



Institute for
Policy Integrity

NEW YORK UNIVERSITY SCHOOL OF LAW

May 29, 2019

VIA ELECTRONIC SUBMISSION

Dr. Thomas Armitage
Designated Federal Officer
EPA Science Advisory Board (1400R)
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, D.C. 20460
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Re: June 2019 Meeting of the Chartered Science Advisory Board; The Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks, RIN 2060–AU09

The Institute for Policy Integrity (“Policy Integrity”) at New York University School of Law¹ submits the following comments to the Environmental Protection Agency (“EPA”) Chartered Science Advisory Board (“SAB”). These comments concern the SAB’s review of the technical analysis performed by the National Highway Traffic Safety Administration (“NHTSA”) to support EPA’s Rulemaking to Establish Light-Duty Vehicle Greenhouse Gas Emission Standards and Corporate Average Fuel Economy (2060-AU09).

Policy Integrity is a non-partisan think tank dedicated to improving the quality of government decisionmaking through advocacy and scholarship in the fields of administrative law, economics, and public policy. Policy Integrity has conducted a rigorous examination of the August 2018 joint EPA and NHTSA Notice of Proposed Rulemaking, the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks (“Proposed Rule”).²

In the Proposed Rule, EPA relied on NHTSA’s technical and economic modeling of greenhouse gas and fuel economy standards, including newly developed models that purport to estimate (1) the effect of standards on consumer decisions to purchase new vehicles, (2) the effect that changes in new vehicle prices would have on consumer decisions to retain or scrap existing vehicles, and (3) the effects of those consumer decisions on vehicle safety. As explained in a recent SAB Work Group memorandum, “[r]egardless of whether EPA relies on its own staff and analysis, or references another agency, EPA has an obligation to base its own rulemaking on

¹ This document does not purport to present New York University School of Law’s views, if any.

² 83 Fed. Reg. 42,986 (Aug. 24, 2018).

appropriately reviewed scientific and technical work products.”³ Yet, the new models developed by NHTSA and on which EPA has proposed to rely have not been subject to thorough scientific, economic, or technical review and are fatally flawed. Policy Integrity’s evaluation of these models as part of the public comment process reveals that they are inconsistent with basic economic theory, fail to conform to the best practices developed in the economic literature, and contain numerous econometric flaws, and, as a result, they produce anomalous outputs.

In order to aid the SAB in their review of the NHTSA models, Policy Integrity attaches comments submitted to EPA on the Proposed Rule, which describe the flaws in NHTSA’s models in greater detail. In particular, pages 13-32 of the attached comments identify flaws in NHTSA’s analysis of vehicle cost increases as a result of standards, pages 57-59 discuss general econometric errors in NHTSA’s modeling; pages 59-90 discuss flaws in NHTSA’s scrappage model and vehicle miles traveled calculations; pages 91-98 identify flaws in NHTSA’s safety modeling; and pages 132-158 catalog the references used throughout the comments. We strongly urge the Chartered Science Advisory Board to review these materials.

For additional information, please feel free to contact me at (949) 302-6179 or avi.zevin@nyu.edu.

Respectfully,



Avi Zevin

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New York University School of Law

Attachment:

Comments of the Institute for Policy Integrity to EPA and NHTSA on The Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks, NHTSA-2018-0067-12213 and EPA-HQ-OAR-2018-0283-5083 (Oct. 26, 2018)

³ Memorandum from Alison Cullen, Chair, SAB Work Group on EPA Planned Actions for SAB Consideration of the Underlying Science to Members of the Chartered SAB and SAB Liaisons at 5 (April 25, 2019).

ATTACHMENT A

Comments of the Institute for Policy Integrity to EPA and NHTSA on The Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021–2026 Passenger Cars and Light Trucks, NHTSA-2018-0067-12213 and EPA-HQ-OAR-2018-0283-5083 (Oct. 26, 2018)