



THE ADVOCACY DIVISION OF CONSUMER REPORTS

Consumers Union Public Comment
Before the EPA Science Advisory Board
May 31, 2018

My name is Shannon Baker-Branstetter, and I am pleased to offer public comment on behalf of Consumers Union, the advocacy division of Consumer Reports. We urge the Science Advisory Board to review the EPA's second final determination regarding greenhouse gas standards for light-duty vehicles.

This second final determination, which begins the roll-back of greenhouse gas standards for light-duty vehicles, will have major economic and environmental consequences, and yet this final determination was not data-driven and provided no new analysis. Rather than rely on the vast public record accumulated over the past decade, this determination was primarily justified through citations to information from the regulated industry. Not only does this violate basic principles of federal rulemaking, it is fundamentally unsound from a scientific standpoint for its over reliance on a limited set of sources with known bias and a history of overstating costs and undervaluing benefits.

This stands in sharp contrast to the first final determination which was based on the vast public record, and a detailed technical assessment and regulatory impact analysis that relied on extensive research from varied parties as well as detailed research by EPA staff, including cost tear-down work that the National Academies of Science determined to be the gold standard.

Consumer Reports is an independent, nonprofit organization and we pride ourselves on being a data-driven organization. We serve consumers by providing unbiased product testing and ratings, research, journalism, public education, and advocacy. We do not accept outside advertising. As part of our research and engagement on greenhouse gas and fuel economy standards, we have conducted consumer surveys, research and analysis which were part of the record that EPA was obligated to consider and yet, has ignored in its latest final determination.¹

¹ Consumers Union's comment to the EPA docket submitted with all reports can be found at <https://www.regulations.gov/document?D=EPA-HQ-OAR-2015-0827-9166>.

Our research and the large body of evidence shows that consumer welfare would be improved with strong standards while the flexibility of the standards preserves consumer choice in all vehicle classes. A critical reason for this is that one of the multiple ways EPA's greenhouse gas standards can be met is through increased efficiency, which reduces emissions by cutting fuel use.

In stark contrast, the second final determination relies in part on the unjustified claim that the current standards would result in significant additional costs on consumers, especially low-income consumers. However, the evidence in the record indicates net positive benefits to consumers overall and that low-and moderate income households are likely to benefit the most. This is further demonstrated by looking at the effects of the standards to date. Entry-level vehicle prices have remained steady over the last decade even as greenhouse gas emissions have been reduced as automakers typically do not add the most expensive technologies to the more affordable vehicles as they compete for customers. Further, low and moderate income households generally buy used, not new, cars (as do 2/3rds of all Americans) and, when adjusting for inflation, used vehicle prices have actually fallen over time even as they have gotten both safer and cleaner.

This is just one example of the body of evidence that EPA did not consider in making its second final determination. Therefore, in closing, we encourage you to review the EPA's final determination. Thank you for your time and for considering our views.