



Consumer Federation of America

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STATEMENT OF MARK COOPER ON RAISING FUEL ECONOMY STANDARD TO 35 MILES PER GALLON BY 2017 July 10, 2007

The auto makers have flip-flopped on fuel economy. It only took them five years to admit the existence of fuel savings technologies that the National Academy of Sciences said in 2002 could get us to 35 miles-per-gallon without sacrificing size or safety. It has taken a steady decline in sales to get the auto makers to admit that consumers are interested in fuel economy. But they have made the statements before and have failed to deliver on their promises. If they had, they would be in much better shape than they are today.

Now is the time to enact meaningful fuel economy increases and the Markey-Platts bill is the way to do it. The Markey-Platts bill accomplishes precisely the fuel savings the President called for in his State of the Union address. When Ed Markey and George Bush agree on something, there have to be mighty powerful reasons. The numbers speak for themselves.

- For the consumer, our analysis shows that a 35 mpg requirement would lower the total cost of owning and operating new vehicles because the value of fuel savings is larger than the increase in cost of manufacturing the vehicles.
- For the national economy, over the next ten years, it will lower the national oil consumption by over 100 billion gallons and the national gasoline bill by about \$300 billion dollars -- \$300 billion that will not be exported.
- By shrinking oil imports, it improves national security.
- By reducing fuel consumption, it lowers greenhouse gas emission by 1.5 billion tons.

The alternative bill being pushed by the auto makers would leave between one half and three quarters of those fuel savings, national security benefits, and cuts in green house gas emission unrealized. The auto industry proposal is too little too late. It is simply and flatly irresponsible to forego the fuel economy improvements that the nation and the world so desperately needs.

We know the auto industry can and should implement meaningful fuel economy increases. However, we also know, based on their track record of resisting seat belts, airbags, antilock breaks, and the initial CAFÉ program, which doubled the fuel economy of the fleet, as well as their broken promises of earlier this decade, that automakers won't take this step unless they are required to do so. Raising the CAFE standard to 35 miles-per-gallon in 2017, as required by the Markey-Platts bill, is the right thing to do. It would demonstrate that the U.S. is willing to take the bold steps necessary to start ending the nation's oil addiction.