Environmentalists say the grades made it easier for consumers to pick the greener option.

**W.H. ditches grades for fuel economy**

By ROBIN BRAVENDER | 05/20/11 02:31 PM EDT

The Obama administration is nixing a plan to give automobiles letter grades based on their fuel efficiency after the proposal came under attack from the auto industry, sources familiar with the agency’s decision told POLITICO.

EPA and the Transportation Department are expected to unveil their new design for fuel economy stickers next week, and it won’t involve assigning prominent letter grades “A” through “D” — one option the administration was considering, the sources said.

Last August, the agencies proposed two alternative designs for window stickers aimed at helping
consumers compare vehicles’ fuel economy. In addition to the letter grade, the administration proposed an alternative label without grades that includes prominent estimates of miles per gallon and annual fuel costs. (The alternative designs are available here.)

The auto industry blasted the letter grade proposal, and Alliance of Automobile Manufacturers CEO Dave McCurdy told several news outlets in response to the proposal, “The proposed letter grade falls short because it is imbued with schoolyard memories of passing and failing.”

Wade Newton, a spokesman for the auto group, said Friday that while he hasn’t yet seen the final rule, “We’d welcome a decision to go with the more traditional mpg labels that consumers are already familiar with.”

“The addition of a large, brightly colored letter grade may confuse the public about what is being graded, and it risks alienating the consumer who has a valid need for a vehicle that does not achieve an ‘A’ for GHG emissions,” he added.

Environmental groups are dismayed that the administration has apparently opted against the letter grades, arguing that those stickers made it easier for consumers to pick the greener option.

“The Obama administration caved to auto industry pressure and pulled the plug on a key consumer education proposal intended to help us determine which cars are cleanest,” said Dan Becker, director of the Safe Climate Campaign.

Becker said he’s hopes the administration’s decision isn’t a signal of what’s to come on several major EPA-DOT rules, including efficiency standards for light-duty vehicles and heavy trucks.

Roland Hwang, transportation director for the Natural Resources Defense Council's energy program, said the administration's alternative label will still mark an improvement.

“It's important the administration get a revised, clearer label out sooner rather than later, even if not perfect,” he said.

“With $4 a gallon here to stay for a while, consumers need all the help they can get to find the most fuel-efficient car that meets their needs.”

An EPA spokesman declined to comment, and DOT did not respond to a request for comment.

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