



September 22, 2025

*By electronic submission: regulations.gov*

Administrator Lee Zeldin  
U.S. Environmental Protection Agency  
EPA Docket Center  
OAR Docket, Mail Code 28221T  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

Re: Reconsideration of 2009 Endangerment Finding  
and Greenhouse Gas Vehicle Standards, Docket ID  
No. EPA-HQ-OAR-2025-0194

Dear Administrator Zeldin:

The National Automobile Dealers Association (NADA) and the American Truck Dealers (ATD) represent over 16,000 franchised automobile and truck dealerships that sell new and used motor vehicles and engage in service, repair, and parts sales. Together they employ more than 1.1 million people nationwide, and most are small businesses as defined by the Small Business Administration.

NADA and ATD submit the following comments to the U.S. Environmental Protection Agency (EPA) in response to its request for comments on its proposed rule entitled *Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards* (Reconsideration Rule).<sup>1</sup> Please also see our 2023 comments on EPA's Multi-Pollutant<sup>2</sup> and GHG Phase 3<sup>3</sup> rulemakings, which addressed the harmful, market-distorting impacts those greenhouse gas (GHG) rules would have on vehicle affordability and customer choice.

## **I. Executive Summary**

The Reconsideration Rule, if finalized, would “repeal all GHG emissions standards for light-duty vehicles, medium-duty vehicles, heavy-duty vehicles, and heavy-duty engines.”<sup>4</sup> NADA warned

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<sup>1</sup> U.S. Environmental Protection Agency, Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards, 90 Fed. Reg. 36288 (August 1, 2025) (Hereafter “Reconsideration Rule”)

<sup>2</sup> Nat'l Auto. Dealers Ass'n, [\*Comment Letter on Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles\*](#), (July 5, 2023) (Hereafter “NADA Comments on Multi-Pollutant Rule”).

<sup>3</sup> Nat'l Auto. Dealers Ass'n, [\*Comment Letter on Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles - Phase 3\*](#), (June 16, 2023) (Hereafter “NADA Comments on EPA GHG3 Rule”).

<sup>4</sup> Reconsideration Rule, 90 Fed. Reg. at 36313.

the previous administration that their proposed GHG rules were “premised on overly aggressive assumptions regarding future [electric vehicle (EV)] market penetration and appear[] intended to promote, at least indirectly, EVs to the exclusion of [internal combustion engine (ICE)], hybrid, and other alternative fuel vehicles” and recommended that “EPA’s final rule should set technology-neutral emissions standards that maximize, not inhibit, fleet turnover.”<sup>5</sup> The administration did not heed that warning because, as the manufacturers have stated, “there’s no question the vehicle emissions regulations finalized under the previous administration aren’t achievable and should be revised to reflect current market conditions.”<sup>6</sup> NADA supports the resulting repeal of these unattainable regulations.

Franchised automobile and truck dealers have long supported technology-inclusive national emissions standards that are feasible, economically practicable, and in line with customer choice. America’s franchised dealers actively support our customers’ desire for EVs and are expected to sell majority of all new battery-electric vehicles (BEVs) in the U.S in 2025—more than Tesla and other direct sellers combined.<sup>7</sup> Franchised dealers are also investing substantial sums in training, facilities, and tools to support EV sales and leases, and have committed extensive resources to the service network that is essential to the broader adoption of EVs.

Dealers know firsthand that unrealistic, technology-forcing mandates cannot dictate customer demand for any vehicle fuel or powertrain. The previous administration’s GHG rules for model years 2027 and later<sup>8</sup> force the mass adoption of EVs without proper consideration of lagging charging infrastructure and consumer behavior. These rules drive up costs for vehicle manufacturers, and consequently, consumers. And the resulting high purchase price of EVs—particularly with the upcoming expiration of the automobile sales and lease tax credits—means most American consumers and motor carriers cannot afford these vehicles.

For heavy-duty vehicles, the GHG Phase 3 standards’ unrealistic timelines and cost assumptions for deploying zero-emissions technologies will delay customers’ adoption and contribute to declining vehicle sales.

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<sup>5</sup> NADA Comments on EPA GHG3 Rule, at p.2. Similarly, ATD pointed out that the GHG Phase 3 rule was premised on unsupportable assumptions and unrealistic predictions of infrastructure growth. The Truck and Engine Manufacturer Association (EMA), the trade association representing heavy-duty engine manufacturers, described the final rule as “the most challenging, costly and potentially disruptive heavy-duty emissions rule in history.” <https://www.cnn.com/2024/03/29/climate/biden-administration-rule-heavy-duty-trucks-buses>.

<sup>6</sup> <https://www.npr.org/2025/07/29/nx-s1-5463771/epa-greenhouse-gas-regulations-cars-pollution>.

<sup>7</sup> NADA August 2025 analysis of Omdia data on US BEV sales and sellers.

<sup>8</sup> U.S. Environmental Protection Agency, Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles, 89 Fed. Reg. 27841 (Apr. 18, 2024) (Hereafter “Multi-Pollutant Rule”) <https://www.govinfo.gov/content/pkg/FR-2024-04-18/pdf/2024-06214.pdf>; U.S. Environmental Protection Agency, Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles-Phase 3, 89 Fed. Reg. 29440 (Apr. 22, 2024), <https://www.govinfo.gov/content/pkg/FR-2024-04-22/pdf/2024-06809.pdf>.

Reasonable standards should rely on a technology-inclusive approach to support a range of new vehicle options that can satisfy American consumers. The overreaching standards put in place by the previous administration only serve to discourage the purchase of cleaner, greener, and safer new vehicles. A sensible, demand-driven framework that accommodates all drivetrain technologies and fuels and addresses the challenges posed by inadequate charging and electrical infrastructure would increase fleet turnover and achieve real environmental improvements.

