

## U.S. fuel efficiency goals could fall short by 2025, federal report finds

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The fuel efficiency standards championed by President Obama in 2012 will fall short of the 54.5-miles-per-gallon 2025 target the administration set because consumers are buying more pickup trucks, vans and sports utility vehicles than expected, according to a new technical assessment report by the Environmental Protection Agency and the National Highway Traffic Safety Administration.

The shift could slightly undercut one of Obama's signature climate initiatives, trimming the greenhouse gas benefits as cheaper-than-expected oil prices — and large ad campaigns — have lured car buyers toward bigger vehicles than anticipated. The two agencies said that based on current trends, the average vehicle in 2025 would consume between 50 and 52.6 mpg. That measurement, used by the Transportation Department, would translate into a real world fuel economy of 36 mpg.

But the executive summary of the report issued Monday also said that there is no economic or technological barrier preventing automakers from continuing to boost fuel efficiency and to hit the standards for vehicles based on their size and footprints. It said that “a wider range of technologies exist” for manufacturers to meet targets “and at costs that are similar or lower” than those used to set the standards. The report said that so far automakers had “overcomplied” in each of three model years under the new rules, exceeding the targets by 1.4 mpg in 2014.

The report marks the start of a so-called mid-term review of fuel efficiency standards that were designed to reshape the motor vehicle fleet and more than double fuel efficiency by 2025. In setting the standards, the Obama administration in 2012 agreed to auto industry demands that the targets be reexamined for technological and economic feasibility and possibly reset in 2017. But the administration said the possibility meant that the regulations could be tightened as well as loosened.

The Alliance of Automobile Manufacturers has been pressing for a loosening of the standards, while experts concerned about climate change have sought to protect the gains Obama promised in what was seen as one of his biggest steps to contain greenhouse gas emissions while bolstering U.S. energy security.

**“Rather than weaken its projections, the administration must strengthen the rules, to make sure we hit the president’s goals for slashing oil use and global warming pollution,” said**

**Dan Becker, director of the Safe Climate Campaign. “President Obama’s program is the biggest single step any nation has taken to fight global warming. Based on the plethora of low-cost gas-saving technologies the report documents, there is no excuse not to improve efficiency and strengthen the standards.”**

“The fuel economy/greenhouse gas targets for 2025 now reflect how the fleet mix has changed, largely due to low gas prices,” the automobile alliance said in an emailed statement. “The government is acknowledging the effect of factors like low gas prices on consumer sales, and the impact of consumer sales on the targets.”

Both EPA and NHTSA, which used different approaches to the technical report, said the standards could be “met largely” through improvements in gasoline vehicles, not the widespread introduction of electric or hybrid vehicles. Those improvements include advances in internal combustion engines, better transmissions, lighter-weight materials, aerodynamics and devices for stopping engines when idling.

“Today’s draft report shows that automakers are developing far more technologies to improve fuel economy and reduce greenhouse gas emissions, at similar or lower costs, than we thought possible just a few years ago. And they are adopting these fuel-saving technologies into their fleets even faster than anticipated,” said Janet McCabe, acting assistant administrator for EPA’s Office of Air and Radiation.

She said more than 100 vehicles on the market already meet 2020 or later standards.

Moreover, the cost of compliance has actually gone down. The new study estimates that the incremental cost for model years 2022 to 2025 is \$894 to \$1,245 (in 2013 dollars) or an average of \$1,070. The estimate from the 2012 final rule was \$1,070 in 2010 dollars, which, when adjusted to 2013 dollars, is \$1,130, said Roland Hwang, energy and transportation director at the Natural Resources Defense Council.

“All signs show that the standards that drive clean cars to market are getting stronger, not weaker,” Hwang said. “It’s time for U.S. automakers to put their clean car programs into high gear.”

On Aug. 28, 2012, the administration finalized the 54.5 mpg standards for passenger cars and light trucks by model year 2025. The [administration said it would save](#) consumers \$1.7 trillion at the gas pump, cut U.S. oil consumption by 12 billion barrels and reduce greenhouse gas emissions by 6 billion metric tons over the approximately 25 year life of the program. The administration also said car owners would save more than \$8,000 each by 2025.

The administration did not provide comparable figures Monday.

The Union of Concerned Scientists estimated that maintaining existing fuel efficiency standards would save 2.4 million barrels of oil a day in 2030 and save each driver more than \$3,000 over the lifetime of a new vehicle.

The new standards were written to apply to every vehicle based on size, so that changes in gasoline prices or buyers' tastes would not require a rewriting of the standards, even if the fleet fell short of the 54.5 mpg average forecast.

Wards Auto, an industry data and analysis firm, said that last year trucks outsold cars for the third straight year – climbing 3 percent to a 56.7 percent market share, led by record demand for crossover vehicles.

The shift toward larger vehicles means that the administration could fall short of the greenhouse gas savings it hoped. According to the executive summary of the technical report, vehicles would emit 3.6 percent to 8 percent more carbon dioxide than anticipated when the 2012 standards were written.

[https://www.washingtonpost.com/business/economy/us-fuel-efficiency-goals-could-fall-short-by-2025-federal-report-finds/2016/07/18/43660cec-4cf1-11e6-a7d8-13d06b37f256\\_story.html](https://www.washingtonpost.com/business/economy/us-fuel-efficiency-goals-could-fall-short-by-2025-federal-report-finds/2016/07/18/43660cec-4cf1-11e6-a7d8-13d06b37f256_story.html)