



United States Senate

April 25, 2018

The Honorable Elaine Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Dear Secretary Chao:

At the Senate Appropriations Committee hearing earlier this month, we briefly discussed the importance of the fuel economy standards. These standards are governed by a bipartisan act of law that I helped to write and are implemented through an agreement with my home state of California. The continued success of this program will depend on regulatory choices made by the Department, and I write to ask for your leadership to pursue the strongest possible standards in coordination with California.

The success of our nation's federal fuel economy requirements has been a bipartisan project, the work of decades. In 1999, I joined with Senator Slade Gorton, a Republican from Washington, to protect funding for a study on improving the Corporate Average Fuel Economy (CAFE) standards. In 2001, that study called for increasing the fuel economy standards by more than ten miles per gallon. In 2003 and 2005, I partnered with Senator Olympia Snowe, a Republican from Maine, to make the case for closing the SUV loophole. Finally, in 2007, Senator Snowe and I struck a compromise with Senators Ted Stevens of Alaska, Daniel Inouye of Hawaii, Tom Carper of Delaware, and many others to pass the Ten-in-Ten Fuel Economy Act. President Bush signed it into law as part of a broader energy package, and it remains the law today.

The Ten-in-Ten Fuel Economy Act requires fuel economy standards to increase as much as possible, and by a minimum of 10 miles per gallon between 2010 and 2020. We are on target to improve the standards by more than 15 miles per gallon by 2020. Beyond 2020, the law requires the standards to be set at the maximum feasible level each year based on advancements in technology, and we are currently on target to improve another ten miles per gallon or more by 2025.

An extensive 1,200 page technical assessment in 2016 found that the standards are entirely feasible. The standards cost less than originally predicted, and are delivering fuel savings. In fact, there are more technologies available to meet the standards that we expected. Because the gas savings under this program are greater than the purchase cost of the new efficient technologies, consumers are projected to save up to \$4,200 over the life of the average new vehicle purchased in 2025.

The Department of Transportation is now working on a rulemaking to recommit to the fuel economy standards for model years 2022 to 2025. I urge you to respect the decades of bipartisan work that went into the law you must now implement. If technical assessments continue to show that the standards are feasible, the law requires the standards to be maintained or strengthened.

The Department will not be alone in making technical assessments of the feasibility of the fuel economy standards. As you know, under the Clean Air Act, both the Environmental Protection Agency and the state of California have independent authority to regulate greenhouse gas emissions at the tailpipe. For the benefit of the auto industry, these standards are implemented as a single national program under a 2012 agreement between your Department, the Environmental Protection Agency, and the California Air Resources Board.

If the federal agencies diverge from the California standards that were set together under this agreement for model years 2022 to 2025, there will no longer be a single national program. I appreciate your admission at our hearing this month that this would not make sense, and I urge you to collaborate with the technical experts at the California Air Resources Board in order to maintain consensus throughout the Department's rulemaking process.

I understand that your colleagues at the Environmental Protection Agency have from time to time implied that they might consider challenging California's authority for tailpipe emission standards under Section 209 of the Clean Air Act in order to avoid the need to maintain consensus. Please know that the Clean Air Act contains no provision allowing for a Section 209 waiver to be revoked, and no Administration has ever so much as attempted to revoke a Section 209 waiver in the fifty year history of the Clean Air Act.

If the Trump administration tries to weaken the current fuel economy standards or challenges California's authority to fight for clean air, it would

provoke years of litigation and investment uncertainty for the auto industry. I urge the Transportation Department to accept the validity of California's role in implementing vehicle emission standards and proceed with the sincere intention of maintaining consensus.

The national program of fuel economy and vehicle emission standards has been a tremendous success. The standards are working to reward innovation, save Americans money at the pump, and combat climate change, all at lower than expected costs.

I ask for your commitment to maintain the Corporate Average Fuel Economy standards at the maximum feasible level, as required by law, and to seek consensus with California so that we can continue to enjoy the success of a coordinated national program to improve fuel economy.

Sincerely,



Dianne Feinstein
United States Senator

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