals will increase almost 30-fold through 2050. The auto industry and other sectors facing growing supply chain concerns are working with the mining sector to address projected shortfalls of these minerals and the associated refining and processing needs, but the challenge is immense. Successfully ramping up these efforts will take years under even the most optimistic scenarios.
- The need for permitting reform. To allow U.S. vehicle manufacturers to compete internationally, the U.S. must adopt permitting reforms that will allow domestic extraction projects to provide the critical minerals and other raw materials necessary for manufacturing batteries and other components for electric vehicles. According to the National Mining Association, mine permitting in the U.S. takes on average seven to 10 years, and often longer. In other countries with similarly strong environmental standards, such as Canada and Australia, mine permitting typically takes no more than two to three years. We strongly support the Administration's effort to improve the permitting of all infrastructure and energy projects, and we urge the federal government to take action to ensure expedited review of mining projects that would increase the domestic supply of critical minerals and other key raw materials.
- Inadequate EV charging infrastructure. It is now well understood that consumer interest in electric vehicles is highly dependent on the existence of an adequate nationwide network of reliable EV charging stations. When EPA finalized rules to mandate a rapid transition to electric vehicles, it assumed that, by 2032, there would be a national charging network robust enough to support the agency's expectation of nearly 70% EV sales in model year 2032. It

⁵ International Energy Agency, "The Role of Critical Minerals in Clean Energy Transitions," Executive Summary, available at https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/executive-summary.

⁶ <u>See</u> National Mining Association, "Delays in the U.S. Mine Permitting Process," <a href="https://nma.org/wp-content/uploads/2021/05/Infographic SNL minerals permitting 5.7 updated.pdf#:~:text=As%20a%20consequence%20of%20the%20country's%20inefficient,regulations%2C%20the%20average%20permitting%20period%20is%20two.

is now clear, however, that this assumption was unrealistic. This problem alone is sufficient reason to justify revocation of the current GHG emission standards for vehicles and engines.

The Chamber recognizes that EPA has proposed to revoke all GHG emission standards for vehicles and engines based on several alternative rationales, including rationales that would support a rescission of the 2009 endangerment finding under Section 202 of the Clean Air Act, as well as rationales that would apply irrespective of whether the endangerment finding is rescinded or retained. Using a suitable procedural mechanism (including, as appropriate, potential interim relief), EPA should propose and finalize an additional alternative rationale for revoking the previous Administration's motor vehicle and engine emission standards based on the reasons discussed above, including technical feasibility and cost. Such an action should include workable, durable, and cost-effective alternative GHG emissions standards for vehicles and engines. Doing so would contribute to ensuring that EPA's actions are durable notwithstanding future developments, including the prospect of new litigation challenging EPA's actions.

EPA must also promptly revise the previous administration's emissions standards for criteria pollutants from motor vehicles and engines, which were premised on the widespread adoption of electric vehicles.

When EPA issued GHG emission standards for model year 2027 and later lightand medium- duty vehicles, it also adopted criteria pollutant emission standards for those same vehicles. These standards were also premised on the widespread adoption of electric vehicles, and, as is the case with vehicle GHG standards, are achievable only via what is effectively an EV mandate.

In addition to finalizing this rulemaking, EPA should therefore act quickly to begin and complete a separate regulatory action to revise the criteria pollutant emission standards for model year 2027 and later light- and medium-duty vehicles. Given the rapidly approaching compliance deadlines for these standards, EPA should consider granting expeditious interim relief through an appropriate mechanism to ensure that vehicle and engine manufacturers are not forced to incur substantial costs to comply with the previous administration's emission standards for criteria pollutants, which are not workable for regulated parties. For similar reasons, EPA also should take a similar approach with regard to "Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine and Vehicle Standards," 88 Fed. Reg. 4296 (Jan. 24, 2023).

The National Highway and Traffic Safety Administration must promptly revise CAFE standards that correspond to EPA's GHG emission standards.

When EPA adopted its GHG standards for motor vehicles and engines, the National Highway and Traffic Safety Administration ("NHTSA") issued corporate average fuel economy ("CAFE") standards that are similar to EPA's standards for light-duty vehicles and some heavy-duty trucks and vans. To some extent, the CAFE standards codify EPA's GHG emission standards in a different form through this adjacent, but equally binding, regulatory program. Thus, to ensure the regulatory relief that EPA is proposing to provide here is actually achieved, NHTSA will need to revoke or revise the corresponding CAFE standards. The Chamber urges EPA to work closely with NHTSA to achieve this important goal.

In its final rule, EPA should affirm that, irrespective of the outcome of this rulemaking, federal law will continue to preempt state laws and common-law claims based on global climate change, and the Clean Air Act will continue to displace federal common-law claims based on global climate change.

In the final rule, EPA should forcefully rebut the assertion that, if EPA rescinds the 2009 endangerment finding and revokes all GHG emission standards for motor vehicles and engines, then states will be free to set their own GHG emission standards for new vehicles and engines. The final rule should also reaffirm that, under the Supreme Court's decision in *AEP v. Connecticut* and other precedents, states and other parties will not be able to pursue federal or state common-law claims for the effects of global climate change, and states will not be able to enact or enforce statutes that seek to impose liability for the effects of global climate change.