As flattening EV sales and increasing EV prices prove, EPA’s regulatory mandates cannot supplant market forces and cannot force greater demand for EVs. EPA’s regulations simply went too far, too fast, distorting the market, inflating vehicle costs, and discouraging fleet turnover to new, cleaner vehicles. Replacing the Biden era GHG rules with tailpipe emissions standards that utilize a technology-inclusive approach that supports a range of new vehicle options would restore reason to governmental standards in the U.S. EV market, enabling dealers to sell all the vehicle options our customers want and can afford.

## **II. Proposal Overview**

If finalized, the Reconsideration Rule would repeal all GHG emissions standards issued by the EPA for light-, medium-, and heavy-duty vehicles and engines. EPA offers several alternative rationales to support the repeal and states that any one of these rationales would provide sufficient basis for repealing the GHG regulations.<sup>9</sup>

First, EPA proposes that section 202(a) of the Clean Air Act (CAA) does not authorize EPA to impose emissions standards to address global climate change concerns. EPA proposes to return to the agency’s longstanding interpretation of the term “air pollution” under Section 202(a) as limited to air pollution that itself endangers public health or welfare through local or regional exposure.<sup>10</sup> Second, EPA proposes that even assuming CAA 202(a) can be reasonably interpreted to reach global climate change, the EPA, in making its 2009 endangerment finding to justify regulating GHGs, exercised its regulatory authority unreasonably, and legal and scientific developments since 2009 cast significant doubt on the viability and reliability of the 2009 findings.<sup>11</sup>

EPA also offers separate bases to repeal the GHG standards even if the 2009 endangerment finding remains in place. First, EPA proposes that there is no “requisite technology,” as required under section 202(a)(2) of the CAA, for vehicle and engine emissions control that can measurably impact the global climate change concerns identified in the finding.<sup>12</sup> In the alternative, EPA proposes that the GHG rules actually harm public health and welfare by requiring manufacturers to design and install expensive technologies that drive up the price of

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<sup>9</sup> Reconsideration Rule, 90 Fed. Reg. 36288, (August 1, 2025).

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

new vehicles. Higher vehicle prices disincentivize consumers from purchasing new vehicles and keep older, less efficient vehicles on the road longer. As a result, Americans are holding onto their vehicles for longer.<sup>13</sup>

In addition to repealing all GHG standards for motor vehicles and engines, EPA proposes to repeal testing, CO2 emissions credits, certification, reporting, and compliance requirements associated with the GHG standards.

EPA proposes to retain all provisions that support the agency’s criteria pollutant emissions program.

EPA also proposes to retain the testing, reporting, and label requirements related to EPA’s role in measuring and calculating fuel economy and fuel consumption values under the National Highway Traffic Safety Administration’s fuel economy standards for light-, medium-, and heavy-duty vehicles.

### **III. EPA’s Greenhouse Gas Emissions Rules are Unachievable**

#### **A. America’s Car and Truck Dealers Continue to Support Reasonable Improvements in Motor Vehicle Emissions**

NADA and ATD have long been supportive of improvements in national emissions standards that are feasible and economically practicable. Dealers are investing substantial sums – exceeding \$12 billion – into vehicles, training, equipment, facilities, and tools to facilitate the successful sale and leasing of zero-emission vehicles (ZEVs), including BEVs, plug-in hybrid vehicles (PHEVs), and fuel cell electric vehicles (FCEVs). This investment includes establishing the service networks critical to the broader adoption of ZEVs, which are increasingly available in our showrooms: 149 electric models are now available for sale in the U.S.<sup>14</sup>

Franchised auto dealers have sold more EVs than direct sales manufacturers this year. Through August 2025, franchised dealerships have sold 469,071 new BEVs accounting for 55.6% of all new EVs sold – up by 28.1% year over year.<sup>15</sup> This growth in sales is attributable to the increasing demand for EVs and the infrastructure investments made by franchised dealerships to support EV adoption.

Yet only 2.1 percent of vehicles on U.S. roadways today are ZEVs, and the growth of new U.S. light-duty EV sales in the first half of 2025 has slowed.<sup>16</sup> In the first quarter of 2025, EVs comprised 9.6 percent of all light-duty vehicle sales, down 1.3 percentage points from Q4,

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<sup>13</sup> *Id.*

<sup>14</sup> Alliance for Automotive Innovation, [Get Connected Electric Vehicle Report Q1 2025](#), (June 18, 2025) (Hereafter “Get Connected”).

<sup>15</sup> In 2024, franchised dealerships accounted for 48.1% of all new EVs sold.

<sup>16</sup> Cox Automotive, [Data Point](#), (July 14, 2025) (Hereafter “Data Point”).

2024.<sup>17</sup> EV sales in Q2 were lower year-over-year despite healthy inventory levels, more than a dozen new vehicle models, and strong sales incentives.<sup>18</sup>

The future of EV sales is equally sobering. Industry analysts’ expectations for total new light-duty EV sales in the U.S. in 2025 have been lowered from 10 percent of total sales (predicted at the end of the 2024) to an 8.5 percent now.<sup>19</sup> While we do see a temporary spike from the expiring federal tax credits,<sup>20</sup> sales volume is expected to remain flat year over year.<sup>21</sup>

