Subj: Docket ID No **EPA-HQ-OAR-2018-0794** Docket ID No **EPA-HQ-OAR-2023-0072** Docket ID No **EPA-HQ-OAR-2022-0985** Docket ID No **EPA-HQ-OAR-2022-0829**

On behalf of the U.S. Conference of Catholic Bishops (USCCB), I write to offer general comments and analysis on four recent regulations from the Environmental Protection Agency (EPA). Care for creation is an integral component of the Catholic faith that informs the life of millions of Americans. The federal government, and the specifically the EPA, plays a critical role in stewarding our abundant natural resources, a gift of God to all of us.

1. Mercury and Air Toxics Standards (MATS). Docket ID No EPA-HQ-OAR-2018-0794.

When the Mercury and Air Toxics Standards (MATS) were first proposed in 2011 to regulate Hazardous Air Pollutants (HAP) for power plants, the USCCB supported the standards since "even in small amounts these harmful air pollutants in the environment are linked to health problems, particularly in children before and after birth, the poor and the elderly."¹ Those standards have been effective for the promotion of human and environmental health leading to over 90 percent reductions in mercury and acid gas emissions and over 80 percent emissions reductions of nickel, arsenic, lead and other metals.²

In 2019, the bishop chairmen of the USCCB Committees on Pro-Life Activities and Domestic Justice and Human Development opposed a proposed rule that deemed it no longer "appropriate and necessary" to regulate mercury and other hazardous air pollutants.³ 84 Fed. Reg. 2670 (Feb. 7, 2019). The bishops affirmed that the "MATS rule reflects a proper respect for life of the human person and of God's creation... since it is well-documented that pregnant mothers and their unborn children are the most sensitive to mercury pollution and its adverse health effects."⁴ The EPA's review of the 2020 appropriate and necessary finding were finalized on March 6, 2023, and affirmed the position of the USCCB and numerous other individuals and organizations. 88 Fed. Reg. 13956 (Mar. 6, 2023).

The USCCB, guided by the same principles of human dignity and respect for God's creation, supports the proposed rule which strengthens and updates more stringent standards for MATS. 88 Fed. Reg. 24854 (Apr. 24, 2023). Cost effective technological improvements allow for even greater reductions of emissions from mercury and non-mercury metals. The rule proposes improved guidelines for HAP regulation and more stringent standards that can be met with available technology. Since it is technologically and economically feasible to further reduce

² See EPA, 2021 Power Sector Programs Progress Report,

¹ See USCCB, Rulemaking comment, June 20, 2011, <u>http://www.usccb.org/about/general-counsel/rulemaking/upload/comments-to-epa-on-mercury-2011-06.pdf</u>

https://www3.epa.gov/airmarkets/progress/reports/pdfs/2021_full_report.pdf

 ³ USCCB, Rulemaking comment, Mar. 18, 2018, <u>https://www.usccb.org/about/general-counsel/rulemaking/upload/DSD-MATS-Comment-Final.pdf</u>
 ⁴ USCCB Chairmen statement, Mar. 22, 2019, <u>https://www.usccb.org/news/2019/concern-over-new-mercury-rule-</u>

⁴ USCCB Chairmen statement, Mar. 22, 2019, <u>https://www.usccb.org/news/2019/concern-over-new-mercury-rule-expressed-chairmen-us-bishops-domestic-justice-and-pro-life</u>

harmful pollution, and it provides greater protection to vulnerable people, the EPA should proceed with this regulation.

