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## Obama to unveil MPG standards

July 28, 2011

Politico

President Barack Obama on Friday will roll out new fuel economy standards that are expected to go down as one of his biggest environmental accomplishments during his term.

Obama appears to have won broad support from the auto industry for its plan to ramp up the fuel economy limits for cars and light trucks over the next 14 years, ultimately reaching 54.5 mpg by 2025. He is set to unveil the CAFE limits at an event at the Walter E. Washington Convention Center in Washington, D.C., White House spokesman Jay Carney said Wednesday.

"This program, which builds on the historic agreement achieved by this administration for model years 2012-2016, will result in significant cost savings for consumers at the pump, dramatically reduce oil consumption, cut pollution and create jobs," Carney said at the start of Wednesday's press briefing.

The industry support appears to be contingent on several flexible compliance approaches built into the agreement and limiting California's ability to set its own emission standards, a right it has under the Clean Air Act.

"Automakers really wanted to see a single national program, and we believe that the White House understands how much of an economic disruption would occur from multiple standards at the state and federal levels," said Gloria Bergquist, a spokeswoman at the Alliance for Automobile Manufacturers. "So, we are moving one step closer to a single national program for greenhouse gases and fuel economy for the next 14 years."

General Motors, Chrysler, Ford, Honda, Hyundai and Nissan are reportedly behind the White House plan, even though none have spoken up publicly about the plan, according to several sources tracking the talks.

Environmentalists said they were not ready to fully endorse the agreement as they study the fine print in the concessions that the Obama administration made for industry.

"Based on what we know now, the president's proposal would be a significant acceleration in the fight against global warming and oil addiction but it was weakened by auto industry lobbying," said Dan Becker, director of Safe Climate Campaign.

"There's some things we find encouraging and some things we find troubling," added Roland Hwang, transportation program director at the Natural Resources Defense Council. "If there's an agreement, we think at this point it's up to

the auto industry, we're calling upon the auto industry, not to exploit loopholes that could undermine the consumer and pollution benefits."

As for California, The Wall Street Journal cited one source saying the state's Air Resources Board supported the new fuel economy limits.

CARB spokesman Stanley Young on Tuesday said that the state was still in talks with the Obama administration on the fuel economy limits and declined comment on a final agreement. Young could not be immediately reached for comment Wednesday.

A source tracking the negotiations said California may hold back for a little while in saying publicly where it is on the agreement. "They're saying positive things," the source said. "They are not saying publicly that they're going to sign on the dotted line. They're waiting to see if this deal falls apart."

White House senior adviser and former "car czar" Ron Bloom has been leading the closed-door negotiations with the auto industry, California officials and environmental and labor groups.

According to sources, Bloom has made progress with the auto companies by floating the 54.5 mpg target, which is a slight drop from the 56.2 mpg figure he'd been talking about over the past month.

The Obama administration also included several flexible compliance options for the SUVs and other heavy vehicles that Detroit's Big Three rely on for their biggest profits.

Rep. Ed Markey praised the Obama administration for the standards, calling them an "historic agreement."

"These new fuel efficiency standards represent the single greatest step our country has taken to reduce our dependence on foreign oil and to encourage a new generation of advanced vehicle technology entrepreneurs," the Massachusetts Democrat said. "Because of these ambitious standards, for the next decade and a half consumers will pay less to go farther on every tank of gas in the new cars and trucks they choose, cutting oil imports and pollution along the way."

"I want to give the administration a lot of credit for hanging in there and working on this," said former Obama energy and climate czar Carol Browner during an event hosted by POLITICO on Wednesday morning.

This article first appeared on POLITICO Pro at 3:16 p.m. on July 27, 2011.

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