



American
Petroleum
Institute

Frank J. Macchiarola
Senior Vice President
Policy, Economics & Regulatory Affairs

200 Massachusetts, NW
Washington, DC 20001
Telephone 202-682-8167
Email macchiarolaf@api.org www.api.org

State of New Jersey, Department of Environmental Protection
Re: September 2020 NJ Protecting Against Climate Threats (“PACT”) Stakeholder Meetings
Reducing CO2 Emissions: Advanced Clean Trucks, Heavy-Duty Engines & Vehicles & Fleets

The American Petroleum Institute (API) is the national trade association representing all facets of the oil and natural gas industry, which supports more than 10 million US jobs and nearly 8 percent of the economy. API's members include large integrated companies, as well as exploration and production, refining, marketing, pipeline, marine businesses, and service and supply firms. API represents the full value chain of the industry which safely and efficiently distributes more than 225 billion gallons of gasoline, diesel, home heating oil, and jet fuel to the US economy on an annual basis.

API is committed to delivering solutions that reduce the risks of climate change while meeting society's growing energy needs and we seek to work with policymakers on outlining policy options and balanced approaches. As such, we believe that any comprehensive greenhouse gas emissions reductions program should be broadly scoped to recognize that all forms of energy are needed today and in the future. Affordable, reliable, and abundant energy is essential to sustaining human health and wellbeing while simultaneously improving the global standard of living. Given that fossil fuels will make up a significant portion of our nation's transportation and power generation needs over the next few decades, API strongly supports technology and other efforts that drive real emission reductions.

We appreciate the NJ Department of Environmental Protection (DEP) holding a series of public stakeholder meetings on these important issues. Through NJ PACT, DEP plans to complete an accounting of greenhouse gas emissions that will “enable New Jersey to ... meet our goals of reducing emissions to 80 percent below 2006 levels by 2050” and “[e]nact new air pollution regulations that achieve critically needed reductions in carbon dioxide and short-lived climate pollutants (methane, hydrofluorocarbons, and black carbon) – technology forcing measures that pave the way for a new clean energy economy.” This will be a very complex undertaking and these programs need to communicate clear and measurable benefits and engage all stakeholders.

As this process moves forward, API will employ a principled approach that considers whether policies, among other factors, are broadly applied, balanced, designed to drive innovation, transparent, and cost effective. To ensure a level playing field for all regulated entities, any proposed rulemaking should be clear and unambiguous, with minimal complexity. We also encourage that, where possible, the full cost

to implement technologies should be made available, as well as information on the total amount of subsidies, rebates, and other costs that will be funded directly or indirectly by taxpayers, ratepayers, and consumers. Further, it is important to establish and communicate reasonable timelines for rule development and implementation that includes opportunities for additional public input as important details are developed.

API welcomes discussion on viable solutions to the dual challenge of ensuring reliable and affordable energy supplies to support economic growth and human prosperity, while also addressing environmental impacts. We appreciate this opportunity to comment and look forward to additional opportunities to engage in the NJ PACT stakeholder process.

Please do not hesitate to contact us if you have any questions or need additional information.

Sincerely,



Frank J. Macchiarola