Auto Industry Suppliers Urge Federal Government, California Dialogue on Draft Fuel Economy Rules

Continued Fuel Economy Gains, One National Standard Key to Regulatory Certainty, Investment and Jobs

WASHINGTON (August 2, 2018) – In response to the Environmental Protection Agency and the National Highway Traffic and Safety Administration’s release of its Notice of Proposed Rulemaking (NPRM) on revised fuel economy and emissions standards for light-duty vehicles today, groups representing America’s auto parts makers, advanced materials manufacturers, and emission control and efficiency technology companies called for renewed dialog among industry and regulators.

The Automotive Technology Leadership Group (ATLG), whose members include Motor & Equipment Manufacturers Association (MEMA), the Manufacturers of Emission Controls Association (MECA), The Aluminum Association, the Advanced Engine Systems Institute (AESI) and The Emission Control Technology Association (ECTA), agree on a statement of principles to ensure motor vehicle supplier companies remain competitive and continue to develop innovative fuel efficiency and emission reducing technologies. You can read their statement of principles here.

“We will continue to work with the agencies and California to develop one national standard that maintains stability for our member companies,” said Ann Wilson, Senior Vice President of Government Affairs for MEMA. “We believe continued progress in fuel efficiency and vehicle emissions standards will allow our country to remain a leader in the technologies that make cars and trucks cleaner and more efficient here and around the globe.”

The group favors final fuel economy standards that increase year-over-year as part of a negotiated outcome between the federal government and California, which represents 13 other states and the District of Columbia, supporting one national fuel economy program. Protracted litigation on this issue would create regulatory uncertainty, chilling investment and jobs in the United States.

“We need the agencies and California to come together and find a compromise that would continue strong U.S. leadership in the clean mobility industry,” said Dr. Rasto Brezny, Executive Director of MECA. “If the standards are significantly weakened, we introduce market uncertainty that will negatively impact supplier investments, jobs and innovation in the United States.”

These organizations and their members represent a significant amount of investment for the U.S. and global economy. The motor vehicle supplier industry contributes nearly 2.4 percent of U.S.
GDP and employs 871,000 people, up 19 percent since 2012. The emission control technology market for new light-duty and heavy-duty vehicles in North America was approximately $20 billion in 2017 (as part of an overall global market of $95 billion). The aluminum industry in the U.S. directly employs 162,000 workers and generates $71 billion in economic activity. Employment and investment in the aluminum industry has increased in recent years thanks largely to record demand in the automotive market.

“We had hoped to encourage cooperation among all stakeholders and agencies when we developed and released our set of constructive principles,” said Chris Miller, Executive Director of AESI, a trade association of pollution control and efficiency technology companies. “It’s our hope now to prevent a dramatic weakening of the Federal standard and further erosion of regulatory certainty, so we can continue to innovate and invest in the United States and cut harmful pollution in a timely fashion.”

“The NPRM could be a set back if California, industry and the federal agencies don’t come to an agreement,” said Tim Regan, President of ECTA. “The automotive suppliers call on national and state policymakers, auto manufacturers and labor to unite, like they did six years ago, on standards that maintain U.S. environmental leadership, save consumers money and support our industry.”

“We look forward to a final rule that maintains the competitiveness of North American suppliers, provides certainty to our automotive customers and, ultimately, helps deliver new cars and trucks consumers want to buy,” said Heidi Brock, President and CEO of the Aluminum Association. “Aluminum companies committed or invested more than $2.6 billion in auto-related manufacturing in recent years, with more potentially to come. That’s because automakers are further accelerating their use of high-strength, low-weight aluminum alloys to safely and cost effectively increase miles-per-gallon, while reducing greenhouse gas emissions.”

###

- **Advanced Engine Systems Institute** is a trade association of companies that manufacture vehicle pollution control and efficiency equipment and technologies.
- **The Aluminum Association** represents aluminum production and jobs in the United States, ranging from primary production to value added products to recycling, as well as suppliers to the industry.
- **The Emission Control Technology Association** represents the world’s leading developers of emission-control technology.
- **Manufacturers of Emission Controls Association** member companies include leading manufacturers of emission control and efficiency technology for all mobile sources.
- **Motor & Equipment Manufacturers Association** represents more than 1,000 companies that manufacture motor vehicle components, systems and materials for use in passenger cars and heavy trucks.