First, the Agency should make clear that, under both the Clean Air Act and the Energy Policy and Conservation Act, states will continue to be preempted from issuing their own GHG emission standards for vehicles or engines, regardless of the outcome of this rulemaking. Section 209 of the CAA explicitly preempts states from adopting or enforcing "any standard relating to the control of emissions from new motor vehicles." Such preemption is not just for "regulated emissions" or "emissions regulated by EPA." The textual scope of preemption under Section 209 is broad for good reason: the purpose of this provision was to ensure that automakers would not be required to produce different vehicles for different states.

The legislative history of the Clean Air Act makes it clear that Congress understood the need for a national market for vehicles and engines, and it adopted Section 209 to accomplish this goal. Congress certainly did not intend to create a loophole to allow states to restrict the types of vehicles that could be sold within their borders simply by setting an emission standard for a pollutant not regulated by EPA.

Moreover, the Energy Policy and Conservation Act ("EPCA") explicitly preempts all state laws "related to fuel economy standards or average fuel economy standards." See 42 U.S.C. § 32919(a). Regulation of GHG emissions from automobiles is plainly "related to fuel economy standards," under the U.S. Supreme Court's interpretation of statutes that use the broad "related to" formulation in *Morales v. Trans World Airlines, Inc.*, 504 U.S. 374 (1992), because the two kinds of regulation are inseparable: regulation of carbon dioxide emissions is effectively the same as the regulation of fuel economy. In fact, NHTSA determines a vehicle's fuel economy by measuring CO2 emissions from the vehicle's tailpipe. Thus, as NHTSA and EPA concluded in the SAFE Rule, see "The Safer Affordable Fuel-Efficient (SAFE) Vehicle Rule Part One: One National Program," 84 Fed. Reg. 51310, 51314 (Sept. 27, 2019), EPCA's preemption provision overrides any state's attempt to regulate GHG emissions.

Second, with regard to federal common-law claims regarding the alleged harms caused by GHG emissions, the Supreme Court has made it clear that such claims are displaced by the Clean Air Act, regardless of whether EPA has particular GHG emissions regulations in force, because "Congress delegated to EPA the decision whether and how to regulate" such emissions under the CAA. See AEP, 564 U.S. at 426. Similarly, any effort based on state law (whether by statute, by asserting common-law claims, or by any other mechanism) to regulate or impose liability for emissions of GHGs (or any other pollutant) from sources beyond its borders is foreclosed under the basic scheme of the Constitution and by the Clean Air Act (which, among other things, provides a procedure under which one state may formally request that EPA regulate emissions from another state; see CAA Section 129). See, e.g., City of New York v. Chevron Corp., 993 F.3d 81 (2d Cir. 2021).

Conclusion

The Chamber has long been concerned about the impact of regulatory overreach and strongly supports the Administration's efforts to revoke or revise unreasonable federal regulations that impose unnecessary costs on businesses and consumers and stifle economic activity.

Under the prior administration, EPA's trillion-dollar GHG regulations for vehicles and engines represent one of the most egregious examples of regulatory overreach in U.S. history. Even though vehicle and engine manufacturers have made substantial investments in developing and promoting electric vehicles, the prior administration's effort to mandate a rapid transition to such vehicles, if left in place, would have serious adverse impacts on those companies and their suppliers, on U.S. workers, and on U.S. consumers.

For these reasons, the Chamber strongly supports EPA's proposal to revoke or revise the regulations that would be amended by the Proposed Rule. We are pleased that EPA is now focused on eliminating unrealistic and unattainable GHG standards that were designed to force a rushed transition to electric vehicles at a time when customer interest in purchasing such vehicles remains low.

As discussed above in further detail, the Chamber urges EPA to expand its efforts in several ways:

- By proposing and finalizing an additional alternative rationale for revoking EPA's GHG emission standards for vehicles and engines on the grounds of technical feasibility and cost.
- By promulgating workable and cost-effective alternative GHG emissions standards for vehicles and engines aimed at ensuring that EPA's actions are durable notwithstanding future developments, including the prospect of new litigation challenging EPA's actions.
- By acting quickly to complete a separate regulatory action to revise the previous administration's criteria pollutant emission standards for motor vehicles and engines that were premised on the widespread adoption of electric vehicles.
- By developing expeditious interim relief through an appropriate mechanism to ensure that vehicle and engine manufacturers are not forced to incur substantial costs to comply with the previous administration's unworkable criteria pollutant standards.
- By clarifying that under both the Clean Air Act and the Energy Policy and Conservation Act, states will continue to be preempted from issuing their own GHG emission standards for vehicles and engines, regardless of the outcome of this rulemaking.
- By reaffirming that (1) in light of (among other precedents) the Supreme Court's
 decision in AEP, the Clean Air Act will continue to displace federal common-law
 claims regarding GHG emissions and (2) both common-law claims under state
 law and state statutes that seek to impose any form of liability on energy
 producers for harms allegedly caused by GHG emissions beyond a state's
 borders are barred under the federal Constitution, as well as by the Clean Air
 Act.

The Chamber is grateful for the opportunity to provide comments on the Proposed Rule.

Sincerely,

Marty Durbin

Senior Vice President, Policy President, Global Energy Institute

U.S. Chamber of Commerce