Data on the heavy-duty ZEV market shows the major challenges to electrifying America’s heavy-duty fleet. Today, less than one percent of new heavy-duty vehicle registrations are ZEVs.<sup>22</sup> Impediments to heavy-duty ZEV use include significantly higher initial vehicle costs, a nascent charging infrastructure, and higher operational costs due to downtime spent charging on the road. The cost difference between ZEV and ICE heavy duty vehicles is significant. The upfront investment in a Class 8 ZEV is more than twice the cost of a comparable diesel-powered vehicle. Where a traditional diesel typically costs \$200,000, its zero-emission equivalent costs \$436,000.<sup>23</sup> A study released by the Clean Freight Coalition found that electrifying the U.S. commercial truck fleet would cost nearly \$1 trillion in infrastructure and electrical grid network upgrades.<sup>24</sup> This already dramatic challenge will only grow steeper if federal investment in charging stations is curtailed.<sup>25</sup>

## **B. The Prior Administration’s GHG Rules Make Increase Vehicle Cost**

### **1. Vehicle Affordability Is Already a Challenge for Many Americans**

Due to market factors such as early-stage manufacturing costs and diseconomies of scale, EVs are more expensive than ICE vehicles. EPA’s GHG emissions standards further undermine vehicle affordability and actually impede the EV sales market. Today, most U.S. households cannot afford to purchase a new light-duty vehicle. The chart below reflects NADA’s most recent data on price and financing costs for an average American household to acquire a new light-duty EV or a new light-duty vehicle of any propulsion/fuel type.

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<sup>17</sup> Get Connected.

<sup>18</sup> Data Point.

<sup>19</sup> *Id.*

<sup>20</sup> Automotive News, [EV Registrations Jump 27% In July For Legacy Brands As U.S. Tax Credit Nears End; Tesla Slips](#), (August 17, 2025).

<sup>21</sup> Data Point.

<sup>22</sup> Out of approximately 277,000 heavy-duty trucks (classes 7 & 8) registered in the U.S. in 2024, zero-emission heavy-duty trucks accounted for 0.40%. Ilma Fadhil and Yihao Xie, [Race to zero: Zero-emission bus and truck market in the United States, 2024](#), (ICCT20, June 24, 2025).

<sup>23</sup> Transflow, [The Uncertain Future of Electric Class 8 Trucks](#), (March 11, 2025).

<sup>24</sup> Roland Berger, [Forecasting a Realistic Electricity Infrastructure Buildout for Medium- & Heavy-Duty Battery Electric Vehicles](#), (March 18, 2024) (Hereafter “Forecasting a Realistic Buildout”).

<sup>25</sup> While the Trump administration issued new guidance in August to free up NEVI funding, the House FY 2026 Transportation/HUD appropriations bill would redirect \$1 billion in NEVI funding to the FAA to bolster aviation programs. See AASHTO, [Changes Unveiled in FY 2026 House Appropriations Bill](#), (July 18, 2025).

Only 36.5 percent of American households can afford a new light-duty vehicle in today’s market. That percentage drops for electric vehicles, which are more costly than ICE vehicles. On average, an EV costs around \$12,000 more than an ICE vehicle.<sup>26</sup> As a result, only 29.3 percent of American households can afford a new EV – meaning that over 70 percent of US households are priced out of the new EV market.

#### June 2025 Price and Affordability Information

	KBB New Vehicle Average Transaction Price	KBB New EV Average Transaction Price	Estimated New EV transaction Price without \$7,500 credit
Car Price	\$48,907	\$56,910	\$64,410
Average Interest Rate	6.90%	6.90%	6.90%
Average Loan Term (months)	69	69	69
20% Down Payment	\$9,781	\$11,382	\$12,882
Loan Amount	\$39,126	\$45,528	\$51,528
Monthly Payment	\$689	\$801	\$907
Monthly Take Home Pay Necessary for 10% of Take-Home Income	\$6,890	\$8,010	\$9,070
Annual Take Home Pay Necessary	\$82,680	\$96,120	\$108,840
Assume Americans Pay 27% of Their Income in Taxes to Derive Gross Income	\$113,260	\$131,671	\$149,096
Share of U.S. Households That Can Afford	36.48%	29.3%	25.0%
Number of Households that Can Afford (thousands)	48,228	38,778	33,070
Total Households (thousands)	132,200	132,200	132,200
<b>Sources: U.S. Census Bureau, NADA, Kelly Blue Book</b>			

## 2. The Loss of Federal Tax Credits for EVs Will Further Erode Vehicle Affordability

By any metric, a new vehicle is a major purchase for American families, who have no room in their household budgets for price mark-ups brought on by unrealistic government mandates. While dealers and consumers purchasing new EVs in the weeks leading up to the September 30 expiration of federal EV tax credits are making the most of that opportunity,<sup>27</sup> the longer-term impacts of the tax credit repeal will likely be higher vehicle prices and a collapse of the EV

<sup>26</sup> Get Connected.

<sup>27</sup> “The electric vehicle (EV) market gained strong momentum in July, with new and used EV sales rising sharply as consumers accelerated purchases ahead of the Inflation Reduction Act’s tax credit expiration. Inventory tightened, incentives climbed, and pricing adjusted – highlighting a market still heavily influenced by policy support but increasingly responsive to real-time demand.” Cox Automotive, [EV Market Monitor – July 2025](#), (August 15, 2025).

market in Q4 of this year.<sup>28</sup> EPA’s GHG rules for model years 2027 and beyond relied on tax credit support remaining through 2030. The early loss of these tax credits will have significant negative impacts on EV affordability and sales. Without the federal tax credit, just a quarter of all US households will be able to afford a new EV.

