



**Oral Statement of the
Motor & Equipment Manufacturers Association (MEMA)**

**Before the
U.S. Environmental Protection Agency**

**RE: Request for Comment on Reconsideration
of the Final Determination of the Mid-Term Evaluation of Greenhouse Gas Emissions
Standards for Model Year 2022–2025 Light-Duty Vehicles;
Request for Comment on Model Year 2021 Greenhouse Gas Emissions Standards**

Docket No. EPA–HQ–OAR–2015–0827

September 6, 2017 – Washington, D.C.

I am Laurie Holmes, senior director of environmental policy for the Motor & Equipment Manufacturers Association (MEMA). MEMA represents more than 1,000 companies that supply components for the light- and heavy-duty vehicle original equipment and aftermarket industries. The motor vehicle supplier industry is the nation's largest direct employer of manufacturing jobs – employing over 871,000 workers in all 50 states. Suppliers are responsible for providing the technologies and components that make up more than 77 percent of the value of a new vehicle.

Motor vehicle suppliers play the leading role in developing and manufacturing the innovative technologies and materials that improve vehicle fuel efficiency and reduce vehicle emissions. These technologies are critical to the vehicle manufacturers in meeting the GHG program targets.

As a result, MEMA supports the One National Program with the EPA, NHTSA and the California Air Resources Board (CARB). The National Program standards for MYs 2017 – 2025 have provided regulatory certainty and stability to suppliers, supporting supplier jobs, supporting long-term business and technology investments, and allowing the industry to become global innovation leaders. This critical regulatory certainty has enabled suppliers to advance viable products necessary for vehicle manufacturers to meet the GHG standards.

MEMA urges EPA to remain on course for the current MY2021 standard as this was the target industry committed to in 2012. A shift to the MY2021 standard would significantly increase the level of uncertainty for the supplier industry in an already uncertain time.

If EPA does evaluate the GHG standard for MY2021, the agency must consider the potential detrimental impact on automotive suppliers – the largest sector of manufacturing jobs in the nation - when determining whether changes should be made to the 2021 standard. Suppliers have made long-term investment decisions based on the MYs 2017 – 2021 standards set in the previous rulemaking. In fact, OE automotive suppliers have seen an overall 23 percent increase in

employment since 2012. This increase can partly be attributed to advanced technology development spurred by the 2012 rulemaking. While supplier direct employment in the U.S. is highest in Michigan, Ohio, and Indiana, the highest growth over the past few years has been seen in the Southeast region. Relaxing the stringency of the MY2021 standard would cause detrimental adverse economic impacts – including loss of jobs – to the substantial investment levels to which suppliers committed in 2012. These investments include extensive research and development, human capital, and manufacturing equipment and facilities to satisfy customer GHG emissions requirements. Suppliers have supported research with universities to bring these emissions reducing technologies to fruition. Therefore, MEMA urges EPA to stay on course for the MY2021 standard and instead focus on evaluating the GHG standards for MYs 2022 – 2025.

MEMA supports continued forward progress on the GHG targets for MYs 2022 – 2025. Suppliers have committed to investing in and developing the technologies necessary for the OEMs to meet the GHG emissions standards through 2025. The direction of the standards is paramount to the supplier industry. We urge EPA to provide a path for suppliers to participate in the forthcoming discussions.

Major changes to the stringency of the MYs 2022 – 2025 standards would result in significant ramifications on supplier jobs as well as business and technology investments. Further, it would put U.S. companies at a disadvantage. In an increasingly competitive global market place, greatly relaxing the standards would tilt the balance away from American innovation where U.S. companies currently have a competitive edge developing and providing innovative vehicle emissions technology. The direction of the standards and the rate of improvement have been key to U.S. companies' global leadership in these technologies.

Thank you for your time today and consideration of these comments. MEMA will submit further comments in October.

###