California Arizona Connecticut Maine Maryland Massachusetts New Mexico

New York Oregon Pennsylvania Rhode Island Vermont Washington

January 23, 2008

The Honorable Stephen L. Johnson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue
Washington, DC 20460

Dear Mr. Administrator:

We are writing to express our disappointment in your recent decision to block states' rights to reduce greenhouse gas emissions from motor vehicles.

Your decision to deny California its waiver ignores federal law and the reality of climate change. It also ignores the clear intent of Congress in the Clean Air Act to enable California to adopt regulations to control emissions from new motor vehicles that are at least as stringent as those of the federal government, and to allow other states to follow.

The authority of states to address greenhouse gas emissions from motor vehicles has been clearly and unequivocally supported by recent judicial decisions. In April, the United States Supreme Court ruled in an historic opinion that greenhouse gas emissions from motor vehicles are pollutants to be regulated under the Clean Air Act. In September, a federal court decision in Vermont confirmed that states have the authority to adopt California's motor vehicle greenhouse gas emissions standards. In December, a federal court in California issued a ruling that confirms California's authority to set motor vehicle greenhouse gas emissions standards.

We find your reasons for denying California's request for a waiver of federal preemption unsound.

<u>New Federal Fuel Economy Standards are No Excuse for Denying Waiver</u>

You said the federal Energy Bill is the answer to combating greenhouse gas emissions from vehicles. The U.S. EPA acted inappropriately in basing its waiver decision on a comparison of California's emissions standards to possible co-benefits of the recently enacted federal Energy Bill, especially with no support for that comparison.

While more stringent CAFE standards are well and good, the most effective strategy to reduce greenhouse gas emissions from vehicles is the comprehensive standard that has been adopted by 13 states and is being considered by another seven. California's standard regulates four greenhouse gases directly. The federal government, as required by the new Energy Bill, will improve fuel economy standards. Fuel economy and greenhouse gas emission standards are not the same. Although both are laudable, they achieve distinctly different goals.

California's Standard is One of Only Two Possible Standards

You denounced a confusing patchwork of state rules in your denial statement. There is no patchwork. Rather, there continues to be the two-car system that Congress intended – California cars and federal cars. Currently there is only one greenhouse gas emissions standard – a California standard.

The federal government has not established a greenhouse gas emissions standard for vehicles. If they do, manufacturers will continue to produce, at most, two vehicle types – one certified for sale in California and the states that have adopted California's standard, and one federally-certified for the remainder of the states. That is why we need to adopt the most effective solution – California's – which is the only greenhouse gas standard in effect.

California's Standards are Almost Twice as Effective

You said federal CAFE standards are much more effective than California's standard. Although this is not a proper basis for your decision, according to an analysis by the California Air Resources Board, if all 19 states follow California, the greenhouse gas emissions reduction benefits above and beyond the possible co-benefits under the Energy Bill are expected to be 315 million metric tons by the year 2020, an 85% increase in emission reduction benefits.

This Global Problem Requires the Most Effective Solution

You said this waiver request is distinct from prior waiver requests because, unlike traditional pollutants, greenhouse gas emissions are a global problem. We agree that this is a global problem, but the consequences are a local problem. Higher temperatures will cause a number of troubling local conditions, including worsening smog and soot pollution in cities that already suffer from some of the worst air quality in the nation. That is why we need to adopt the most effective solution, which is ours.

Climate Change Compels Us to Act Now

You said that the circumstances for granting the waiver are not compelling. Each day, scientists better understand the impacts of climate change, and those impacts are certain to be environmentally and economically damaging. All states face negative impacts to their economies, natural resources and shorelines. California is particularly

vulnerable because of its reliance on snow pack as the most significant source of water storage, its 1,200 miles of coastline, its agricultural industry that leads the U.S. in production of fruits and vegetables, and its already-challenging air quality issues. This is more than sufficient to warrant California's claim of "compelling and extraordinary conditions" and to exercise its right to lead a state-based effort to reduce greenhouse gas emissions from motor vehicles, and for other states to follow.

In conclusion, the U.S. EPA action to prevent California, and thereby 19 other states, from implementing its motor vehicle greenhouse gas emissions reduction regulations is without merit. The federal government, with this unprecedented action, is ignoring the rights of states, as well as the will of more than one hundred million people across the U.S. We stand by our commitment to bring cleaner cars to our states.

Sincerely,

Governor Arnold Schwarzenegger
California

Governor Janet Napolitano
Arizona

Governor M. Jodi Rell
Connecticut

Governor John Baldacci
Maine

Governor Martin O'Malley
Maryland

Governor Deval Patrick
Massachusetts

Governor Bill Richardson
New Mexico

Governor Eliot Spitzer
New York

Governor Theodore R. Kulongoski
Oregon

Governor Edward G. Rendell
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Governor Donald L. Carcieri
Rhode Island

Governor James H. Douglas
Vermont

Governor Christine O. Gregoire
Washington

Governor John S. Corzine
New Jersey