

## **Testimony Before EPA - GHG Endangerment Finding and Motor Vehicle Rule Rescission**

**Given by Michael Hartrick, Senior Director and Executive Advisor, Energy & Environment Policy**

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I am testifying today on behalf of the Alliance for Automotive Innovation.

Auto Innovators' member companies have long advocated for policies that ensure the U.S. auto industry remains globally competitive, including a stable regulatory environment and reasonable, achievable standards for continuing improvements in emissions and fuel economy while preserving consumer choice.

While we believe the administration's actions are intended to move toward greater long-term certainty, we are concerned about near-term uncertainty while the merits of the proposal are considered. Our primary concern is the potential outcome of unachievable standards if EPA chooses not to proceed with its proposal, or if the final action faces prolonged legal challenges.

Last year, EPA finalized light-duty vehicle greenhouse gas standards premised on the U.S. auto market reaching over 30% electric vehicle sales by 2027 and about 70% by 2032. EPA similarly assumed massive growth in the medium-duty EV market.

Since then, we've witnessed a flattening of the EV market in the U.S. with weaker consumer demand and EV-related incentives that have either been curtailed or terminated. In July 2025, light-duty EV sales were 9.8 percent of the market. Recent forecasts for EV market share are also much lower than the levels previously projected by EPA.

Most model year 2027 vehicles will become available in the next five to twelve months. It is difficult to imagine how EV sales could possibly triple to over 30% in the next year and more than double again five years later to reach 70%.

We recommend that EPA issue a GHG interim final rule or another form of action for 2025 and later model years to provide near-term certainty, serve as a backstop to the proposal, and to document why previously finalized standards are not appropriate.

Similar to the GHG standards, the recently finalized criteria emission standards for light- and medium-duty vehicles are largely premised on rapid increases in electric vehicle market share, while at the same time adding hundreds of dollars of costs to internal combustion engine vehicles. These standards undermine the administration's intent to address EV mandates and vehicle affordability. Automakers are urgently seeking action to revise the light- and medium-duty criteria emission standards in a separate rulemaking.

Thank you for your time today. We look forward to submitting additional comments.