Fuel Economy Facts

From owners of pickups to cars and crossovers, consumers want more miles to the gallon. Better fuel economy will save consumers thousands of dollars -- especially for the majority of consumers who buy used cars. Under the current program, cars and trucks are set to reach 35-40 miles per gallon by 2025. These improvements will be achieved primarily through fuel saving innovations on gasoline-powered vehicles, along with modest increases in hybrid and electric sales. But consumer benefits would be reduced or eliminated if the program is weakened.

Quick Facts

Fuel efficient vehicles SAVE money

- Vehicles meeting the 2025 standards will save owners an average of $3,200 per car and $4,800 per truck.
- The average new vehicle buyer will start saving in the first month of ownership as fuel savings outweigh the cost of fuel saving technology spread out over the loan.
- Consumers in the used market (70% of vehicle sales) save the most from improved fuel economy at a lower price as MPG remains steady while the vehicle depreciates.

Strong standards are practical and achievable

- Fuel economy standards are flexible and scale with the size of vehicles - larger vehicles have easier targets.
- According to the EPA's latest data, pickup trucks and SUVs have seen the fastest improvements to vehicle efficiency.
- Safety, fuel economy, performance and reliability have all been improving, and strong fuel economy standards build on that progress.
- Meeting the 2025 standards will come primarily from improvements to gasoline vehicles.

Americans support strong standards

- 74% of Americans agree "Increasing average fuel economy from 25 mpg today to 40 mpg by 2025 is a worthwhile goal.
- Fuel economy is the number one attribute that vehicle owners would like to see improved in their next vehicle.

How Much Will Consumers Save from the 2025 Fuel Economy Standards?

On Average

$3200 per car

$4800 per truck

Average savings based on net savings of a vehicle complying with MY 2025 standards relative to MY 2016, using EIA gas price projections starting at $3/gallon in 2025.

If Gas Prices go up, less fuel consumption means greater savings

$5700 per car

$8200 per truck

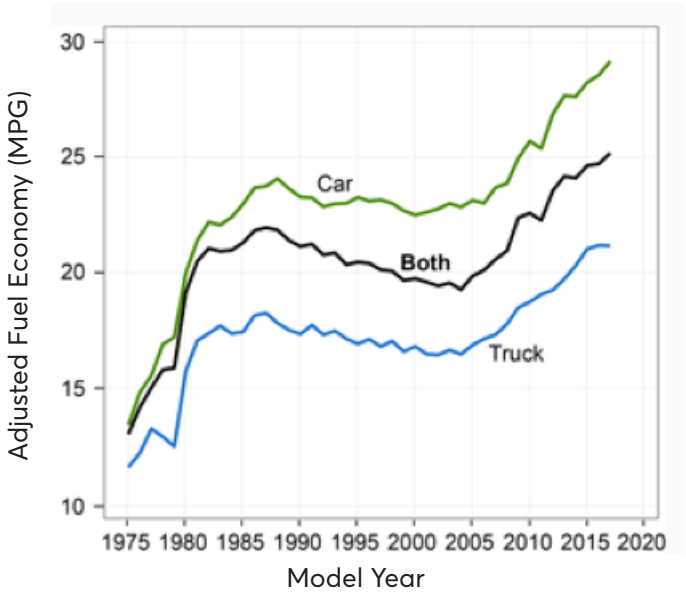
Protecting and increasing consumer choice

Fuel economy standards encourage improvement across all vehicle classes. For example, popular crossovers get nearly 30 mpg, beating the fuel economy of most sedans from 10 years ago. And Americans want the progress to continue - consumers identified fuel economy as the attribute with the most room for improvement over four times more often than horsepower, off-road capability, or vehicle size.

ConsumersUnion®
POLICY & ACTION FROM CONSUMER REPORTS

Real World Fuel Economy Improvements Over Time

Fuel economy has improved over the last 10 years, thanks to rising fuel economy standards - a welcome change after 20 years of falling fuel economy when the standards stalled. The robust fuel economy standards were established through collaboration among the auto industry, consumer, labor and environmental advocates.



Graphic source: EPA Fuel Economy Trends Report

Facts About Fuel Economy Standards

Higher fuel efficiency is even more important for low-income consumers.

Most low-income and middle-income households cannot afford new vehicles and are more likely to purchase a used car. In fact, used cars make up the vast majority - over 70% - of annual car sales. Fuel savings are even more valuable to low-income consumers, who spend 4-5 times more on fuel costs than do high-income consumers, as a proportion of income. As fuel economy technologies advance in new cars, those features make their way to the used car market, delivering much needed relief from pain at the pump.

Fuel economy standards are flexible, allowing automakers to meet targets based on the types of vehicles they sell.

The modern fuel economy standards are based on the size of the vehicle sold - smaller vehicles have higher targets, while targets for larger vehicles and trucks are significantly lower (i.e. 43 mpg for a small car and 23 mpg for a large truck). What this means for an automaker is that their efficiency targets align with their customers' buying preferences. So all automakers - including those that primarily sell large vehicles - can meet fuel economy standards, so long as they gradually innovate and invest in the efficiency of their vehicles.

Meeting the 2025 fuel economy will come primarily from improvements to traditional gasoline-powered vehicles.

There are many existing and new technologies, including advanced transmissions, cylinder deactivation and variable compression ratio engines, that will drive the next wave of more fuel efficient vehicles. These improvements to internal combustion engines are expected to be the main efficiency approach for most automakers while sales of full-hybrid and battery-electric vehicles can remain relatively small for compliance.

Learn more at **consumersunion.org/cleancars**

ConsumersUnion®
POLICY & ACTION FROM CONSUMER REPORTS