



# Feds say automakers can hit 2025 fuel economy standards

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A new federal report finds automakers are on track to hit fuel economy standards. Photo courtesy of Wikipedia.

U.S. automakers can still hit aggressive fuel economy and greenhouse gas emissions targets, contrary to some concerns from the industry, state and federal agencies said yesterday.

A draft report by U.S. EPA, the National Highway Traffic Safety Administration and the California Air Resources Board shows that manufacturers are on track to reach an average fuel economy ranging between 50 and 52.6 mpg across their fleets by 2025.

However, this falls short of a 2012 estimate from regulators that showed that fuel economy in cars and light trucks could average 54.5 mpg by 2025.

"The draft technical analysis report is a technical analysis and not decision document," said a senior administration official during a background conference call with reporters yesterday. "The report clearly shows automakers are innovating at unprecedented rates."

The [1,217-page document](#) incorporates factors like market data, new technologies and fuel prices to assess how manufacturers can meet fuel economy targets for cars and light trucks.

EPA estimates that fuel economy standards would save 540 million metric tons of carbon dioxide and 1.2 billion barrels of oil over the lifetimes of vehicles from model year 2021 through model year 2025.

The draft is step one in the midterm evaluation of the greenhouse gas and fuel efficiency standards for model years 2022 through 2025. Officials will collect comments on the draft for 60 days and are expected to rule by April 2018 on whether the current standards are too aggressive or too weak and adjust them accordingly. The technical assessment will inform that decision.

## **Automakers see 'daunting challenge'**

Officials also noted that carmakers beat the fuel economy standards in the first three years of the program, a period that coincided with record vehicle sales, indicating consumer support for better fuel economy.

EPA estimates that meeting the model year 2025 greenhouse gas standard would cost between \$894 and \$1,017 per vehicle.

Technologies like engine stop-start and continuously variable transmissions weren't widespread when the rules were introduced, so officials argue that now there are even more options to reach higher fuel efficiencies and at lower costs.

Administration officials said they anticipate the bulk of mileage improvements coming from sales of advanced gasoline engines with limited gains in hybrid cars and very low levels of vehicle electrification.

However, low gas prices and more sales of sport utility vehicles and trucks mean that the average fuel economy across the light-duty vehicle fleet in the United States is unlikely to reach 54.5 mpg without additional regulatory prodding.

The Alliance of Automobile Manufacturers, an association of 12 carmakers, expressed concern about meeting the standards for model years 2022 through 2025 while keeping cars affordable.

"Given changes in the market landscape, it will be a daunting challenge to meet the very aggressive requirements of the 2022-2025 federal fuel economy and greenhouse gas rule," the alliance wrote in a statement about the draft report.

"We do notice that the fuel economy/greenhouse gas targets for 2025 now reflect how the fleet mix has changed, largely due to low gas prices," wrote alliance spokesman Wade Newton in an email. "The government is acknowledging the effect of factors like low gas prices on consumer sales, and the impact of consumer sales on the targets."

Global Automakers, a consortium of the U.S. divisions of 12 automakers, echoed this sentiment in an emailed statement. "As we continue to work with the agencies to reduce greenhouse gas emissions, we must ensure that the standards take into account what consumers are likely to buy," wrote spokeswoman Annemarie Pender.

Shannon Baker-Branstetter, policy counsel at Consumers Union, said the report shows that pushing for greater fuel economy doesn't limit choices when buying a car. "Consumers will continue to see their options get better and more fuel-efficient," she said. "Consumers can definitely have it all."

Though some automakers are already ahead of the fuel economy standards, the regulations spur the industry to act. "I think it does drive the industry, and it helps them roll out technologies faster," Baker-Branstetter said.

But the auto industry is also playing a role in shaping preferences among its customers. **"Because of the combination of \$15 billion in advertising and low oil prices, automakers are selling lots of SUVs and pickups," said Dan Becker, director of the Safe Climate Campaign.**

**He noted that the way EPA and other agencies score fuel economy in cars is based on the size of the vehicle, which creates a loophole. "If you make larger vehicles, you have a weaker standard than if you make smaller vehicles," Becker said. "Given the plethora of technologies, it's important that the agencies tighten the standards."**

**<http://www.eenews.net/climatewire/2016/07/19/stories/1060040462>**