Fuel Economy Is Up Again, but Why Not More?
By Jim Motavalli  November 25, 2009 12:01 pm

The Environmental Protection Agency has some good news to share: Between the 2007 and 2008 model years, auto fleet fuel efficiency improved [pdf] (and average carbon dioxide emissions retreated) for the fifth consecutive year. That’s not surprising, especially considering the $4 per gallon consumers paid for gasoline last year. But what is rather startling is the small size of the fuel economy gain: just 0.4 miles per gallon.

According to the E.P.A. fuel-economy trends report, cars and light trucks sold in model year 2007 averaged 20.6 miles per gallon. In 2008, vehicles sold averaged 21. Since 2004, fleet fuel economy has moved up 1.8 miles per gallon, or 9 percent. (Carbon dioxide emissions dropped from 432 to 424 grams per mile in that same period.)

Furthermore, the E.P.A. projects a very small fuel-economy increase in model year 2009, from 21 to 21.1 miles per gallon. Among the nine largest-selling automakers, seven had improved fuel economy in 2008, with two (Toyota and BMW) modestly declining.

Honda not only had the highest overall fuel economy of the nine, at 23.9 miles per gallon, but also the lowest average greenhouse gas emissions (372 grams per mile). In the fuel-efficiency competition, Hyundai/Kia was second (23.7 m.p.g.) and Toyota third (22.8 m.p.g.). In part because they also make a lot of trucks, American automakers placed lowest of the nine largest-selling automakers: General Motors (19.7), Ford (19.4) and Chrysler (19.3).

Why didn’t we see a bigger shift in the fuel economy of cars and trucks sold on
dealer lots? According to Dan Becker, director of the Safe Climate Campaign at the Center for Auto Safety, “Gas prices went up every single year from 2002 to 2008, yet auto companies continued to produce vehicles that guzzled gas. People couldn’t buy fuel-efficient vehicles because the automakers didn’t make enough of them.”

For Mr. Becker, the failure of high gas prices to “move the needle” refutes the conventional wisdom and justifies the move to ratchet up mileage and tailpipe standards.

Taking that same view is Mark Cooper, the research director of the Consumer Federation of America. Mr. Cooper, whose group calls for a 45-m.p.g. federal fuel standard by 2020, said, “If you walk into a showroom and 99 percent of the models shown are inefficient, you’re stuck, you’re coerced. Advertising also encourages people to buy the wrong vehicle, and the automakers discounted the heck out of the guzzlers.”

According to a federation energy survey released Tuesday, 78 percent of Americans support stronger vehicle fuel-economy standards.

The E.P.A. itself declined to speculate about the reasons for the small fuel-economy improvement. “While E.P.A. conducts scientific analysis and research to determine the impacts of fuel-related rulemakings on energy security, fuel costs, petroleum consumption, greenhouse gases, emissions affecting air and water quality, and other impacts, economic studies on consumer fuel use are performed by other organizations,” the federal agency said in a statement.

Charles Territo, a spokesman for the Alliance of Automobile Manufacturers, had another plausible reason for the relatively stagnant fuel-economy numbers: The statistics are sales-weighted. “There’s no question that the rise in gas prices marked an unprecedented shift toward more fuel-efficient vehicles,” Mr. Territo said. “But as gas prices started to rise, car sales also started to fall because of the recession. So even though the types of cars and trucks people were purchasing shifted dramatically, the volume of sales was lower and fewer fuel-efficient cars were sold.”

Mr. Territo said that consumers had adequate choice on dealer lots: In the 2010 model year, more than 200 vehicles get 30 m.p.g. or better, he said.