More specifically, NADA estimates that revocation of the sales tax credit could reduce EV sales by 6.6 to 11.1 percent. We rely on research on vehicle price elasticity from Resources for the Future (RFF), an independent, nonprofit research institution.<sup>29</sup> Our estimates for the market price elasticity for new vehicles show considerable heterogeneity across consumer income groups, ranging from -0.2 for the highest income group to -0.84 for the lowest. The average is -0.5, which is similar in magnitude to the parameter value used by the EPA and NHTSA in their final regulatory impact analysis of the 2024–2026 fuel economy and GHG standards. In terms of category elasticities, RFF finds that passenger vehicle and EV buyers are more price sensitive than light-duty truck and gasoline vehicle buyers. We also obtain plausible estimates on various price elasticities of interest.

Assuming the average price elasticity of demand of -0.5 and a current EV transaction price of \$56,910:<sup>30</sup>

- Removal of the credit would increase the price by \$7,500 to \$64,410, representing a price increase of 13.2 percent. At a price elasticity of demand of -0.5, this would imply a reduction in EV sales of 6.6 percent from the elimination of the credit.
- RFF analysts note that, “In terms of category elasticities, we find that car and EV buyers are more price sensitive than light truck and gasoline vehicle buyers.”<sup>31</sup> Since EV buyers are more sensitive to price changes, an assumption of a price elasticity of demand of -0.84 is not unreasonable given that this is the highest value that the researchers note in their findings. In this scenario the removal of the EV tax credit could reduce EV sales by 11.1 percent.

We have also calculated the potential impacts of the loss of the EV tax credit for vehicle leases. Leasing electric vehicles has recently become the most popular means of purchase, and in May 2025, 67.5 percent of new electric vehicles sold were via leases. The termination of the 45W tax credit for electric vehicles will result in a significant decline in electric vehicle leasing. BEV leasing penetration will most certainly fall. Prior to the enactment of the 45W tax credit, electric vehicle leasing penetration was significantly lower. In 2022, the last full year before enactment of the 45W tax credit for leasing, BEV leasing penetration averaged 12.6 percent. We can consider this as the lower bound for BEV leasing penetration in the absence of the tax credit. Given that three-year retention values for BEVs are significantly lower than ICE and hybrid

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<sup>28</sup> Data Point.

<sup>29</sup> Benjamin Leard and Yidi Wu, [New Passenger Vehicle Demand Elasticities: Estimates and Policy Implication](#), (Resources for the Future, August 2023) (Hereafter “New Passenger Vehicle Demand Elasticities”).

<sup>30</sup> Cox Automotive, [Kelly Blue Book Report](#), (July 14, 2025).

<sup>31</sup> New Passenger Vehicle Demand Elasticities at p. 2.



vehicles,<sup>32</sup> we expect that there will still be BEV leasing customers who wish to insulate themselves from the significant depreciation of electric vehicles by leasing. With all powertrain leasing penetration currently hovering around 20 percent, a reasonable estimate of BEV leasing penetration in the absence of the credit is 20 to 30 percent.

Thus, we expect the leasing rate to fall to less than half of today’s rate with the tax credit ending. Stringent eligibility rules have limited the number of vehicles that qualify for the EV tax credit on a cash or traditional finance contract purchase. The 45W leasing loophole bypasses the eligibility rules for the credit by classifying these leased EVs as “commercial vehicles” which are eligible for the credit regardless of the final assembly location or where the battery originated. The 45W loophole allows for many more EV models to qualify for the credit. Leasing allows payment-focused customers to purchase the vehicle at a lower monthly payment than a traditional finance contract would allow. For many consumers, leasing is a lower-risk way to enter the EV market. And the flexibility of a lease allows consumers to protect themselves from uncertain residual values in the future.<sup>33</sup> As a result, the decline in EV leases will leave dealers holding EV inventory longer or will require dealers to provide discounts or incentives of their own to move these vehicles.<sup>34</sup>

### **C. The Prior Administration Erred in its Analysis of Consumers’ Interest in Buying EVs**

In a clear signal of how the prior administration’s GHG rules miscalculated consumers’ demand for EVs, the average age of the U.S. light-duty vehicle fleet in 2025 increased to 12.8 years.<sup>35</sup> This marks the second consecutive year of a two-month increase in vehicle fleet age. Broadly, this means consumers are increasingly holding onto their (predominantly ICE) vehicles longer, rather than replacing them with cleaner, more efficient vehicles.

EPA’s draft regulatory impact analysis in the Reconsideration Rule docket recognizes that “consumer/purchaser demand for LD, MD and HD electric vehicles has decreased below the levels projected in the 2024 vehicle rulemakings.” In other words, as NADA and ATD documented in our comments on the Multi-Pollutant and GHG 3 rules, the prior administration erred in its assumptions on consumer demand for EVs. In addition, federal policy changes since the adoption of those rules have further suppressed demand. The nation’s inadequate charging infrastructure is a particular impediment to widespread EV adoption. As a result, EPA’s GHG

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<sup>32</sup> Cox Automotive, [Q2 Manheim Used Vehicle Value Index Call](#), (July 8, 2025) ; Slide 24 shows 3-year retention values for vehicles with various powertrains.

<sup>33</sup> The General, [Why More Americans are Leasing EVs in 2025](#), (August 15, 2025).

<sup>34</sup> As ATD explained in its 2023 comments on the GHG 3 rulemaking, EPA’s analysis of regulatory costs neglected to account for the 12 percent heavy truck federal excise tax. Because this tax is based on a percentage of a heavy-duty vehicle’s sales price, it is necessarily higher for ZEVs than for diesel vehicles. ATD Comments on EPA GHG3 Rule, at p. 7.

<sup>35</sup> Todd Campau, [Average Age of Vehicles in the US Rises to 12.8 Years in 2025](#), S&P Global (May 21, 2025).



rules are proving to be even more unrealistic and unachievable today than when they were first adopted. We support their repeal.