2. Power Plant Emission Guidelines. Docket ID No EPA-HQ-OAR-2023-0072

The EPA is proposing new carbon dioxide (CO₂) standards for power plants under the Clean Air Act. 88 Fed. Reg. 33240 (May 23, 2023). Power plants account for almost one third of all U.S. carbon dioxide emissions, and the new, ambitious standards proposed in the rule are instrumental for achieving net zero emissions by 2050, in line with the Paris Agreement goals long supported by the USCCB⁵ and the Holy See.⁶ The proposed rule also repeals the 2018 Affordable Clean Energy (ACE) rule, which the USCCB opposed on the grounds that it undermined the EPA's role and responsibility to regulate greenhouse gases.⁷ Following the U.S. Supreme Court's decision in *West Virginia v. EPA* in 2022, the USCCB expressed disappointment with the outcome and urged "Congress to give the EPA the necessary authority to meaningfully regulate greenhouse gases."⁸

Due to rapid advances in technological research and development, there is evidence that ambitious carbon emissions reductions standards for power plants can today be met through carbon capture and sequestration (CCS) technology within acceptable economic costs.⁹ In addition, through the extension of tax credits for CCS through the Inflation Reduction Act (IRA), new and retrofitted power plants are projected to provide affordable low emissions energy in line with Paris Agreement goals.¹⁰ The proposed rule fulfills the USCCB's request that the EPA regulate greenhouse gases while also respecting the Supreme Court's decision, made more effective now through congressional action and technological improvements.

3. Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles. Docket ID No EPA-HQ-OAR-2022-0985

As explained in the proposed rule, the emissions standards for heavy-duty vehicles are critical for achieving greenhouse gas (GHG) emissions reductions in line with net-zero emissions goals. 88 Fed. Reg. 25926 (Apr. 27, 2023). The transportation sector represents 27 percent of total U.S. GHG emissions and within that sector, "heavy-duty vehicles are the second largest contributor... responsible for 25 percent" of emissions. 88 Fed. Reg. at 25928. Heavy-duty

⁷ USCCB Rulemaking comment, Apr. 25, 2018, <u>https://www.usccb.org/about/general-counsel/rulemaking/upload/EPA-comment-FINAL-4-25-18.pdf</u>

⁹ Already in 2015, the EPA found that partial carbon capture and sequestration costs were reasonable for coal plants, and since then advances in technology and performance allow for cost effective capture of up to 99 and 97 percent of carbon dioxide from coal and natural gas power plants, respectively. *See*, e.g., DOE/NETL Technical Report Series, Oct. 19, 2022 <u>https://www.netl.doe.gov/energy-analysis/details?id=e818549c-a565-4cbc-94db-442a1c2a70a9</u> and Clean Air Task Force, May 5, 2023, <u>https://www.catf.us/2023/05/epas-golden-opportunity-dramatically-reduce-climate-pollution-us-fossil-fuel-fired-power-fleet/</u>

⁵ Catholic leaders statement, Jan. 21, 2021 <u>https://www.usccb.org/news/2021/catholic-leaders-express-hope-presidents-announcement-us-will-rejoin-paris-agreement</u>

⁶ Communiqué on the accession of the Holy See to the Climate Convention and the Paris Agreement, July 8, 2022, <u>https://press.vatican.va/content/salastampa/en/bollettino/pubblico/2022/07/08/220708a.html</u>

⁸ USCCB Chairman statement, July 1, 2022, <u>https://www.usccb.org/news/2022/statement-us-bishops-chairman-domestic-justice-and-human-development-supreme-courts</u>

¹⁰ Jenkins et al., Aug. 2022, 'Preliminary Report: The Climate and Energy Impacts of the Inflation Reduction Act of 2022'.

vehicle manufacturers and private sector commitments already point towards a strong transition towards zero emissions vehicles (ZEV) and numerous truck makers "have indicated they see an all-electric future."¹¹ Developments in ZEV technology, such as improved batteries, and infrastructure, such as rapid charging stations and widespread electrification, indicate economic as well as environmental advantages in the widespread adoption of ZEV.¹²

Wisely, the EPA proposed standards do not mandate ZEV sales, but rather allow manufacturers to produce a mix of internal combustion engine vehicles (ICEV) and ZEV heavy-duty vehicles to meet standards. At the same time, the increased standards are premised on Inflation Reduction Act provisions for deployment of heavy-duty ZEV technologies, including tax credits across the supply chain and funding for charging infrastructure.¹³ Investing in commercial and public heavy-duty ZEV is one of the most efficient ways of reducing transportation emissions.¹⁴ The rule also proposes regulation of vehicle battery durability and battery warranty, which are critical for the efficiency gains of ZEV since the most significant amount of ZEV emissions is incurred during manufacturing, especially for batteries.¹⁵ The EPA should proceed with implementing this rule.

4. Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles. Docket ID No EPA-HQ-OAR-2022-0829

Personal vehicles—cars, light-duty trucks (including sport utility vehicles, crossover utility vehicles, minivans, and pickup trucks), and motorcycles—are responsible for 58 percent of U.S. transportation sector GHG emissions, in addition to being a major source of other pollutants with adverse effects to human health.¹⁶ The EPA's proposed rule for more stringent emissions standards for light and medium-duty vehicles addresses pollution from personal vehicles taking into account industry trends and investments in electric vehicles (EVs) outlined in the Inflation Reduction Act (IRA) and other policies. 88 Fed. Reg. 29184 (May 5, 2023). The EPA offers that these "more stringent emissions standards are feasible at reasonable cost and would achieve significant improvements in public health and welfare." 88 Fed. Reg. at 29186. The goals of improved public health, welfare and reduced GHG emissions are consistent with Catholic Social Teaching. As a general matter, it is good to consider strengthening vehicle emissions standards, as the USCCB stated in 2018: "If any modifications are made to existing fuel efficiency and

¹¹ IEA, Apr. 2021, p.29, <u>https://iea.blob.core.windows.net/assets/ed5f4484-f556-4110-8c5c-</u> 4ede8bcba637/GlobalEVOutlook2021.pdf

¹² Different regions are leading the way in the production and variety of electric heavy-duty models such as buses (China), heavy freight trucks (Europe) and medium freight trucks and garbage, mixer, bucket and commercial trucks (United States). Ibid.

¹³ Bassick, Lannon & Lovels, Apr. 24, 2023, https://www.jdsupra.com/legalnews/epa-proposes-new-heavy-dutyghg-phase-3-8318257/

¹⁴ "The United States has over 4 million heavy-duty trucks that travel over 150 billion miles and create over 260 million tons of greenhouse gas (GHG) emissions per year. And trucking demand is expected to grow. With the IRA in place, the industry can dramatically decarbonize, potentially reducing its GHG emissions by 59 percent in 2035, nearly double what would happen without the IRA." Kahn, Westhoff & Mullaney, Aug 25, 2022. https://rmi.org/inflation-reduction-act-will-help-electrify-heavy-duty-trucking/

¹⁵ Ritchie, H., Jan. 26, 2023, https://www.sustainabilitvbvnumbers.com/p/ev-fossil-carsclimate?utm_source=profile&utm_medium=reader2 ¹⁶ Congressional Budget Office, Dec. 13, 2022, <u>https://www.cbo.gov/publication/58566</u>

greenhouse gas emission standards, we would urge these standards be strengthened, not weakened, to further protect human and environmental health."¹⁷

However, there are some aspects of the proposed rule that raise questions and would be the appropriate grounds for considering modification of the rule. The proposed rule requires twothirds adoption of EVs by 2032. Although a laudable goal in the abstract, it seems plausible that under current economic conditions, such a transition could have a negative impact on lowerincome Americans who cannot afford car prices to increase.¹⁸ In addition, the incentives for EV use and purchase do not prioritize low-income households, which it should in order to have a greater environmental impact. The EV market in the United States shows increased trends towards larger, heavier and less efficient SUVs and trucks, which in turn are being sold at higher prices.¹⁹ Consequently, incentives and rebates for EV purchases are disproportionately allocated to high-income households, which tend to use EVs as a second or third vehicle, with much lower average mileage use.²⁰ EVs that are seldom used may in fact result in larger emissions than ICEV since EVs create more emissions in their production.²¹ The lower emissions benefits of EVs are only fulfilled when they are used for high numbers of miles that would have been otherwise powered by gasoline.²² Many well intentioned wealthy beneficiaries of EV tax credits may put their vehicles to good use, but studies show that incentives disproportionately benefit high income households that use their cars less.²³ A revised proposed rule should address this concern and have a strategy to improve on this outcome.

