

September 22, 2010

The Honorable Barack H. Obama
The President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

Your Administration has an extraordinary opportunity to benefit consumers, while also improving our global competitiveness, energy independence, and environmental quality. We are writing to ask you to establish a target of 60 miles per gallon (mpg) for cars and trucks as the goal for the fuel economy standards for model year 2025. According to a recent Consumer Federation of America (CFA) analysis of studies by the National Academy of Sciences and the Massachusetts Institute of Technology, the technology for a 60 mpg fleet is technically feasible and will save consumers money.

CFA analyzed the impact on consumer pocketbooks by comparing the monthly auto loan payments to monthly gasoline costs and found that savings from reduced gasoline consumption at 60 mpg would more than offset the increase in vehicle prices that result from adding technologies in order to lower gasoline consumption. Assuming the Energy Information Administration's projected cost of gasoline, National Highway Transportation Safety Administration estimates of average household miles driven, and a five-year auto loan at 7%, 60 mpg would result in gasoline savings in the first month that are larger than the increase in the monthly loan payment. In other words, investing in fuel economy would be cash flow positive for the household from the first month and savings grow over time as gasoline prices increase.

Recent public opinion surveys by CFA show that most Americans realize the negative effects of the nation's "oil addiction" and appreciate the role that higher fuel economy can play in addressing the problem. They express especially strong concerns about gasoline prices and dependence on Mid-Eastern imports. Large majorities support higher standards, want more fuel efficient vehicles, and are prepared to pay more for these vehicles, when the fuel savings offset the higher vehicle costs.

Mr. President, we strongly urge you and your Administration to respond to these consumer and public concerns by proposing and approving a 60 mpg fleet standard for 2025.

Thank you for your consideration.

Sincerely,

Stephen Brobeck
Consumer Federation of America

Phyllis Rowe
Arizona Consumers Council

Diane Brown
Arizona Public Interest Research Group

Emily Rusch
California Public Interest Research Group

Dan McCurry
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Virginia Citizens Consumer Council

James Brown
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Bruce Speight
Wisconsin Public Interest Research Group

cc: The Honorable Raymond LaHood, Secretary, U.S. Department of Transportation
The Honorable David Strickland, Administrator, National Highway Transportation Safety Administration
The Honorable Lisa Jackson, Administrator, U.S. Environmental Protection Agency
The Honorable Carol Browner, Assistant to the President for Energy and Climate Change
Ms. Mary Nichols, Chairman, California Air Resources Board