June 6, 2019

The Honorable Gavin Newsom Governor State of California State Capitol Sacramento, CA 95814

Dear Governor Newsom:

We are writing with a desire to resurrect discussions on light-duty vehicle greenhouse gas standards. We also have written President Trump.

California has a long-standing history of promoting automotive innovation and environmental leadership. Our companies collectively have a significant presence in your state, with headquarters, research and testing facilities, and distribution hubs, including port operations. For many years, we have collaborated with the Air Resources Board to produce cleaner and greener vehicles—including building the nation's most robust plug-in and fuel cell electric vehicle market—and we share a commitment to continued reductions in greenhouse gas emissions.

As you know, both California and the federal government played an instrumental role in establishing the One National Program, which has produced significant greenhouse gas emission and criteria pollutant reductions.

It is our view that the best way to ensure continued success is a final rule supported by all parties including California—that includes annual reductions in greenhouse gas emissions midway between the existing standards and the preferred path outlined in the recent Environmental Protection Agency proposal. The final rule would also include flexibilities that promote advanced technology for the sake of long-term environmental gains and U.S. global competitiveness. This solution will yield greater nationwide greenhouse gas emission reductions than a bifurcated system.

We urge both California and the federal government to resume discussions, because avoiding protracted litigation and uncertainty is good for all parties, including consumers, and for the environment. We know that reaching an agreement has been challenging, but the stakes are too high and the benefits too important to accept the status quo. Despite the status of discussions, we encourage both California and the federal government to remain open to regulatory adjustments that provide the flexibility needed to meet future environmental goals and respond to consumer needs. For our companies, a broadly supported final rule would provide regulatory certainty and enhance our ability to invest and innovate by avoiding an extended period of litigation and instability, which could prove as untenable as the current program.

Your leadership can help facilitate a resolution that achieves all of our collective goals.

We are committed to a common sense compromise and look forward to working with your team and the federal government to get this job done.

Sincerely,

Aston Martin Lagonda, Ltd.

**BMW** North America

Ford Motor Company

General Motors Company

Honda North America, Inc.

Hyundai Motor America

Jaguar Land Rover North America, LLC

Kia Motors America

Mazda North American Operations

Mercedes-Benz USA, LLC

Mitsubishi Motors North America, Inc.

Nissan North America, Inc.

Porsche Cars North America, Inc.

Subaru of America, Inc.

Toyota Motor North America, Inc.

Volkswagen Group of America

Volvo Car Corporation

CC: Xavier Becerra, Attorney General, State of California Mary Nichols, Chair, California Air Resources Board