The greater adoption of EVs can be good for society and the environment when incentives are directed to consumers who will use EVs extensively, such as single-vehicle households, ride sharing drivers, used car buyers and middle- and lower-income households.²⁴ In addition, some aspects of EV infrastructure subsidies, such as in the geographical distribution of charging

¹⁷ USCCB Rulemaking comment, Oct. 23, 2018, <u>https://www.usccb.org/about/general-counsel/rulemaking/upload/NPRM-CAFE-Comment-Draft-101118-AP-1.pdf</u>

¹⁸ See, e.g., Davis, L. & Knittel, C. 'Are Fuel Economy Standards Regressive?', Dec. 1, 2016. (While fuel emissions standards are slightly progressive when only new vehicles are considered, they are mildly

regressive when used cars are taken into account. The EPA's proposed rule, with very stringent emissions standards and a reliance on incentives for EV's which ignore the used car market will likely have an even greater regressive impact for used car buyers).

¹⁹ See, e.g., Zipper, D., June 1, 2023, <u>https://www.theatlantic.com/ideas/archive/2023/06/large-electric-vehicles-road-safety-crashes/674249/</u>. (Four in five new vehicles purchased in the U.S. are SUVs or light-duty trucks and of only two of 23 EVs for sale in the last two years have a sale price under \$35,000. Even with tax rebates, the price is outside the range of middle class and poor Americans, whose median household income was \$70,784 in 2021).
²⁰ Guo, S. & Kontou, 'Disparities and equity issues in electric vehicles rebate allocation'. *Energy Policy* 154, July 2021.

^{2021.} ²¹ "...because our requisite longevity estimates denote the number of years that must elapse before an EV can deliver an emissions advantage over the counterfactual procurement scenario (namely, driving an ICEV), failing to achieve these estimates could make driving an EV worse than driving an ICEV." Nunes, A., Woodley & Rossetti, Apr. 4, 2022, https://www.nature.com/articles/s41893-022-00862-3

²² Ritchie, H., Jan. 26, 2023, <u>https://www.sustainabilitybynumbers.com/p/ev-fossil-cars-</u> climate?utm_source=profile&utm_medium=reader2

²³ Burlig, F. et al, 2021. "Low Energy: Estimating Electric Vehicle Electricity Use." *AEA Papers and Proceedings*, 111: 430-35.

²⁴ Hardman, S. et al., Aug. 30, 2021, <u>https://sciencepolicyreview.org/2021/08/equity-transition-electric-vehicles/</u>

stations, tend to reflect and perpetuate "disparities across race and income."²⁵ A modified proposed rule should address these concerns with a strategy to allocate EV resources to middleand low-income households, and also favor users who will be inclined to use the EV for the necessary number of miles so that it produces a net environmental benefit.

The EPA's numerous regulations that promote human and ecological health, reduce GHG, and promote the common good are commendable. In these times of growing ecological challenges, increased inequality, and fiscal pressures, aggressive environmental standards must also respect economic and social considerations, driving our nation towards an "energy revolution" that provides "not only sustainable, efficient and clean energy, but also energy that is secure, affordable, accessible and equitable."²⁶ For these same reasons, the light-duty vehicle standards should be improved and optimized to benefit primarily low- and middle-income Americans to reduce racial and economic disparities.

Respectfully submitted,

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²⁵ "The result shows a similar overall pattern of access disparities between the race and ethnicity groups, but the access gap is *larger* than that found for public chargers overall... The odds of having publicly-funded charger access in Black and Hispanic majority CBGs is less than half of that in White-majority CBGs." Hsu, C. & Figerman, K. 'Public electric vehicle charger access disparities across race and income in California', https://www.sciencedirect.com/science/article/pii/S0967070X20309021.

²⁶ USCCB-CRS Letter to the Secretary of State, Feb. 17, 2017, <u>https://www.usccb.org/resources/usccb-crs-letter-</u> secretary-tillerson-care-creation-february-17-2017