

## **Consumer Federation of America**

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## CUTTING FUEL CONSUMPTION OF HEAVY-DUTY TRUCKS WILL SAVE AMERICAN HOUSEHOLDS \$29.5 BILLION

## Consumer Federation of America Committed to Bringing About New Standards Which Could Save \$250 Per Household

Washington DC—Today the President called upon the U.S. Department of Transportation and Environmental Protection Agency to develop critically important new fuel economy standards for millions of semi-trucks, large vans, buses, and other large trucks that ply America's highways. A new report from the Consumer Federation of America finds that efficiency improvements for big trucks could save the average American household \$250 dollars per year in the cost of consumer goods and services.

"We know that the fuel costs associated with shipping goods cross country heavily impact the price of everything from a carton of milk to a pair of shoes. Achievable standards that cut fuel use by nearly 50 percent would put \$29.5 billion dollars back into the pockets of Americans," said Dr. Mark Cooper, CFA's Director of Research.

The new CFA report: <u>Paying the Freight: The Consumer Benefits of Increasing the Fuel Economy of Medium and Heavy-Duty Trucks</u> examines the costs of energy used by medium and heavy-duty trucks, the potential for energy savings among these vehicles, and the positive impact that their increased fuel efficiency will have on America's households. "There is no question that reducing 'big truck' fuel consumption will save the industry money, reduce our dangerous dependence on foreign oil, improve the environment, and <u>put hundreds of dollars back into consumers pocketbooks each year</u>," said Jack Gillis, CFA's Director of Public Affairs and author of *The Car Book*.

The new report builds on CFA's previous work that examined how consumers would be impacted by higher fuel economy standards for passenger vehicles. "As we found with the recently adopted 54.5 MPG standard for light-duty cars and trucks, consumers will benefit when heavy-duty trucks go farther on a gallon of fuel," said Cooper.

"While direct household expenditures on gasoline are significant, they are only part of what households spend on energy. Consumers also pay the cost of commercial transportation fuel in the price of the goods and services they buy. As such, reducing the energy consumption of big truck fleets will have a positive impact on household expenditures," said Cooper.

When fuel prices rise, so does the cost of consumer goods due to transportation costs. Conversely, because of competition, a reduction in transportation costs will result in lower cost of goods for consumers. "The 54.5 MPG standard for passenger vehicles is a win, win, win, win, win for car companies, auto workers, consumers, and environmentalists. We have no doubt that aggressive but achievable medium and heavy-duty truck standards will provide the same across-the-board benefits," said Gillis.

Both consumers and industry recognize that reducing vehicle fuel consumption is in everybody's best interest. "One of the reasons we believe a strong fuel efficiency standard for heavyduty trucks will be implemented is because key components of the trucking industry are also seeking ways to reduce the enormous impact of fuel expenditures on their costs," said Gillis.

The federal government first adopted fuel efficiency standards for medium- and heavy-vehicles in 2011. Those regulations cover vehicle model years 2014-2018. The proposed rules will take effect in 2019 and go into the next decade.

The Consumer Federation of America is an association of more than 260 non-profit consumer groups that, since 1968, has sought to advance the consumer interest through research, education, and advocacy.