## 1. Fuel Economy is Just One of Many Factors Consumers Consider

As NADA has explained in prior comments<sup>36</sup> and again in these comments, EPA’s analysis of prospective new vehicle purchaser consideration of fuel economy in the 2024 Multi-Pollutant and GHG3 rules was flawed and problematic.

Consumers shopping for vehicles with better fuel economy must be able to pay for it. As explained above, 64 percent of American households are already priced out of the new vehicle market. EPA made no real attempt to assess how new light-duty vehicle consumers actually value emissions reduction / fuel economy technology when making purchase decisions.<sup>37</sup> Instead, EPA cited an “energy efficiency gap” and claimed this issue will become less relevant as the share of EVs in the market increases. EPA’s failure to meaningfully assess consumer willingness to pay a higher vehicle price to gain improved fuel economy explains – but certainly does not justify – how EPA underestimated the true costs of its rule and failed to appropriately address how raising up-front vehicle prices would prevent consumers from entering the new car market. NADA has emphasized<sup>38</sup> how these significant marketplace disruptions would slow fleet turnover, delaying the environmental gains the rules were originally created to implement.

Studies have shown that consumers do value fuel economy and are willing to pay for it – if it fits comfortably into their daily lives without sacrificing other desired features. Improved fuel economy must be viewed in the context of other vehicle attributes, and the financial benefits of fuel economy cannot be separated from tradeoffs with other vehicle qualities and performance. This is evidenced by growth in hybrid vehicle sales.

In the draft RIA for the current proposed rule, EPA acknowledges the shortcomings in its prior analysis regarding fuel economy demand. “In an effort to overcome shortcomings of past analyses, more recent studies have relied on panel data from sales of individual vehicle models to improve their reliability in identifying the association between vehicles’ prices and their fuel economy (Leard et al., 2023; Sallee et al., 2016; Allcott and Wozny, 2014; Busse et al., 2013).”<sup>39</sup> It continues, “These studies point to a somewhat narrower range of estimates than suggested by previous cross-sectional studies; **more importantly, they consistently suggest that buyers value a large proportion—and perhaps even all—of the future savings that models with higher fuel economy offer.**”<sup>40</sup>

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<sup>36</sup> NADA Comments on Multi-Pollutant Rule.

<sup>37</sup> Multi-Pollutant Rule, 88 Fed. Reg. at 29370, 29397.

<sup>38</sup> See several studies of consumer value of fuel economy in the context of NHTSA and EPA rulemakings on NADA’s website. <https://www.nada.org/nada/study/summary-nada-fuel-economy-studies>.

<sup>39</sup> U.S. Environmental Protection Agency, [Draft Regulatory Impact Analysis, Reconsideration of 2009 Endangerment Finding and Greenhouse Gas Vehicle Standards](#), (July 2025) (Hereafter “Draft RIA”).

<sup>40</sup> Draft RIA.

Buyers do value future fuel economy savings, but these savings are not all that consumers consider when purchasing a vehicle. How the vehicle fits into their daily lives drives much of the decision.<sup>41</sup> Hybrid vehicles, for example, do not require charging infrastructure to operate. From a consumer perspective, these vehicles are operated and fueled much like a conventional ICE vehicle. Today’s modern hybrid powertrains offer significantly better fuel economy and equal or better performance than many ICE options at a premium that many consumers find reasonable.

Since consumers value a large proportion of the future savings that vehicles with higher fuel economy offer, they are willing to pay more for these hybrid vehicles knowing that they will get significantly better fuel economy without any changes to how they use or operate the vehicle and without sacrificing engine performance. Current sales data show this trend. Hybrid vehicle sales have grown more than any other powertrain through 8 months of 2025. Year to date through August 2025, hybrid vehicles accounted for 12.3% of all new vehicles sold (up from 9.5% through the same period in 2024). Hybrid sales have increased by 34.8 percent year-over-year through August 2025. No other powertrain is experiencing growth like this.

Commercial operations of heavy-duty ZEVs present additional costs that are not rationally countered by fuel economy savings, making the stringent GHG3 standards onerous and unworkable for most motor carriers. Beyond the upfront cost differential between ZEV and diesel trucks (described in section A above), motor carriers incur significant operational costs with heavy-duty ZEV vehicles in the form of reduced hauling capacity and higher downtimes to recharge.<sup>42</sup> Given strict hours-of-service limits for drivers of commercial motor vehicles,<sup>43</sup> longer trip times for recharging can add extensive labor costs for the same volume of work, such as by requiring additional drivers or an extensive rest period to reset a driver’s hours-of-service clock. Additionally, because ZEV trucks with their large battery packs are heavier than diesel trucks, motor carriers must use additional vehicles and drivers to haul the same volume of freight as a diesel truck. An analysis conducted by truck rental company Ryder estimated that a motor carrier would need nearly two heavy duty ZEV trucks and more than two drivers to equal the output of a single heavy-duty diesel truck.<sup>44</sup>

Also consider the clear-eyed assessment from McKinsey and Company, based on a recent survey of more than 200 US trucking fleets. McKinsey found that while two-thirds of motor carriers

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<sup>41</sup> NADA analysis shows that light duty vehicle purchasers rank the following factors higher than fuel economy when making a vehicle purchase: (1) value for cost generally, (2) prior experience with the brand, (3) driving performance, (4) overall vehicle durability/reliability, (5) vehicle safety, and (6) exterior styling. Factors on par with fuel economy are (1) the overall image of the vehicle, and (2) whether the vehicle is fun to drive.

<sup>42</sup> In its 2023 Operational Costs of Trucking report, ATRI determined that if diesel tractors were replaced with heavier electric trucks, more trucks would be needed to handle the same amount of freight. Specifically, moving the payload capacity of 1,000 diesel trucks would require an additional 343 electric trucks. American Transportation Research Institute, [2023 update to An Analysis of the Operational Costs of Trucking](#). (June 2023).

