

Vehicle rules will fall short on emissions, fuel savings, agencies say

By Alex Guillén

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U.S. vehicle efficiency rules won't deliver the carbon reductions or fuel savings President Barack Obama promised in his first term because cheap gasoline has set off a buying spree of gas-guzzling trucks and sport-utility vehicles, according to new government figures released Monday.

The National Highway Traffic Safety Administration and EPA stressed in their draft technical report that automakers can still comply with their rule setting average fuel economy levels through 2025. But as a whole, cars and trucks will fall short of the much-heralded 54.5 miles per gallon goal envisioned under the 2012 rule, meaning the projected carbon dioxide emissions savings will not come to pass.

EPA and NHTSA set a range of standards depending on the size of the vehicle, a method meant to preserve consumer choice while decreasing the fuel consumption of gas-guzzlers like SUVs. But cheap gas has put more SUVs on the road than expected, dampening overall efficiency gains even as each individual vehicle becomes more efficient.

"54.5 isn't a standard, never was a standard and isn't a standard now," a senior administration official told reporters on a conference call. "54.5 is what we predicted in 2012 the fleet-wide average could get to, based on assumptions that were made back then about the mix of the fleet as between cars and light trucks and SUVs.

"We're recognizing the fact that gasoline prices are lower now," the official added. "They will change again, surely, between now and 2025. But right now when we look at the forecast out, we see that the vehicle mix is likely to include more SUVs and light trucks than what we expected in 2012. So when you put that assumption into context with the actual standard ... you're going to get a slightly lower number than 54.5."

In their new report, EPA and NHTSA estimate that target would actually be between 50 and 52.6 mpg by 2025. (Technically, it is a measure known as miles per gallon of gasoline-equivalent, which takes into account electric cars and natural gas vehicles sold each year.)

EPA said in the 2012 rule that the standards would save around 6 billion tons of carbon dioxide over the program's lifetime, the equivalent of more than the U.S. emitted from all sectors in 2015. Dan Becker, director of the Safe Climate Campaign, said that because the report indicates the average per-vehicle CO2 level is reduced by 3.5 percent to 8 percent, depending on the case, there would likely be an equivalent reduction in the overall savings. That comes out to roughly 200 million to 480 million tons.

The draft report is only the first step in a midterm review process that could culminate in changing the standards for the 2022-2025 model year vehicles. EPA will take comment on the draft technical report for 60 days, and ultimately the process ends in 2018, when EPA could finalize any potential changes to the future targets.

EPA and NHTSA say the 2022-2025 standards "can be met largely through improvements in gasoline vehicle technologies, such as improvements in engines, transmissions, light-weighting, aerodynamics and accessories."

Sen. Ed Markey (D-Mass.) said in a statement that the fuel economy standards get "a grade of 'incomplete.'"

"To ensure that the vehicle fleet actually reaches or exceeds the bold goal of 54.5 miles per gallon by 2025 ... the EPA and NHTSA must set even more stringent standards moving forward," Markey said. "The automotive industry can meet these standards with the same technological ingenuity that has made today's cars and SUVs fuel-efficient computers on wheels and that is enabling the self-driving cars of tomorrow."

The report is already providing ammo for automakers looking to loosen the 2020s standards.

The Alliance of Automobile Manufacturers said in a statement that market changes since the rule was finalized four years mean that "it will be a daunting challenge to meet the very aggressive requirements of the 2022-2025 federal fuel economy and greenhouse gas rule. Absent a vigorous commitment to focus on marketplace realities, excessive regulatory costs could impact both consumers and the employees who produce these vehicles."