

June 22, 2023

Chair Cathy McMorris Rodgers Energy and Commerce Committee U.S. House of Representatives 2125 Rayburn House Office Building Washington DC 20515

Subcommittee Chair Bill Johnson Subcommittee on Environment, Manufacturing, & Critical Materials 2322 Rayburn House Office Building Washington DC 20515 Ranking Member Frank Pallone Energy and Commerce Committee U.S. House of Representatives 2125 Rayburn House Office Building Washington DC 20515

Subcommittee Ranking Member Paul Tonko Subcommittee on Environment, Manufacturing, & Critical Materials 2322 Rayburn House Office Building Washington DC 20515

Dear Chair Rodgers, Ranking Member Pallone, Subcommittee Chair Johnson, and Subcommittee Ranking Member Tonko:

Consumer Reports (CR) writes in advance of the House Energy and Commerce Subcommittee on Environment, Manufacturing, and Critical Materials hearing on Thursday, June 22, 2023 entitled *Driving Affordability: Preserving People's Freedom to Buy Affordable Vehicles and Fuel* to urge the Committee to support the Environmental Protection Agency's recognized authority under the Clean Air Act to finalize, implement, and enforce the Light- and Medium-Duty Vehicle 2027+ proposed rule. This rule will help save consumers money, lower emissions, and give consumers more options in the marketplace.

CR is an independent, nonprofit and nonpartisan organization that works to create a fair and just marketplace for consumers. Known for its rigorous product testing and ratings, CR also advocates for laws and corporate practices that are beneficial for consumers. It surveys millions of Americans every year, reports extensively on the challenges and opportunities facing today's consumers, and provides ad-free content and tools to 6 million members across the United States. CR is dedicated to amplifying the voices of consumers to promote safety, digital rights, financial fairness, and sustainability.

CR conducts nonpartisan, independent surveys on issues such as consumer awareness of EVs, and analysis on the cost-saving impacts of EPA's proposals to reduce tailpipe emissions, in an effort to provide lawmakers with the insight into the consumer perspective. In evaluating

legislation around preserving choice for consumers on EVs and other options at the pump, we ask you to consider the following findings from CR's research in this area:

## Cost Savings

- O Providing consumers with cleaner and more energy-efficient technologies can dramatically lower costs of fuel and energy use, as well as the costs of healthcare and insurance, and doing so will enable them to make purchasing decisions that save them money. Cost savings are especially critical for low-income households which spend a disproportionate amount of their income on fueling costs.<sup>1</sup>
- O A 2020 analysis by CR found that the most popular EVs were already cheaper to own than the most popular and highest-rated gasoline vehicles in their class, even factoring in higher purchase prices. These savings were delivered, despite higher purchase prices, due to EVs saving an average of 60% on fuel and 50% on repairs and maintenance. On average, the study found that EVs sold at that time would save consumers around \$6,000 to \$10,000 over the lifetime of the vehicle.<sup>2</sup>

## EV Demand

- O A CR nationally representative survey of 8,027 US adults in January and February 2022 shows that 72% of Americans express some level of interest in buying or leasing an electric-only vehicle: 14% would "definitely" buy or lease one if they were to get a vehicle today, 22% would "seriously consider" one, and 35% "might" consider getting one in the future, but not if they were to get a vehicle "today."<sup>3</sup>
- According to CR's analysis, demand for electric vehicles increased 350% from 2020 to 2022. There are now 45 consumers for every EV being manufactured who say they would "definitely buy" an EV if they were to buy or lease a new vehicle today. Sales of new ICE vehicles dropped by 26% from 2019 to 2022, while EV sales increased by 244%.
- CR's nationally representative car buying survey of 2,180 US adults from March and April 2022 found that 30% of licensed drivers who were then in the market to buy or lease a new (not a used) vehicle were not even considering a conventional, non-hybrid vehicle.<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> Low-Income Households, Communities of Color Face High "Energy Burden" Entering Recession, ACEEE, 2020, <a href="https://www.aceee.org/press-release/2020/09/report-low-income-households-communities-color-face-high-energy-burden">https://www.aceee.org/press-release/2020/09/report-low-income-households-communities-color-face-high-energy-burden</a>.

<sup>&</sup>lt;sup>2</sup> New analysis from CR finds that the most popular electric vehicles cost less to own than the best-selling gas-powered vehicles in their class, Consumer Reports, October 8, 2020, <a href="https://advocacy.consumerreports.org/press">https://advocacy.consumerreports.org/press</a> release/new-analysis-from-cr-finds-that-the-most-popular-electric-vehicles-cost-less-to-own-than-the-best-selling-gas-powered-vehicles-in-their-class/.

<sup>&</sup>lt;sup>3</sup> Consumer Reports nationally representative survey of 8,027 US adults in January/February 2022, https://article.images.consumerreports.org/prod/content/dam/surveys/Consumer\_Reports\_Breakthrough\_Energy\_18\_ February\_2022.

<sup>&</sup>lt;sup>4</sup> Excess Demand, The Looming EV Shortage, Consumer Reports, March 2023, https://advocacy.consumerreports.org/wp-content/uploads/2023/03/Excess-Demand-The-Looming-EV-Shortage.pdf.

<sup>&</sup>lt;sup>6</sup> Car Buying: A National Representative Multi-Mode Survey, 2022 Results, Consumer Reports, May

Thank you for this opportunity to address these policy measures. CR welcomes the opportunity to discuss how Congress can act on these issues while addressing the needs of consumers.

## Sincerely,

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