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Senate Transportation Committee The Honorable Stephanie Kunze, Chair

Proponent Testimony-Senate Resolution 155 Chris Zeigler | API Ohio April 24, 2024

Chair Kunze, Vice Chair Reineke, Ranking Member Antonio, and members of the Ohio Senate Transportation Committee, thank you for the opportunity to provide proponent testimony on Senate Resolution 155 (S.R. 155).

The American Petroleum Institute-Ohio (API Ohio) is the state affiliate office of the American Petroleum Institute (API). The API represents all segments of America's natural gas and oil industry, which supports nearly 11 million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our approximately 600 members produce, process, and distribute most of the nation's energy, and participate in API Energy Excellence®, which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. The API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency, and sustainability.

API Ohio commends Senator Gavarone for sponsoring S.R. 155 and recognizing the need to push back on federal policies that restrict consumer freedom, eliminate competition, distort the market, and create a big dependency on unreliable nations for our transportation needs. The resolution officially "expresses support for consumer choice in the automotive marketplace and against government preferred vehicle technology mandates that will harm Ohio's consumers by prematurely requiring the transition of the automotive fleet from internal combustion powered vehicles to all electric vehicles."

In March, the U.S. EPA finalized its tailpipe emissions rule – a rule that amounts to a de facto ban on new sales of gasoline and diesel-powered vehicles and traditional hybrids from model year 2027 to 2032. In the final rule, the agency slowed the pace at which automakers must manufacture electric vehicles (EVs) from what it previously proposed. However, the final impact is the same: automakers will need to make 68% of new vehicle offerings EVs or plug-in hybrid vehicles (PHEVs) by 2032. Here are few facts and potential implications of the EPA's transportation mandates:

- Last year, internal combustion engine (ICE) vehicles accounted for 92% of U.S. vehicle sales (per Cox Automotive¹, less than 8% were electric). More than a third of EV sales occurred in California². Nine of the top 10 vehicles³ sold last year were gas models, with pickup trucks and SUVs leading sales.
- EPA's light duty vehicle regulation covers passenger cars and trucks, model years 2027-2032. By 2032, the regulation will require cars and trucks sold in the United States to meet a fleetwide average tailpipe emissions standard of 85 grams/mile. This equates to a 64% decrease compared to the model year 2022 standard of 234 grams/mile.

¹ https://www.coxautoinc.com/market-insights/q4-2023-ev-sales/

 $^{^2\} https://www.greencarreports.com/news/1142197_more-than-a-third-of-us-evs-are-sold-in-california$

³ https://www.caranddriver.com/news/g43553191/bestselling-cars-2023/

- This rule is designed to force electric vehicle (EV) adoption and have EVs account for the majority
 of new car sales by 2030. We support a technology neutral approach that allows consumer
 choice.
- Today, only EVs and five plug in hybrid (PHEV) models meet the 85 grams/mile threshold.⁴ No gas, diesel or traditional hybrids come close.
- 75% of U.S. registered voters oppose government policies that would ban new gasoline, diesel and traditional hybrid vehicles, including 80% of independent voters and 56% of Democrats (per Ipsos poll⁵).

The U.S. EPA's final rule misses the mark in terms of crafting technology-neutral federal policies that drive greenhouse gas emissions reductions in the U.S. transportation sector. In response to the rule, the CEOs of both the API and the American Fuel & Petrochemical Manufacturers (AFPM) issued the following statement:

"At a time when millions of Americans are struggling with high costs and inflation, the Biden administration has finalized a regulation that will unequivocally eliminate most new gas cars and traditional hybrids from the U.S. market in less than a decade. As much as the President and EPA claim to have 'eased' their approach, nothing could be further from the truth. This regulation will make new gas-powered vehicles unavailable or prohibitively expensive for most Americans. For them, this wildly unpopular policy is going to feel and function like a ban."

"Whether you're a Republican or Democrat, Congress has to make a decision whether to protect consumer choice, U.S. manufacturing workers and our hard-won energy security by overturning this deeply flawed regulation. Short of that, our organizations are certainly prepared to challenge it in court."

Last week, Ohio Senators Sherrod Brown and J.D. Vance both supported Senate bill 4072⁶, a measure which would have temporarily blocked the EPA's new light-duty vehicle emissions rule. Although the bill received a majority of votes with 52 Senators supporting the bill, it fell short of the required 60 votes.

At a time when Americans continue to feel the impacts of bad federal policy as it relates to the development and use of our domestic energy resources. Consumers want policymakers to craft real solutions; focusing on measures that will strengthen our nation's position as the world's leader in natural gas and oil production.

The bottom line is that the country will only continue to need more energy to fuel our economy, and electric vehicles will be part of the future. However, the decision to buy an electric vehicle should be made by individual consumers, not mandated by Washington bureaucrats. The EPA's de facto ban will restrict consumer freedom, eliminate competition, distort the market, and create a big dependency on unreliable nations for our transportation needs. Senate Resolution 155 rightly recognizes this reality and calls on the Biden Administration and federal policymakers to have a renewed focus on the need for workable policies that will help to maintain American energy leadership and not drive it off a cliff.

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⁴https://www.fueleconomy.gov/feg/PowerSearch.do?action=noform&year1=2023&year2=2023&minmsrpsel=0&maxmsrpsel=0&city=0&hwy=
0&comb=0&cbvtplugin=Plug-in+Hybrid&YearSel=2023&make=&mclass=&vfuel=&vtype=Plugin Hybrid&trange=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxmsrpsel=0&maxm

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https://www.api.org/news-policy-and-issues/news/2024/02/27/new-ipsos-poll-energy-policy-perceptions

⁶ https://www.senate.gov/legislative/LIS/roll_call_votes/vote1182/vote_118_2_00142.htm