

Public Hearings for the Proposed Tier 3 Vehicle Emission and Fuel Standards Program

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Testimony of Tom Conway, Regional Program Manager, BlueGreen Alliance

Good morning, distinguished members of the panel. My name is Tom Conway. I'm a Regional Program Manager at the BlueGreen Alliance (BGA). BGA is a national partnership of America's largest labor unions and environmental organizations, uniting more than 15 million members and supporters behind a clean energy economy.

I would first like to commend the Obama administration, and specifically the Environmental Protection Agency (EPA), for their outstanding leadership on reducing air pollution from passenger vehicles and trucks through a variety of innovative programs. The Tier 3 program enhances a comprehensive federal approach making our vehicles more energy efficient and less polluting. As we have seen in the automobile and other industries, investment in pollution reduction technologies leads to gains in efficiency and job creation.

As a resident of Northwest Indiana, with family throughout the Chicago-land area, I was dismayed to see the results of the latest *State of the Air* report from the American Lung Association. In a region as diverse as the area surrounding southern Lake Michigan — where unique natural resources and beauty, including a National Park, exist alongside a major city and a variety of heavy industries and infrastructure — there will always be the need to balance public health and environmental stewardship with sustainable economic growth. Dramatic improvements have been made in recent decades, yet, with grades in the range of 'C' to 'F' for ozone and some counties receiving failing grades for particulate matter, it is clear that there is still room for improvement. America's working families deal firsthand with the impacts of dirty air in terms of missed work and school days, increased

medical costs, and long-term health effects. The implementation costs of the Tier 3 program will be greatly offset by savings in health costs alone, in addition to improving quality of life for all Americans. Also, since pollution reduction is strongly tied to fuel efficiency, in addition to direct benefits to public health, these efforts will assist in the mitigation of greenhouse gases that are causing climate change.

Americans working in a variety of industrial sectors in the Midwest and across the country, — members of the autoworkers and steelworkers — will manufacture vehicle emission control technologies to meet these standards. As the BlueGreen Alliance's Regional Program Manager for Illinois and Indiana, I am frequently in contact with people working in the automotive industry. Indiana ranks 3rd in the country and Illinois 7th for jobs in the automotive parts industry, and they are also both in the top ten for states with jobs in automotive assembly. The Tier 3 standard will bolster the auto industry's ability to meet a strong fuel efficiency standard and generate net positive economic outcomes.

Cleaner fuel makes emission systems more effective for both new vehicles and those currently in operation. Refinery workers and building trades' members will install systems in the refining process that will create cleaner fuels which are sought after on the global market. Upgrading refineries could create more than 20,000 construction jobs and more than 5,000 jobs in refinery operations in the first three years of implementation.

Wisely, the program includes critical elements that will allow refiners to deliver cleaner fuels to the market in an economical and timely manner, as well as provisions that ensure smaller manufacturers and refineries can reach compliance without unfair burden.

It is critical to provide mechanisms like these that help industries transition to a cleaner regulatory framework. For example, the Advanced Technology Vehicle Manufacturing (ATVM) loan program has created or sustained more than 40,000 jobs developing advanced fuel-saving technologies. We support the continued viability of ATVM and programs like it, as a complement to efficiency and pollution standards like the 2025 tailpipe standard and proposed Tier 3 rule. Treating fuel and vehicles as an integrated system in the way Tier 3 and tailpipe programs are designed will help ensure a consistent national market over a long timeframe, promoting a more ideal modernization schedule for industries and manufacturers.

As the administration finalizes this innovative program, we look forward to continuing our engagement with EPA and the other stakeholders working to implement a strong standard. American innovation — and smart policies like Tier 3 — will contribute significantly to healthier families, cleaner skies, a strong auto industry and more opportunity for workers throughout the economy. The BGA partnership is committed to demonstrating that cleaner cars and cleaner fuels are win-wins for America.

We applaud the efforts undertaken so far and believe that strong, feasible standards can guarantee the best possible outcome for American workers, our communities, the economy, and the environment.