December 5, 2023

The Honorable Mike Johnson
Speaker of the House
United States House of Representatives
United States Capitol, H-232
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
United States Capitol, H-204
Washington, DC 20515

Dear Speaker Johnson and Minority Leader Jeffries,

Our organizations represent an array of businesses throughout the energy, agricultural, and transportation sectors that provide products and services millions of Americans rely upon in their everyday lives. We write today to express our strong support for the *Choice in Automobile Retail Sales Act of 2023,* which will be considered on the floor of the House of Representatives this week.

The Environmental Protection Agency's (EPA's) proposed standards for greenhouse gas emissions for passenger cars and light-duty trucks would require nearly 67 percent of new vehicles to be battery electric by 2032, marking a 10-fold increase in the current national EV sales rate. Mandating a single-technology approach to reducing the carbon intensity of transportation is bad for consumers, farmers, energy independence, and national security.

American consumers should have a choice in the type of vehicle they buy. They balance cost, features, range, emissions footprint, and other factors to make a purchase decision. By focusing exclusively on electric vehicle technology, EPA is ripping that decision out of consumers' hands and dictating the type of vehicle they can purchase.

Our organizations recognize that electric vehicles will be part of an increasingly diverse energy and transportation future. However, EPA's GHG emissions proposal for passenger vehicles and trucks removes the opportunity for consumers to choose their vehicle of choice by limiting the option of those that operate on traditional liquid fuels. This point is underscored by the recent letter from over 3,000 auto dealers that asked President Biden to slow down the government push for electric vehicles.[1]

Electric vehicle sales represented just 7 percent of all new cars in 2023. Recent research shows that the American public remains hesitant to purchase electric vehicles. A Washington Post-University of Maryland poll shows nearly half of adults (46 percent) prefer to own a gas-powered car or truck. Only 19 percent indicated they would purchase a full-electric vehicle, while just 13 percent indicated they would purchase a plug-in hybrid, and 22 percent want a traditional hybrid vehicle.[2]

EPA's proposal, which includes standards for transitioning commercial trucks to electric, also will have significant negative implications for the liquid fuels sector, both conventional and renewable fuels. A 2020 study commissioned by the Agricultural Retailers Association evaluated impact scenarios assuming a full internal combustion engine ban by either 2035 or 2050. Consumption of biofuels would fall by up to 90 percent, with resulting economic losses of

[1] Voice of the Customer (evvoiceofthecustomer.com) (accessed December 1, 2023).
[2] America Passed the EV 'Tipping Point' — but Many Buyers Still Want Gas | Washington Post

up to $27 billion in net U.S. farm income.[3] Despite the scope and breadth of EPA's de facto ban, it is unclear whether the Agency considered these impacts as part of its proposal.

U.S. refining capacity has contracted by nearly 1 million barrels per day since the beginning of 2020, prompting calls from policymakers for U.S. refiners to expand capacity. Rules resulting in a de facto ban on the sale of products that use liquid fuels do not provide the regulatory certainty needed for long-term investment decisions to maintain and expand U.S. fuel production.

The U.S. is the world's leading energy and agricultural provider, a fact that should be a source of pride. EPA's proposed rule would discard decades of domestic economic and energy progress in favor of an industrial policy supporting geopolitical rivals controlling the vast majority of the battery and critical mineral supply chain.

A cost-effective, technology-neutral approach employing a full lifecycle analysis to evaluate all environmental impacts would achieve better outcomes for consumers, U.S. energy and national security, and carbon reductions for the environment. EPA's approach continues to measure emissions only at the tailpipe, ignoring emissions associated with building and powering an electric vehicle (e.g., emissions generated during the vehicle's life), and discounting carbon emissions reductions in the liquid fuels supply chain. In fact, EPA affirmatively proposed to *remove* requirements for upstream emissions calculations.[4] EPA justifies its proposal by saying "the program has now been in place for a decade, since MY 2012, with no upstream accounting and has **functioned as intended, encouraging the continued development and introduction of electric vehicle technology**"[5] (emphasis added). The proposal provides virtually no discussion of other environmental impacts or the environmental and economic benefits from lower carbon intensity liquid fuels, instead opting to focus entirely on electric vehicles.

