



Consumer Federation of America

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OBAMA FUEL ECONOMY STANDARD WILL SAVE CONSUMERS NEARLY \$500 PER YEAR IN GAS COSTS

Stricter fuel economy standards protect consumers, the environment and will help keep domestic car companies competitive

Washington, DC – CFA applauds President Obama’s decision to implement a substantial increase in fuel economy standards which the Bush Administration failed to complete.

“At an estimated \$3 per gallon for gasoline in 2016, the average new car buyer will save nearly \$500 per year in gas costs by increasing the standard from the current 27.5 mpg to 39 mpg. If gas goes up to \$4.00 per gallon, those savings will increase to nearly \$650 per year,”¹ said Jack Gillis, CFA’s Director of Public Affairs and author of *The Car Book*.

“By setting the standard at 30 mpg for light trucks and 39 mpg for cars, creating an average of 35.5 miles per gallon in 2016, President Obama’s actions will save Americans 76 billion gallons of gasoline and \$19 billion, while putting the U.S. on a rapid path to yet higher standards in the future,” said Dr. Mark Cooper, CFA’s Director of Research. “CFA’s 2008 analysis of NHTSA’s proposed CAFE standard concluded that the auto industry would have no difficulty hitting exactly these targets. The fact that the administration, the auto industry, environmentalists, and consumers agree on this standard shows that real world data can overcome ideology,” said Cooper.

“This effort is the first true step to ensuring that the vehicle fleet makes its maximum contribution to securing America’s energy future. CFA is confident that charting this new course for energy policy will protect consumer’s hard earned dollars, reduce our dependence on foreign oil, improve the environment, and revitalize the U.S. auto industry,” said Gillis.

“Any vehicle costs incurred with these new standards will be wiped out by the savings at the pump. While the proposed changes may add \$22 to the monthly cost of buying a car, the monthly fuel savings of nearly \$42 will actually put money back in consumer pocketbooks,” said Cooper.

The Consumer Federation of America (CFA) is a non-profit association of over 280 pro-consumer groups, with a combined membership of 50 million people. CFA was founded in 1968 to advance consumers’ interests through research, advocacy and education.

¹ Considerations: 27.5 to 39 increase in passenger car MPG, driving 15,000 miles per year, and \$3 and \$4 dollars per gallon.