<sup>43</sup> See Federal hours of service requirements at 49 CFR Part 395 which govern drivers of commercial motor vehicles.

<sup>44</sup> Paul Berger, [Companies are Balking at the High Costs of Running Electric Trucks](#) (Wall Street Journal, May 8, 2024).

surveyed are committed to decarbonization and over half are piloting ZEVs, fewer than 10 percent see a viable path to scaling the use of ZEVs. Adoption is currently stalled at a few thousand vehicles per year, due to trucking fleets’ considerable concerns about affordability and other hurdles to scaling up.<sup>45</sup>

## **2. Public Charging Shortfalls Remain a Major Consumer Concern**

While improved fuel economy is a clear benefit of EVs, there are other factors consumers consider when buying a vehicle that continue to drag down EV demand. Insufficient public charging infrastructure remains the primary obstacle to broader EV adoption.<sup>46</sup> Because the Multi-Pollutant and GHG3 rules adopted in the prior administration failed to adequately account for this hurdle, these rules remain unrealistic, technology-forcing mandates that are out of sync with consumer demand.

Several studies have assessed the scale of the U.S. charging infrastructure needed to meet projected EV numbers. Per a June 2023 assessment by the U.S. National Renewable Energy Laboratory, the US would need 28 million charging ports to support 50 percent EV sales by 2030 (which is about 33 million EVs on the road). As of March 2025, the Alliance for Automotive Innovation reports that there were just 204,000 public charging ports nationwide and 6.2 million EVs on the road. As a result, the Alliance concluded that “total installed public charging ports are about 16 percent of the estimated chargers needed to support 50 percent EV sales and 33 million EVs in operation by 2030.”<sup>47</sup>

This charging infrastructure deficit will only grow worse. The Edison Electric Institute’s forecast for 2035 estimates that approximately 42.2 million charge ports will be needed to support the 78.5 million EVs projected to be on U.S. roads in 2035.<sup>48</sup>

Charger reliability and pricing are other critical demand-side factors that EPA’s GHG rules failed to adequately consider. One study of a million EV charger station consumer reviews reveals “widespread dissatisfaction with the current state of EV charging infrastructure,”<sup>49</sup> where public chargers worked only 78 percent of the time – meaning one in five chargers was not operational when drivers needed them.<sup>50</sup> The study describes EV charger pricing as “the Wild

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<sup>45</sup> Dilip Bhattacharjee and Moritz Rittstiege, [\*Can zero-emission trucks become viable—and what will it take to boost adoption?\*](#) (McKinsey & Co., March 3, 2025) (Hereafter “McKinsey Truck Study”).

<sup>46</sup> HERE Technologies and SBD Automotive, [\*HERE-SBD EV Index 2025\*](#), (September 4, 2025).

<sup>47</sup> Get Connected.

<sup>48</sup> This includes 325,000 public DCFC ports, 2.9 million workplace and multi-family dwelling L2 ports, 3.1 million public L2 ports, and 35.8 million home L2 ports. Edison Electric Institute, [\*Electric Vehicle Sales and the Charging Infrastructure Required Through 2035\*](#), (October 2024).

<sup>49</sup> Omar Asenio, [\*The state of EV charging in America: Harvard research shows chargers 78% reliable and pricing like the ‘Wild West.’\*](#) (June 26, 2024).

<sup>50</sup> This study found that charging stations “are, on average, less reliable than regular gas stations, [study author] Asenio said, ‘Imagine if you go to a traditional gas station and two out of 10 times the pumps are out of order,’ he

West” with prices varying throughout the day and between different charging stations, with little transparency in pricing. The reasons for inconsistent and opaque EV charging costs are many, due in part to the fact that the EV charger market is highly fragmented with multiple providers relying on different payment structures (e.g., per kilowatt-hour, per-minute). As a result, drivers may be required to download each company’s app to identify pricing. Another factor is the variability in electricity costs generally; prices can change at one station throughout a single day, based on demand.<sup>51</sup> These challenges will continue to inhibit consumer demand for EVs, particularly for the growing share of drivers without access to home charging.

As well documented in a study by Ricardo LLC, the breadth of charging infrastructure and power grid challenges for medium- and heavy-duty ZEVs is daunting.<sup>52</sup> The Ricardo analysis, relying on EPA’s own estimates from the GHG3 2023 rulemaking, calculated that the aggregate cost to construct the necessary medium- and heavy-duty charging ports in the U.S. under the GHG3 rule would be \$21 billion – a wildly unreasonable cost and further evidence that the GHG3 rule is simply not viable.<sup>53</sup> As noted in Section A above, the trucking industry’s own, realistic data shows this number to be closer to \$1 trillion.<sup>54</sup>

Market analyses conducted since the GHG3 rules were adopted confirm that EPA’s assumptions about heavy-duty ZEV market acceptance and charging and fueling infrastructure were unrealistic. For example, a recent McKinsey report describes the challenges motor carriers face in paying for heavy-duty charging in the US as “a chicken-and-egg scenario: Most fleets have neither the scale nor budget to justify deploying their own on-route charging infrastructure. Meanwhile, existing public charging infrastructure demands high prices – two to three times higher than depot charging – to make up for the low utilization provided by the small BEV trucking fleet on the road today.”<sup>55</sup> Under either scenario, the costs to be shouldered by the trucking industry would be enormous. As explained in ATD’s comments on the prior administration’s GHG3 proposal, the agency’s assessments of the charging rates, downtime costs, and infrastructure shortfalls were incomplete and inaccurate, grossly underestimating these operational costs.<sup>56</sup>

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said. ‘Consumers would revolt.’” Omar Asenio, [\*The state of EV charging in America: Harvard research shows chargers 78% reliable and pricing like the ‘Wild West,’\*](#) (June 26, 2024)

<sup>51</sup> Aarian Marshall, [\*How Much Will it Cost to Charge Your Electric Car? It’s Complicated.\*](#) (Wired, August 22, 2024).

