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U. S. DEPARTMENT OF TRANSPORTATION  
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION  
1200 NEW JERSEY AVENUE SE.  
WASHINGTON DC, 20590

JUN 10 2016

The Honorable Fred Upton  
Chairman  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

Thank you for your letter dated April 11, 2016, to U.S. Environmental Protection Agency Administrator Gina McCarthy and National Highway Traffic Safety Administration Administrator Dr. Mark Rosekind requesting additional information about the upcoming Mid-Term Evaluation (MTE) of the model year (MY) 2022-2025 greenhouse gas (GHG) and Corporate Average Fuel Economy (CAFE) standards for passenger cars and light trucks.

In the 2012 final rule establishing the MY 2017-2025 National Program standards, the Environmental Protection Agency (EPA) and National Highway Traffic Safety Administration (NHTSA), in collaboration with the California Air Resources Board (CARB), committed to conduct an MTE of the GHG standards established for MYs 2022-2025. EPA's regulations include a framework for how the agency is to conduct the MTE, including process steps and associated timelines and a listing of a wide range of factors that EPA will consider. Through the MTE, EPA will determine whether the MY 2022-2025 GHG standards are still appropriate under section 202 (a) of the Clean Air Act, in light of the record then before the Administrator, given the latest available data and information. EPA's decision could be that the standards remain appropriate, or that the standards should be changed, to make them either more or less stringent. NHTSA presented augural CAFE standards for MYs 2022-2025 in the 2012 final rule and must conduct a new rulemaking to establish standards for these model years. The close coordination of the MTE and the upcoming CAFE rulemaking will help ensure that the National Program continues for MYs 2022-2025.

The Mid-Term Evaluation is a collaborative, data-driven, and transparent process and will entail a holistic assessment of all the factors considered in the initial standards setting. The first step in the process, consistent with EPA's regulations, will be the issuance of a Draft Technical Assessment Report (TAR) for public comment. In keeping with the MTE process set forth in 2012 final rule, the Draft TAR will be issued jointly by EPA, NHTSA, and CARB. The agencies expect to issue the draft TAR in the coming weeks. In the Draft TAR, the agencies will examine afresh a wide range of factors relevant to the 2022-2025 standards. The Draft TAR is an opportunity for the agencies to share with the public initial technical analyses and assessment of the MY 2022-2025 standards. The agencies have not yet

determined the length of the public comment period. As part of the process of developing the Draft TAR jointly, the EPA, NHTSA, and CARB teams have been closely coordinating and sharing information on the analyses supporting the TAR, including analyses on economic impacts, consumer impacts, technology effectiveness and cost assessments, modeling, and other factors.

Public input on the Draft TAR, along with newly available data and information, will inform the next step in the MTE, EPA's Proposed Determination, and in NHTSA's case, a Notice of Proposed Rulemaking (NPRM) for the MY 2022-2025 CAFE standards. The agencies expect that these documents will include a discussion of the public comments received on the Draft TAR as they relate to the agencies' proposals. The agencies may decide to issue a Final TAR as part of the MTE process. At a minimum, we expect that the updated assessments, informed by public comments on the Draft TAR, will be part of EPA's Proposed Determination and NHTSA's NPRM. The agencies' public dockets will include all comments and all documents in which the agencies respond to the comments. The dockets will serve as the public record for the agencies' decisions and rulemakings. While the EPA regulations do not establish a deadline for the Proposed Determination, EPA anticipates that it will be issued in 2017.

EPA's regulations require the EPA Administrator to make a Final Determination, no later than April 1, 2018, on whether or not the 2022-2025 standards are appropriate, in light of the record then before the Administrator. In order to maintain a joint national program by aligning the agencies' proceedings for MY2022-2025, if the EPA determination is that the standards will not change, and NHTSA determines the augural 2022-2025 CAFE standards are maximum feasible, NHTSA will issue its final rule concurrently with the EPA final determination. If the EPA determination is that the standards may change, the agencies will issue a joint NPRM and joint final rule, similar to the previous two joint rulemakings.

We hope that this information is helpful. The agencies look forward to your continued interest in the MTE as we move forward with this important effort to improve light-duty vehicle fuel economy and reduce GHG emissions.

Sincerely,



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Janet G. McCabe  
Acting Assistant Administrator  
Office of Air and Radiation  
U.S. Environmental Protection Agency



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Mark R. Rosekind, Ph.D.  
Administrator  
National Highway Traffic Safety Administration