

# Alert

dvrpc | September 2018

*Alert is a monthly update on transportation and air quality planning activities in the Delaware Valley.*



## Air Quality Regulations

### EPA Announces Rollback of Fuel Efficiency Standards

On August 2, 2018 the U.S. Environmental Protection Agency (EPA) announced that it is moving ahead on its plan to roll back the fuel economy mandate, or CAFÉ (Corporate Average Fuel Economy) Standards, set by the Obama administration.

The previous guidelines, which were reached during Obama's first term, call for automakers to attain a fleet average of 54.5 miles per gallon (mpg) by 2025. The CAFÉ standards include fleet credits and adjustments for fuel prices which results in actual fuel economy expected in the low to mid-40 mpg range. EPA's announcement means the new standard would be frozen at 2020 levels, around 37 mpg.

Acting EPA chief Andrew Wheeler said the agency also intends to eliminate California's authority to set its own automotive emissions rules. California was granted a waiver to set its own emissions standards in the original Clean Air Act in order to deal with California's outsized air quality issues. This waiver allows California to set emissions rules that have traditionally been tougher than those put in place by the EPA for the rest of the country. Sixteen other states, including Pennsylvania, New Jersey, and Delaware comply with the California emissions rules.

According to Wheeler, vehicle safety and cost of the new vehicles to consumers played a role in the decision to freeze the CAFÉ standards at 2020 levels. Wheeler stated; "Our proposal aims to strike the right regulatory balance based on the most recent information and create a 50-state solution that will enable more Americans to afford newer, safer vehicles that pollute less."

National Highway Traffic Safety Administration Deputy Administrator Heidi King said the mid-term review conducted by the Trump administration concluded the average new vehicle would increase in price by \$2,340 by 2025 with overall costs to the country estimated at \$500 million in the long-term. As a result, the original, 54.5 mpg target would mean more expensive cars that many consumers couldn't afford to buy. The EPA claims that this cost increase would slow fleet turnover and negatively impact vehicle safety by slowing the roll-out of new safety technology in vehicles.

Auto industry officials had vocally supported a rollback during meetings with the president in 2017. But facing heavy pressure from consumer lobbying groups, they have largely been silent about a cut in mileage targets in recent months and, in some cases, have even appeared to come out in favor of keeping the Obama-era mileage targets.



## Save the Date

**Friday  
September 25, 2018**

**Healthy Communities  
Task Force  
9:00 am**

*Location of Meeting:  
DVRPC Conference Center  
8th Floor  
6th and Race Streets  
Philadelphia, PA*

**Wednesday  
October 10, 2018**

**Delaware Valley Goods  
Movement Task Force  
10:00 am**

*Location of Meeting:  
DVRPC Conference Center  
8th Floor  
6th and Race Streets  
Philadelphia, PA*

Ford CEO Jim Hackett and Chairman Bill Ford recently issued a statement saying, “We support increasing clean car standards through 2025 and are not asking for a rollback.”

But Ford, along with most of the rest of the industry, does want to eliminate the California waiver.

“From the automakers' perspective, they'll be happy not to deal with CARB,” (the California Air Resources Board that sets emissions targets), said Dave Sargent, the head of automotive research for J.D. Power and Associates. “What they want more than anything is one set of rules. Multiple sets of rules get expensive to meet, as that can mean designing one model for states following the California rules and another model for the rest of the country.”

California and 16 other states, along with the District of Columbia, filed a lawsuit on May 2, 2018 challenging the planned CAFE standards rollback and further legal action is expected to follow now that the administration will attempt to eliminate California's Clean Air Act Waiver.

Before the new standards take effect, EPA will have to do a whole new rulemaking process, which could take up to a year and will be subject to legal challenge. Legal action could tie up the proposed changes to the CAFÉ standards for years and create uncertainty for the automotive industry moving forward.

For more information on the proposal to roll-back the national CAFÉ standards, please visit:

[www.nbcnews.com/business/autos/trump-administration-revokes-obama-era-fuel-economy-standards-n896846](http://www.nbcnews.com/business/autos/trump-administration-revokes-obama-era-fuel-economy-standards-n896846)



## Air Quality Information

### New York City Takes the Lead in Addressing Carbon Emissions from Big Buildings

New York City Councilman Costa G. Constantinides announced a bill on August 20, 2018 to mandate dramatic energy use cuts in big buildings, aimed at reducing carbon dioxide (CO<sub>2</sub>) emissions from New York City's largest source of CO<sub>2</sub> emissions.

The legislation plans to require the city's largest buildings to reduce energy use by 20 percent by 2030, as well as to set a framework for increasing the cuts by 40 percent to 60 percent by 2050. Combined with projected increases for renewable energy capacity on the power grid, the city could reduce its climate-warming emissions by 80 percent. Electricity and heating in buildings make up nearly 70 percent of the city's climate pollution, with luxury towers producing the greatest share.

“The low-hanging fruit is gone,” according to Constantinides, a Queens legislator who leads the Council's Committee on Environmental Protection. “If we are going to make a real impact on climate change, it's going to be on buildings.”

The legislation, which is not yet complete, would make the nation's largest and most economically influential city among the first major cities in the world to mandate strict retrofits on existing buildings to reduce greenhouse gas emissions. The proposals outlined in the bill came from an unprecedented first agreement, released last week, between environmental groups, affordable housing advocates, unions, and the city's real estate lobby on a set of policies to slash buildings' carbon pollution 80 percent by 2050.

The only thing similar to the proposal in the world is a cap-and-trade policy in Tokyo that allows big commercial landlords in the Japanese capital to buy and sell a limited and shrinking number of CO<sub>2</sub> pollution permits.

Climate policies tend to ripple far beyond New York's five boroughs. The city is a financial and cultural giant with a gross domestic product big enough to rank among the world's top 20 economies.

To learn more about New York City's climate change legislation, please visit:

<https://www1.nyc.gov/site/sustainability/regulations/climate-change.page>



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