Fuel Economy Facts

More miles, less money

No matter the kind of vehicle they drive, consumers want more miles to the gallon, because better fuel economy saves people thousands of dollars.

Where we're going

Under the current program, cars and trucks are set to reach an average of 35-40 miles per gallon (mpg) by 2025. The standards are <u>flexible and</u> <u>scale with the size of vehicles</u>, so the automakers that are selling larger vehicles have easier targets.

How we get there

The targets are reasonable and achievable, and improvements will be achieved primarily through <u>existing fuel-</u> <u>saving technologies</u> for gasoline-powered vehicles, with very modest increases in sales of hybrid and zero-emission vehicles.

Consumers along for the ride

- 74% of Americans agree, "Increasing fuel economy from an averae of 25 MPG today to 40 MPG by 2025 is a worthwhile goal."
- **78%** of Americans agree that "Making larger vehicles, like SUVs and trucks, more fuel-efficient is important."
- **85%** of Americans agree that "Automakers should continue to improve fuel economy for all vehicle types."

How much would a rollback of fuel economy standards cost consumers?



Source: <u>MJ Bradley analysis</u> (July, 2018), based on average life of vehicle.

At least

additional fuel costs

\$480 billion

Source: <u>Consumer Reports</u> (October, 2018)

Used car owners benefit from strong standards

- Used cars make up the vast majority (over 70%) of annual car sales.
- 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 for many years ahead.
- Low-income consumers <u>spend as</u> <u>much as 5x higher a percentage of</u> <u>their income on fuel costs</u> than highincome consumers.

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How consumers benefit from fuel-saving technology





Fuel-saving innovations cost money, but provide a terrific 3-to-1 return on investment for consumers.

HOW FUEL ECONOMY TECHNOLOGY INVESTMENTS SAVE MONEY AND IMPROVE HIGHWAY SAFETY, IN FOUR EASY STEPS:



1 Most new vehicle buyers finance their purchase, and these consumers start saving in the first month of ownership as the **fuel savings are greater than the difference** in monthly payment.



2 Consumers' net savings from better fuel economy puts money in their pockets and increases consumer spending, resulting in **higher vehicle sales**.



3 Fuel economy and safety have been improving hand in hand. In addition to fuel-saving technology, new vehicles are also safer and more likely to have advanced safety features (like blind-spot warnings and automatic emergency braking).

4 So as consumers replace older vehicles with newer vehicles, consumers save money and get safer vehicles.

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

