Automakers Fail to Improve Gas Mileage and Cut Air Pollution

Statement of Dan Becker (director, Safe Climate Campaign)
On the EPA Trends and Performance Reports

Stringent auto mileage and emissions rules have delivered cars and trucks with increasingly better gas mileage, saving consumers more than \$50 billion at the pump since 2010 while slashing air pollution—until now. Today's EPA reports demonstrate the wide gap between what the fleet was supposed to achieve and what automakers delivered. The rules projected a gas mileage gain of 1.0 mpg among 2016 models; the new-car fleet improved only 0.1 mpg, the barest minimum.

Projected improvement? 1 mpg. Delivered? One-tenth of 1 mpg. The auto companies missed the targeted improvement by 90 percent. This is auto mechanics, not rocket science. They have the technology to improve mileage. The standards need to be strengthened, not weakened. It doesn't take a very stable genius to figure that out.

As in recent years, automakers chose to shift production from cars to gas-guzzling SUVs and other light trucks, thwarting the very standard they agreed to.

Automakers are taking advantage of loopholes they demanded in the rules—and grabbing huge markups on many SUVs and pickups—as they put Americans into gas-guzzling behemoths often hauling no more cargo than a cappuccino from Starbucks.

As written, the standard is the biggest single step any nation has taken to fight global warming and cut oil use. What's behind the minuscule fuel efficiency gain? In 2013, gas mileage began to stagnate as automakers pushed consumers to buy gas-guzzling SUVs and other trucks, their most profitable line. (GM takes a \$35,000 markup on a Cadillac Escalade that it sells for \$73,000, the Detroit News reported). The huge markups on its biggest SUVs and pickups explain why the industry spends so much of its roughly \$15 billion annual marketing budget cajoling consumers to buy trucks.

With nearly 50% markups on many SUVs and pickups, no wonder the auto companies are colluding with the Trump administration to weaken the rules, giving us gas-guzzling Trumpmobiles, stagnant gas mileage and more pollution.

Key details:

- The U.S. 3 lagged all foreign manufacturers in gas mileage, topped all in emissions, and failed to use many key efficiency technologies.
- Ford, GM and Fiat Chrysler delivered the worst fuel efficiency of any of the 13 major manufacturers.
- While individual U.S. automakers deployed some advanced gas-saving technologies, the companies fell far behind most foreign competitors in the overall use of such long-established technologies as stop-start systems and continuously variable transmissions.
- Eight companies, including the U.S. 3, failed to hit their targets even with the use of such loopholes as claiming credit for equipping vehicles with an improved air conditioning refrigerant or taking "off-cycle" credits for installing solar car-roof panels.

The auto mileage trends report from the Environmental Protection Agency can be found <u>here.</u> The agency's performance report can be found <u>here.</u>

The Safe Climate Campaign, a project of the Center for Auto Safety, advocates strong measures to fight global warming.