We are committed to further reducing the carbon intensity of transportation through competition and innovation while enhancing consumer choice and American energy security. If provided a level playing field, liquid fuels and new generations of advanced internal combustion engines will deliver carbon intensity reductions without sacrificing performance, cost, or convenience. Innovations from the automotive industry allow most ICE vehicles produced over the past decade to run on or be adapted to run on advanced fuels like ethanol, biodiesel, and renewable diesel. Even more future improvements can be accomplished through continued research and investment in liquid fuels and ICEs as well as hybrid electric vehicles. Such improvements are the most efficient way to reduce carbon in the existing vehicle fleet.

The *Choice in Automobile Retail Sales Act of 2023* would enhance competition among different vehicle technologies and fuels to reduce emissions. American consumers should have the choice to purchase a vehicle that supports their families' needs, whether petroleum fuels, biofuels, electricity, or any other fuel type power a vehicle.

We appreciate your leadership on this important issue and urge the House to pass this legislation.

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[3] Research Shows Gas Car Ban Would Have Disproportionate Impact on U.S. Biofuels & Ag | ARA
[4] 88 Fed. Reg. at 29197.
[5] *Id.* at 29252.

Sincerely,

National Organizations

Agricultural Retailers Association
American Exploration & Production Council
American Fuel & Petrochemical Manufacturers
American Petroleum Institute
Energy Marketers of America
National Association of Convenience Stores
NATSO, Representing America's Travel Centers and Truck Stops
National Corn Growers Association
SIGMA: America's Leading Fuel Marketers
Specialty Equipment Market Association

State Organizations

Petroleum & Convenience Marketers of Alabama
Alaska Fuel Storage and Handlers Alliance
Arizona Petroleum Marketers Association
Arkansas Oil Marketers Association, Inc.
California Fuels & Convenience Alliance
Colorado Petroleum Marketers & Convenience Store Association
Connecticut Energy Marketers Association
Florida Petroleum Marketers Association, Inc.
Georgia Oilmen's Association
Hawaii Energy Marketers Association
Idaho Petroleum Marketers and Convenience Store Association
Illinois Fuel & Retail Association
FUELIowa
Fuel True: Independent Energy and Convenience of Kansas
Kentucky Petroleum Marketers Association
Louisiana Oil Marketers and Convenience Store Association
Maine Energy Marketers Association
Michigan Petroleum Association / Michigan Association of Convenience Stores
Mid-Atlantic Petroleum Distributors' Association
Fueling Minnesota
Mississippi Petroleum Marketers & Convenience Stores Association
Missouri Petroleum & Convenience Association
Montana Petroleum Marketers & Convenience Store Association
Nebraska Petroleum Marketers & Convenience Store Association
Nevada Petroleum Marketers & Convenience Store Association
New England Convenience Store & Energy Marketers Association
Fuel Merchants Association of New Jersey
New Mexico Petroleum Marketers Association
Empire State Energy Association, Inc.
North Carolina Petroleum & Convenience Marketers

North Dakota Petroleum Marketers Association
Ohio Energy & Convenience Association
Oklahoma Petroleum Marketers & Convenience Store Association
Oregon Fuels Association
Pennsylvania Petroleum Association
Energy Marketers Association of Rhode Island
South Carolina Convenience & Petroleum Marketers Association
South Dakota Petroleum & Propane Marketers Association
Tennessee Fuel and Convenience Store Association
Texas Food & Fuel Association
Utah Petroleum Marketers & Retailers Association
Vermont Fuel Dealers Association
Virginia Petroleum & Convenience Marketers Association
Washington Independent Energy Distributors
West Virginia Oil Marketers & Grocers Association
Western Petroleum Marketers Association
Wisconsin Fuel and Retail Association
Wyoming Petroleum Marketers and Convenience Store Association