



September 26, 2024

Attn: Alliance for Automotive Innovation, BMW, Ford, General Motors, Hyundai, Honda, Kia, Mercedes, Nissan, Stellantis, Toyota, Volvo, Volkswagen:

In light of Big-Oil-backed efforts to disrupt an orderly transition away from internal combustion and to undermine major electrification investments, we are writing to ask that your companies publicly recommit to full vehicle electrification. **Specifically, we ask you to commit – via Board resolution, direct agreement with relevant regulators, or a similarly binding mechanism – to the phase out of pure internal combustion engines by 2035 in states that have opted into the Advanced Clean Cars II (ACC II) program, regardless of litigation or electoral outcomes.**

As you know, the zero emission vehicle (ZEV) market is expanding rapidly and – [contrary to some erroneous reports](#) – the world is seeing record-setting sales. Here in the U.S., which is the third-biggest ZEV market in the world, [forecasts predict](#) that ZEV sales will increase by 20 percent in 2024 and continue expanding. But at the same time, oil industry-backed litigation and electoral efforts seek to undermine the standards and investments guiding that progress, including by generating further litigation on standards including ACC II and its pending waiver from EPA. The resulting churn, instability, and uncertainty would undermine the transition automakers are navigating, harming not just company production strategies but the public, workers, communities, and the climate. **It is time to firmly lock in the goal line for electrification in 2035, because the uncertainty the fossil fuel industry seeks is not in the interest of the auto industry, the workforce, communities, or the climate.**

The last time the industry experienced fossil industry-backed rollbacks, during the Trump administration, the result was [regulatory chaos](#), significant disruptions to product plans, and threats to the U.S. auto market's orderly transition. Leading industry voices worked to maintain certainty – including by [committing](#) to continued progress regardless of the rollbacks via settlement agreements with the California Air Resources Board (CARB). At the time, the industry as a whole also continued investments in electrification far exceeding those required by Trump-era rollbacks. More recently, the industry has expressed its general support of ACC II, and of later federal standards, and has increasingly litigated on the side of the government in defending key programs. After all, no one wants to repeat the chaos of the Trump years.

However, many of the CARB agreements are on the verge of expiring, and significant litigation efforts by Big Oil interests and MAGA Attorneys General- many of whom [are bankrolled by Big Oil](#)- continue to attack the California and EPA standards. Candidates Trump and Vance have also proposed a new round of major rollbacks and disruption to major investments. It is not in the public or automotive sector's interest to stand by in the face of the oil industry's last ditch attempts to insulate itself from competition. The real long-term auto industry interest, and the public interest, is in growing investments in electrification guided by clear long-term goals.

In the coming months, your companies will therefore face choices, created by ongoing litigation and electoral outcomes. **This is the time to confirm you will make those choices consistent with long-standing commitments to electrification, and consistent with the interest of your shareholders.** Your commitment to uphold these standards regardless of attempts to create disruptions via the Supreme Court or the near-term election results will help protect public health, reduce climate pollution, and make it more likely that we can pass on a livable planet to the next generation.

The market is ready: a survey by Consumer Reports found that 71% of U.S. drivers would consider purchasing an electric vehicle. The total cost of ownership for an electric vehicle is lower than a gas car in most cases, even without government subsidies. The average U.S. household spends over \$2,000 on vehicle fuel (mostly gasoline) every year. Switching from gasoline cars to electric vehicles would help alleviate the energy burden issues that many households across the U.S. are facing.

This market transition is happening just in time because the transportation sector is the single largest source of U.S. greenhouse gas emissions. According to the American Lung Association's "State of the Air 2024" report, 131 million Americans live in communities with unhealthy levels of fine particle pollution, which are released by combustion cars. This air pollution can cause asthma attacks, lung cancer, shortness of breath, heart attacks, stroke, preterm birth, and premature death. These health impacts, and ultimately, deaths, disproportionately impact American communities of color and low-income communities: which are, quite often, the very same communities who make up the American auto industry's workforce. By accelerating the transition to zero-emission vehicles, which emit zero tailpipe emissions, these devastating health concerns will be addressed.

So, on every metric, it makes sense to commit to the future we will all need. According to the California Air Resources Board, ACC II will reduce greenhouse gas emissions from light-duty vehicles in California alone by more than 50% by 2040, and similar emissions reductions are anticipated in other states that have adopted the program as well. Increasing the share of new zero-emission vehicles according to the ACC II trajectory is essential for supporting the global effort to mitigate climate threats, and essential to the industry's long term competitive position. **Thus,**

re-committing to that trajectory now is among the most important immediate steps you can take for the sake of our communities, your workforce, and your own companies' long term growth. We look forward to your response and would be happy to meet to discuss.

All the best,
Craig Segall
Senior Vice President, Evergreen Collaborative