

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

October 12, 2016

Mr. Peter Welch
President
National Automobile Dealers Association
412 First Street, S.E.
Washington, DC 20003

Dear Mr. Welch

Thank you for appearing before the Subcommittee on Commerce, Manufacturing, and Trade and the Subcommittee on Energy and Power joint hearing entitled "Midterm Review and an Update on the Corporate Average Fuel Economy Program and Greenhouse Gas Emissions Standards for Motor Vehicles."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

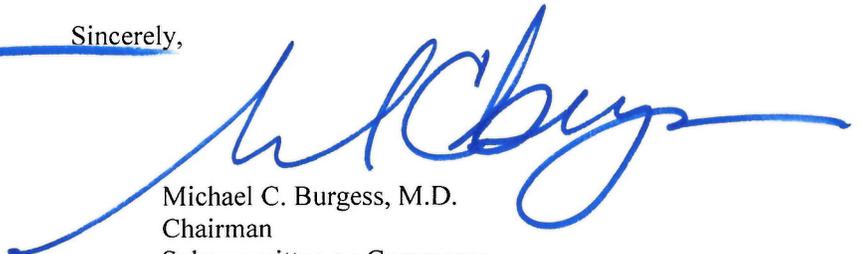
To facilitate the printing of the hearing record, please respond to these questions by the close of business on October 26, 2016. Your responses should be mailed to Giulia Giannangeli, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to Giulia.Giannangeli@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittees.

Sincerely,



Fred Upton
Chairman



Michael C. Burgess, M.D.
Chairman
Subcommittee on Commerce,
Manufacturing, and Trade

cc: The Honorable Jan Schakowsky, Ranking Member, Subcommittee on Commerce, Manufacturing, and Trade
cc: The Honorable Bobby Rush, Ranking Member, Subcommittee on Energy and Power

Attachment

Additional Questions for the Record

The Honorable Michael C. Burgess M.D.

1. In your opinion, are advances in conventional internal combustion engine technology (i.e., non-hybrid) sufficient by themselves to achieve the current standards for model year 2025? If not, could you please provide your estimates for how much of each of the following technologies (as defined in the TAR) will be required to achieve the current standards for model year 2025: (a) mild hybrid, (b) full hybrid, (c) plug-in hybrid electric vehicle, and (d) electric vehicle.
2. According to Table ES- 3 of the TAR, EPA's compliance pathway for meeting the MY2025 GHG standards envisions that 44% of vehicles would use higher compression ratio, naturally aspirated gasoline engines. If a manufacturer does not have that type of engine in any of its vehicles today, what steps would it have to take in order to integrate that type of engine in its product line, and how long would it take for it to reach a 44% penetration rate?
3. In the TAR, the EPA states that in its modeling, "the California Zero Emission Vehicles (ZEV) program is considered in the reference case fleet; therefore, 3.5% of the fleet is projected to be full EV or PHEV in the 2022-2025 timeframe due to the ZEV program and the adoption of that program by nine additional states." TAR at ES-10. Since a significant portion of the required GHG reductions will be met through manufacturing electric-drive vehicles for the ZEV mandate, shouldn't EPA have considered those costs in its assessment of the costs of the regulation? If EPA had considered the costs of producing electric-drive vehicles, what impact would that have had on the cost estimates in the TAR?

The Honorable Jan Schakowsky

Although the hearing was focused on the midterm review of the Corporate Average Fuel Economy Standards, I would like to take the opportunity of your appearance before our Committee to address a safety issue that continues to be a problem: defective Takata airbags.

You appeared before the Subcommittee on Commerce, Manufacturing, and Trade at hearing on October 21, 2015, titled "Examining Ways to Improve Vehicle and Roadway Safety." At that hearing, you stated, "If the vehicle has been deemed to be unsafe to drive either by the OEMs or by NHTSA, we would not put one of those cars in the hands of the consumer." And in follow-up questions for the record, you indicated that if NHTSA or a manufacturer issues a do-not-drive or stop-drive notice, "it would be inappropriate for a dealer to rent or loan that vehicle."

On June 30, 2016, NHTSA and Honda announced new test data that showed that seven model-year 2001-2003 Honda and Acura vehicles have a substantially higher risk of ruptures of the Takata airbags. Honda, at the recommendation of the Secretary of Transportation, told owners of these cars not to drive their cars only to the dealer to get them repaired.

In addition, some manufacturers are advising their customers to not have someone sit in the passenger seat of certain cars with recalled passenger-side Takata airbags until the defective

airbags are replaced. For example, BMW recommends that no one sit in the front passenger seat until that airbag is replaced.

1. Do your Association and your members consider Honda's statement that those seven cars should only be driven to the dealer for repair to be a "do-not-drive" notice?
2. With regard to those seven Honda and Acura vehicles, has your Association advised its membership to ground those vehicles or have those vehicles repaired before selling, renting, or loaning them to consumers? What is the approximate number or percentage of your members that have done so?
3. For some vehicles subject to a passenger-side Takata airbag recall, some manufacturers have recommended that no one sit in the front passenger seat until that airbag is replaced. For those vehicles for which the automaker has made such a recommendation, has your Association advised its membership to ground vehicles with a defective passenger-side Takata airbag until the airbag has been replaced? What is the approximate number or percentage of your members that have done so?
4. With regard to all vehicles subject to the Takata airbag recall, has your Association or have any of your members taken steps to ensure that no recalled car is sold, rented, or loaned unless the recall has been repaired? If so, what is the approximate number or percentage of your members that have taken steps? What steps have they taken?