<sup>52</sup> Ricardo Strategic Consulting, [\*Feasibility study of EPA NPRM Phase 3 GHG standards for Medium Heavy-Duty Vehicles.\*](#) (June 16, 2023) (Hereafter “Ricardo report”).(June 16, 2023) (Hereafter “Ricardo report”).

<sup>53</sup> Ricardo report. Ricardo estimates the GHG3 rule would require construction of nearly 1.5 million MHD EV charging ports by 2032, of that number, approximately 110,000 charging ports must be DCFC rated at 105kW or 350kW.

<sup>54</sup> Forecasting a Realistic Buildout. See also the synopsis of ATD’s 2024 analysis of the costs to comply with EPA’s GHG 3 rule, included as an enclosure to this comment letter.

<sup>55</sup> McKinsey Truck Study.

<sup>56</sup> NADA Comments on EPA GHG3 Rule.

#### **IV. Tailpipe Emissions Should Be Regulated Under One National Standard**

NADA has long supported establishing one national standard regulating tailpipe emissions. As NADA explained in its 2023 comments on NHTSA’s proposed CAFE rule for 2027 and Beyond:<sup>57</sup>

NHTSA and EPA should effectively establish a single national standard governing fuel economy and emissions. The regulation of motor vehicle fuel economy and tailpipe GHG emissions is largely duplicative . . . . Two federal agencies independently regulating essentially the same thing raises government inefficiency and waste concerns, results in unnecessary regulatory burdens and complexities, and inevitably leads to higher vehicle costs for households and businesses.

The Reconsideration Rule will not hinder in any way NHTSA’s continued ability to regulate fuel economy, which NHTSA is authorized to do under the Energy Policy and Conservation Act.

#### **V. Conclusion**

NADA and ATD support technology-inclusive national emissions standards that are feasible, legally durable, and economically practical. The Multi-Pollutant and GHG3 rules adopted in the prior administration, in all but forcing adoption of EVs at rates that far exceed customer demand and the charging infrastructure to support them, have eroded vehicle affordability, limited consumer choice, and hurt industry competitiveness. We support their repeal. In place of those rules, we remain supportive of rational emissions improvements under a revised framework consistent with consumer choice and other market demands.

Thank you for this opportunity to comment and for your consideration of these views.

Respectfully submitted,



Patricia H. Doersch  
Senior Director, Regulatory Affairs

Enclosures:

1. August 19, 2025, NADA and ATD Testimony at EPA Public Hearing
2. Synopsis of ATD 2024 Analysis of the Costs to Comply with EPA’s GHG 3 Rule

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<sup>57</sup> Nat’l Auto. Dealers Ass’n., [\*Comment Letter on Corporate Average Fuel Economy Standards for Passenger Cars and Light Trucks for Model Years 2027-2032 and Fuel Efficiency Standards for Heavy-Duty Pickup Trucks and Vans for Model Years 2030-2035\*](#), (October 16, 2023).



TESTIMONY OF NATIONAL AUTOMOBILE DEALERS ASSOCIATION and AMERICAN TRUCK  
DEALERS BEFORE THE U.S. ENVIRONMENTAL PROTECTION AGENCY  
ON THE PROPOSED RULE "RECONSIDERATION OF 2009 ENDANGERMENT FINDING  
AND GREENHOUSE GAS VEHICLE STANDARDS"  
AUGUST 19, 2025

I speak today on behalf of the National Automobile Dealers Association and the American Truck Dealers. NADA and ATD represent over 16,000 franchised dealers located in all 50 states who sell, finance, and service new and used vehicles, from passenger cars to heavy-duty trucks.

We thank President Trump and Administrator Zeldin for proposing essential relief from current federal greenhouse gas rules, which force fuel choices on customers with costly and unreasonable EV mandates.

The current GHG rules assume dramatic reductions in carbon dioxide emissions, effectively requiring the mass production of EVs. The prior administration's ambitious push for vehicle electrification failed to consider the drags on customer demand caused by an insufficient charging and electrical infrastructure and the higher vehicle prices their own strict standards dictate.

We have long been supportive of improvements in vehicle emissions technology that are affordable and feasible. Franchised dealers in the US actively support our customers' desire for electric vehicles. We are investing substantial sums in training, facilities, and tools to support EV sales and leases. We have also committed extensive resources to the service network that is essential to broader adoption of EVs.

Unrealistic, technology-forcing mandates cannot dictate customer demand. EPA's GHG rules are built on overly aggressive assumptions about future EV market penetration, and they promote EVs to the exclusion of other vehicle technologies. These rules drive up costs for vehicle manufacturers. And the resulting high purchase price of EVs – particularly with the upcoming expiration of the automobile sales and lease tax credits – means most American consumers and motor carriers cannot afford them.

For heavy-duty vehicles, the standards' unrealistic timelines and cost assumptions for deploying zero-emission technologies will delay customers adoption and contribute to declining vehicle sales.

Reasonable standards must rely on a technology-inclusive approach to support a range of new vehicle options that can satisfy our customers. The current onerous mandates only serve to discourage the purchase of cleaner, greener, and safer new vehicles. We would like to see a sensible, demand-driven framework that accommodates all drivetrain technologies and fuels and addresses the challenges posed by inadequate charging and electrical infrastructure. Only through such practical reforms can these rules accelerate fleet turnover to achieve real emissions improvements.

