

Clean Car and Truck Standards (MY2017-2025)

FACT SHEET

A CRITICAL FIRST STEP IN REDUCING OIL CONSUMPTION

The Obama administration is making history by setting standards that will nearly double the fuel economy of new cars and light trucks by 2025. The second round of fuel efficiency and global warming pollution standards for light duty vehicles, which was recently finalized by the U.S. Environmental Protection Agency and U.S. Department of Transportation, covers model years (MY) 2017-2025. This second round builds on the success of the MY 2012-2016 standards, which are already benefitting car buyers nationwide.



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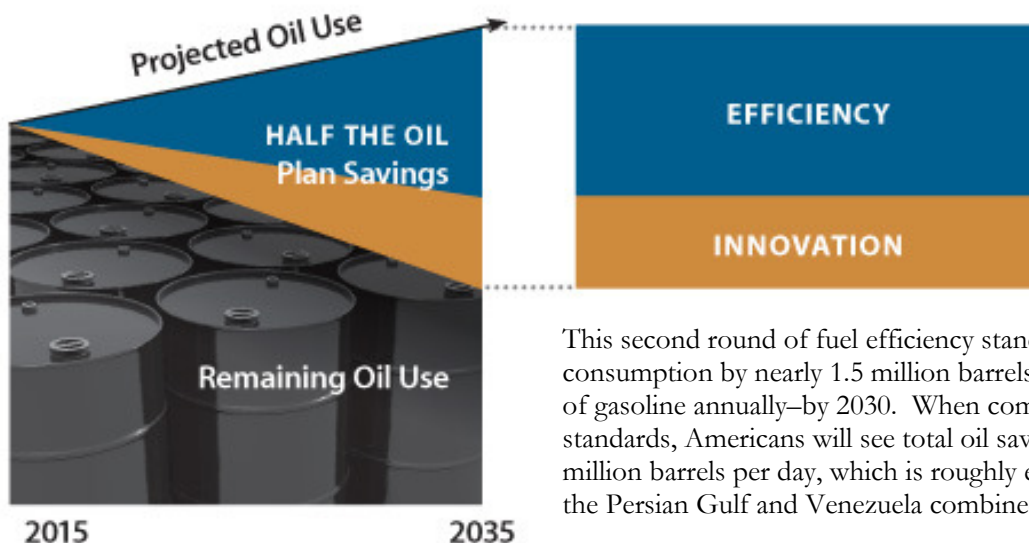
No other federal policy has delivered greater oil savings, consumer benefits and global warming pollution reductions than these two rounds of standards.

These standards will reduce America's oil consumption, save consumers money at the gas pump, and protect public health and the environment by curbing global warming pollution. They will also help spur investments in new automotive technology, creating jobs and helping sustain the recovery of the American auto industry.

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Clean car and truck standards mean reduced oil consumption

Nearly doubling the average fuel efficiency of new cars and light trucks is the single biggest step our nation can take to reduce oil use. Without oil-saving steps like these standards, the United States will be stuck spending, economy wide, nearly \$2 billion every day on dirtier, harder-to-reach oil. The good news is that we don't have to choose that reality. Instead, we can cut our projected oil use in half over 20 years by combining the MY 2017-2025 standards with other smart policies and investments in better technology.



This second round of fuel efficiency standards alone will cut oil consumption by nearly 1.5 million barrels per day—about 22 billion gallons of gasoline annually—by 2030. When combined with the first round of standards, Americans will see total oil savings in 2030 of more than 3 million barrels per day, which is roughly equal to the current imports from the Persian Gulf and Venezuela combined.

Clean car and truck standards mean jobs for American workers

The MY 2017-2025 standards will result in more jobs for Americans in the auto and supplier industries and throughout the economy.

Investments in technology to meet the new standards will create jobs in the auto manufacturing sector as companies hire more engineers and skilled workers to design and build more efficient vehicles. And, as American's spend less money on gasoline, they will spend more in other, more productive, parts of the economy, generating new jobs in the service, sales, and manufacturing sectors.



The promise of new jobs is already being realized. In May 2012, Ford added a third shift to its Cleveland Engine Plant, which makes the EcoBoost engine, and Chevrolet added 200 workers to its Detroit-Hamtramck plant, which makes the Chevy Volt.

How many jobs? A June 2012 study by the Blue Green Alliance found that the second round of standards alone will create an estimated 570,000 jobs (full-time equivalent) throughout the U.S. economy by 2030, including 50,000 in light-duty vehicle manufacturing (parts and vehicle assembly).

Clean car and truck standards mean serious savings for consumers

Making our cars and trucks go farther on a gallon of gasoline is a powerful way to save Americans millions of dollars every day. With the new standards, consumers will keep more money in their pockets instead of spending it on gas, even after accounting for the cost of the fuel-saving technology. In fact, since most consumers finance the purchase of their new vehicle, they will save money from the moment they drive off the lot, with fuel savings that will be greater than the increase in their monthly loan payments.

How much money? The 2017-2025 standards will save consumers about \$50 billion in 2030. Adding in the first round of standards brings the savings to more than \$140 billion in that year alone. When compared to a typical vehicle on the road today, a new car buyer will save more than \$8,000 over the lifetime of a new 2025 vehicle even after paying for the more fuel-efficient technology.²

Clean car and truck standards mean cleaner air and a healthier environment

For every gallon of gasoline saved as a result of the standards, approximately 25 pounds of global warming pollution is avoided. Drilling, refining, and distributing gasoline account for about 6 pounds of global warming pollution per gallon of gasoline, and burning gasoline during vehicle operation produces another 19 pounds of global warming pollution per gallon.

