Cheap gas spurs SUV sales, putting U.S. climate goals at risk

Jane Richards
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For model year 2014, auto makers have over-complied with greenhouse gas (GHG) emissions standards by 13 grams of Carbon dioxide per mile - or about 1.4 miles per gallon, the EPA says.

But automakers argue that the consumer shift away from cars will make it harder to hit the US fleet average fuel economy target of 54.5 miles (87.7 km) per gallon in 2025.

The U.S. government says new cars and trucks averaged a record 24.3 miles per gallon (10 kilometers per liter) last year.

Surging demand for trucks and SUVs fueled by cheap gasoline is holding back improvements in USA fuel economy and greenhouse gas emissions, a government report due out on Wednesday is expected to show. Truck fuel economy was 20.4 mpg, an increase of 0.6 mpg from 2013, the second-highest gain in 30 years, according to the EPA.

The fleet-wide efficiency gains were offset by growing consumer demand for pickups, crossovers and SUVs amid a sustained period of affordable gasoline, which averaged $2.01 per gallon in the USA today, according to AAA. For model year 2014, manufacturers are over-complying with the GHG standards, which means consumers continue to buy vehicles with lower GHG emissions than required by the EPA standards.

"For the third year in a row, manufacturers have exceeded the GHG emissions standards by a wide margin", the EPA's director of air quality and transportation, Christopher Grundler, says about the ratings.

Efficiency is still up 26 percent over the last decade, according to the EPA. We work with industry leaders, legislators, and regulators to create the kind of public policy that improves vehicle safety, encourages technological innovation, and protects our planet. But in 2014, the
truck and SUV market share grew 2.1 percentage points to 8.6 million, according to Autodata Corp. "The regulations are actually preventing even more emissions than originally projected".

Sales of fuel-sipping hybrids and all-electric vehicles have remained largely flat.

Domestic automakers, which sell considerably more pickups than their foreign competitors, were ranked as the three least-efficient manufacturers.

The industry group is pushing proposals to allow automakers to get greenhouse emissions credits for adding technologies that could help avert crashes. "Consumer purchases of fuel-efficient vehicles still go up and down with the price of gasoline, and sales of our most energy-efficient vehicles will need to rise to meet future standards". The industry backed the standard, negotiated with President Barack Obama's administration, after it won a pledge to review progress halfway through the eight-year program and possibly adjust the mandate.

"The technology is being adopted at a pace faster than the agencies anticipated", Grundler said, noting that the industry is just three years into the EPA's 14-year greenhouse gas program.

"They are driving up oil consumption and pollution and putting at risk United States compliance with the Paris global warming agreement", said Daniel Becker, director of the Safe Climate Campaign. "This is a marathon, not a sprint, and that's what addressing climate change will require".