We thank EPA for the opportunity to comment.



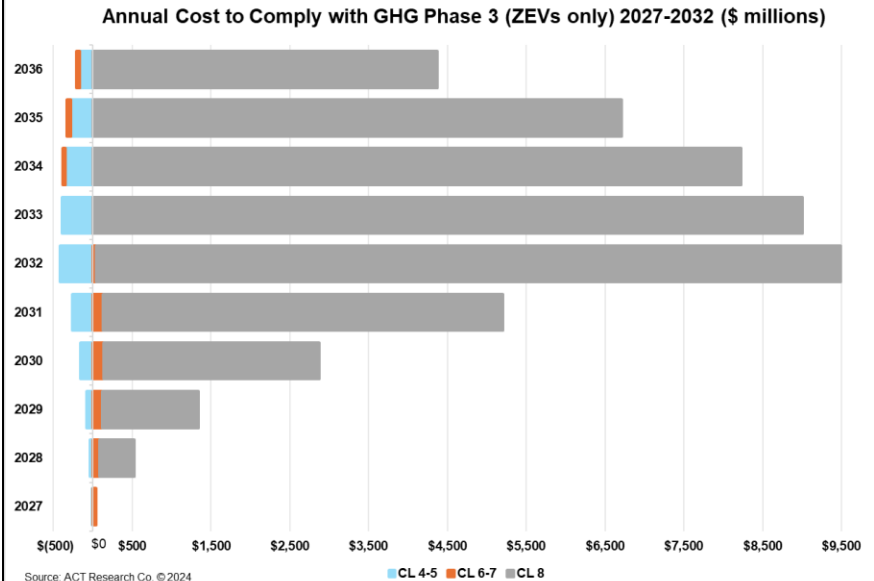
# ACT RESEARCH CO. COMMERCIAL VEHICLE REGULATORY IMPACT REPORT – KEY TAKEAWAYS



## EPA GHG PHASE 3 – COST TO COMPLY

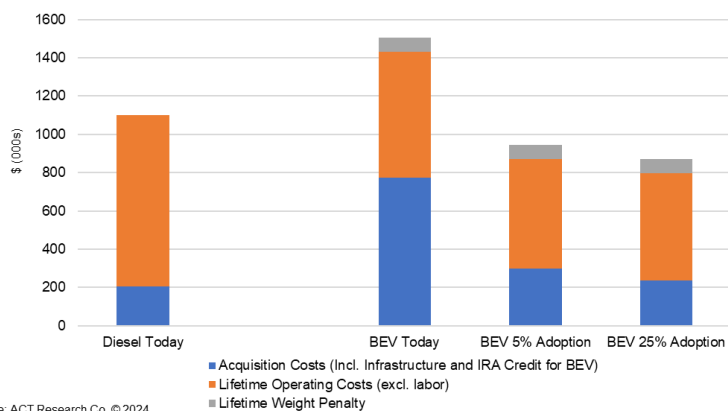
The cumulative cost to comply with the EPA's GHG Phase 3 rule from 2027-2032, using only ZEVs, is **over \$45 billion**.

- ZEVs have **higher upfront costs** which include expensive charging infrastructure for BEVs
- In Class 8 Trucks & Tractors (the largest group of Cls. 4-8 CVs), the **operational savings are not substantial enough to offset the upfront costs, which can be 3x higher** than a comparable diesel vehicle
- **Compliance with broad ZEV adoption will require significant incentives**



## CL. 8 TRACTOR – BEV v. DIESEL TODAY

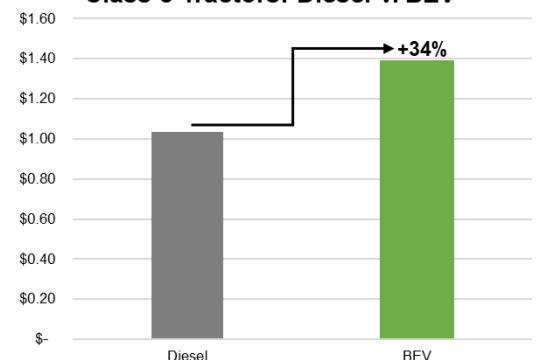
Class 8 Tractors: TCO to Reach 5% and 25% BEV Adoption Rates



Class 8 Tractors, especially regional and long-haul applications will be the hardest to electrify

- **Upfront costs (vehicle & charger) need to decrease by 60% to see 5% BEV adoption**
- **Today's BEV tractor \$/mi, which includes vehicles \$. is 34% higher than a diesel**

Today's Cost per Mile  
Class 8 Tractors: Diesel v. BEV\*



\*Does not include labor or administrative costs  
Source: ACT Research Co. © 2024

## EPA HD LOW NOX RULE - COST TO DIESEL

### EPA 2027 Low NOx Impact on Regional TL Application (Day Cabs & Sleepers)

Acquisition	Useful Life (years)	15		
	Additional Cost Per Vehicle	\$ 30,000		
Fuel	Decrease in Fuel Economy	-0.2 MPG		
	Increase in Annual Fuel Cost	\$ 1,882	Increase in Fuel Cost Over Useful Life	\$28,228
Maintenance	Increase in Annual Maintenance	\$ 750	Increase in Maintenance Cost Over Useful Life	\$11,250
	Total Additional \$ Per Vehicle Over Useful Life		\$69,478	

Source: ACT Research Co. © 2024

### HD Low NOx:

All diesel commercial vehicles will get more expensive in 2027 – to purchase and to operate – resulting in a **~6% increase in TCO**.

- **~\$30,000 added to purchase price**
- Fuel economy will **decrease**
- Maintenance will **increase**