How many tons of global warming pollutants will be avoided? The MY 2017-2025 standards alone would reduce global warming pollution by as much as 270 million metric tons (MMT) in 2030. This is equivalent to shutting down 65 typical coal-fired power plants for an entire year.

Endnotes:

1. The actual Corporate Average Fuel Economy (CAFE) standard is expected to be about 49.6 mpg in 2025, with the remaining 5 miles per gallon equivalent reached through improvements to in-car air conditioners (better efficiency, reduced leaks and use of refrigerants with a lower impact on the climate). Because CAFE compliance tests are out of date and overinflate fuel economy, the average on-road fuel economy of cars and light trucks is expected to be 36-40 mpg by 2025, up from 21 mpg today. See http://www.ucsus.org/assets/documents/clean_vehicles/Translating-Standards-into-On-Road.pdf for more information.
2. Fuel saving calculation based on the following assumptions: base vehicle fuel efficiency of 26.3 miles per gallon on government tests (approx. 21 mpg on-road), with lifetime mileage of approximately 190,000 miles. The proposed standards are anticipated to achieve a fleet CO₂-e average of 163 grams per mile in 2025. If met only with fuel efficiency improvements, that would be the equivalent of 54.5 mpg on government tests. In reality, the standards will be met with a combination of improved fuel efficiency, better fuels, and improved air conditioning systems, leading to a fuel efficiency average of about 50 mpg on CAFE tests. A vehicle meeting this level would achieve about 37 mpg during actual operation. Future fuel costs and savings are discounted at an annual rate of 4.5% (consistent with the average annual rate of return of the Dow Jones Industrial Average, in real terms, between 1992 and 2012). A 10% rebound effect is used for mileage under increased fuel efficiency.

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ENVIRONNEWS

From Maine's Leading Environmental Voice

The Natural Resources Council of Maine, www.nrcm.org

For Immediate Release – August 28, 2012

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New Clean Vehicle Standards Historic Step in Fight for Clean Air Will Spur Jobs, Protect Wildlife, and Decrease Oil Dependence

Augusta, Maine – Today, the U.S. Environmental Protection Agency's standards for vehicle fuel efficiency and climate-changing pollutants are set to become final. These new standards will double the number of miles we can drive on a gallon of gasoline for new cars, SUVs and pickups sold in America by 2025, when these vehicles will travel an average of 54.5 miles per gallon of gasoline burned.

“These new car and truck efficiency standards are the single biggest step America has ever taken to cut our dependence on oil and the carbon pollution that causes climate change,” said Lisa Pohlmann, executive director of the Natural Resources Council of Maine. “The car efficiency standards announced today will cut gasoline costs in half, reduce our dependence on oil, lower emissions of dangerous global warming pollution and create hundreds of thousands of new jobs. These standards show that companies, workers, government, consumer and conservation interests can work together and find solutions to the biggest problems that face us today.”

“We’re replacing dependence on oil with high-tech engineering and manufacturing of more fuel efficient vehicles, which means cleaner air and more good jobs in America and more money to spend at home,” said Adam Lee, President of Lee Auto Malls. “Here in Maine alone, drivers will save 195 million gallons of gasoline and save \$610 million a year when the standards take full effect. The new fuel efficiency standards give automakers their own road map for the future – providing certainty in the market, spurring innovation, and putting people to work.” A recent independent study released by the Blue Green Alliance estimates the proposed fuel efficiency standard will spark auto industry investments and consumer savings that could generate 570,000 jobs nationwide.

The standards will reduce gasoline expenses in Maine by \$860 million—even after the cost of fuel-savings technologies are included, the net savings will exceed \$600 million. Gasoline prices in Maine are roughly *double* what they were in 2002, a cost which has hit family budgets and business profits hard, and making today’s announcement especially welcome.

The standards will cut global warming pollution nearly 600 million metric tons a year by 2030 – that’s close to 10% of total U.S. global warming pollution from all sources today – or equal to the emissions from 85 million of today’s cars. In Maine, transportation emissions represent nearly half (45%) of Maine’s global warming pollution – the largest source by far. The new standards will reduce climate-changing carbon pollution in Maine by 2.4 million metric tons, a 14% reduction.

“Failing to take on clean energy and oil dependence in this way would have cost Maine people an extra \$610 million per year,” said Pohlmann. “This kind of leadership is needed to tackle energy costs, spur economic innovation and protect the environment.”

Among the economic benefits of new fuel efficiency standards:

- The new standards are estimated to add half a million additional jobs to the economy by 2030 according to a new report by the [Blue Green Alliance](#), and save Americans \$140 billion a year.
- Failure to adopt these standards would have cost families and businesses an extra \$8,000 over the life of a 2025 vehicle relative to the average car today, even after paying for the cost of new fuel-saving technology.
- The standards will reduce U.S. oil consumption by 3.1 million barrels of oil per day, which is more than all the oil we get today from Saudi Arabia, Venezuela, and Russia, according to joint analysis by the Natural Resources Defense Council and Union of Concerned Scientists.
- Fuel efficiency is already working. Over the past two and a half years, the auto sector has added over 200,000 direct jobs building and selling the next generation of clean cars and trucks, according to the Bureau of Labor Statistics. A [joint study by National Wildlife Federation, NRDC, and the UAW](#) found 300 companies in 43 states today making components and technology that improves vehicle efficiency.

These studies and others, along with latest media and original stories of companies and workers building the next generation of clean car and truck technology are available at www.DrivingGrowth.org

The new standards will ensure fuel economy improvements in all types and sizes of vehicles, so people will save on fuel no matter what kind of vehicle they need.

A [Consumer Reports survey](#) in May found 79 percent of consumers support strong new federal fuel efficiency standards.

Learn more about why [new fuel efficiency standards work for drivers and wildlife](#) here.