The White House and automakers are negotiating the next round of fuel efficiency standards for new cars and trucks. Better mileage can help drive the country away from an addiction to foreign oil, but industry is pushing against boosting the average mileage of vehicles too quickly. Living on Earth's Mitra Taj reports.

Transcript
GELLERMAN: From the Jennifer and Ted Stanley Studios in Somerville, Massachusetts, this is Living on Earth. I'm Bruce Gellerman. The Obama White House scored a solid environmental victory two years ago when it got Congress to agree to raise fuel efficiency standards for automobiles. They hadn't changed much since the 1970s. Now carmakers have until 2016 to make vehicles that get an average of 35 miles per gallon. But the President drives a hard bargain – he wants cars that go even further on less fuel. Living on Earth's Mitra Taj reports.

TAJ: Getting carmakers to make cars more efficient can do a few things. It can ease pain at the pump by cutting down on the number of trips made to the gas station. It can cut our greenhouse gas emissions and imports of foreign oil. For President Obama, that means he can edge a bit closer to old campaign priorities.

OBAMA: Climate change and our dependence on foreign oil, if left unaddressed, will continue to weaken our economy and threaten our national security.

TAJ: A range for new fuel economy standards by 2025 are on the table. On the low-end, 47 miles per gallon: on the high end, 62 miles per gallon - a standard which, right now, only fully electric cars can meet. In closed-door negotiations, the White House has reportedly suggested something in between: 56 miles per gallon, which would add up to vehicle emissions reductions of about five percent a year, the same rate in place through 2016. Opinion polls show most Americans support strong standards, but the auto industry says the real test of what the public wants is in new car showrooms. Wade Newton is a spokesman for the industry group Auto Alliance.

NEWTON: You do see some challenges when it gets to getting consumers to purchase our fuel-efficient autos. So you can design and build an auto that has this incredible technology on it but if no one can afford to purchase it, the vehicle just sits there on the sales lot. And worst of all, that customer - instead of buying the new auto - drives around in their old automobile, which certainly doesn't have all the fuel technology that we're working to introduce into the fleet.

BECKER: You know, the auto industry never learns a new trick. This is the same argument that they used in 1974 when they testified against the original fuel economy law.

TAJ: Dan Becker is the director of the policy group, Safe Climate Campaign. He says an industry that drove a fleet of SUVs into bankruptcy might not be the best judge of what Americans really want.

BECKER: The technology that is in the hybrid vehicle is something American people love. They like high tech products. They don't want a 1950s engine in a 2010 or 2011 vehicle. And there are costs to improving the technology. They're real. But they're made up for two to three times by savings at the gas pump.

TAJ: Becker says the President should insist on more than just a strong fuel economy standard. He should also make sure industry doesn't win any loopholes, like a delay or break, before ramping up to a stronger standard. But what the industry wants the most is to keep California in the negotiations. The state, home to the country's largest car market, has the authority to set its own standards under its 2002 climate change law. Industry spokesman Wade Newton:

NEWTON: Well it's tremendously important to us as automakers that we're able to invest our resources in meeting an aggressive standard as opposed to meeting this patchwork of different standards for different geographic areas. And California has been at the table for all of this, and we're optimistic they'll continue to be at the table as we work on this new standard.

TAJ: California's sway, paired with an auto industry politically weakened after taxpayer bailouts, helped seal a deal in 2009. But even if strong fuel economy standards past 2016 are adopted this year, a recent report out of the National Academies of Sciences found they alone can't wean
us off oil or slow climate change. Emil Frankel is the chair of the Transportation Research Board at the Academies.

FRANKEL: Given the ambition of these goals and the dependence on oil, it's not going to be enough in its own right. But it does seem to be where there's the least political resistance at this point.

TAJ: The White House, California, and the auto industry have until the end of September to reach an agreement. For Living on Earth, I'm Mitra Taj in Washington.

Links

An industry study found stronger fuel economy standards will be expensive.

Click here for an NRDC rebuttal to the industry study.

Republicans urge Obama to adopt an aggressive standard.

Governors of 15 states caution against too strong a standard.