

## **Consumer Federation of America**

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## Consumer Federation of America: 54.5-mpg Standard Sets Critical Energy Policy for the Future & is a

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Washington, D.C. -- Today, the Obama Administration announced it would adopt a federal average fuel economy standard of 54.5 miles per gallon (mpg) by the year 2025 for passenger vehicles. The Consumer Federation of America (CFA) supports the standard because it is not only a much needed consumer protection measure, but it is also one of the most important energy policies implemented in the United States in decades.

Win for Consumers, Automakers and Bipartisanship

CFA's <u>analysis</u> of these standards shows that for the typical consumer who finances a new vehicle purchase with an auto loan, the savings in gasoline expenditures exceeds any increase in loan payments from the first month. Over the life of the vehicle, higher fuel economy puts thousands of dollars into consumers' pockets, which will boost the economy and stimulate job growth.

Mark Cooper, Director of Research at the <u>Consumer Federation of America</u>, responded to the announcement saying:

This is not only a big win for consumers, it is vital to the U.S. auto industry and the single most important thing we can do to end America's addiction to oil - something President George W. Bush called "a serious problem" - and to improve our national energy security. The many benefits of this policy are so clear that is has garnered widespread support from the public, automakers, auto workers, national security experts, public health advocates and environmentalists.

Jack Gillis, Director of Public Policy for CFA and the author of *The Car Book*, also reacted to the highly anticipated announcement stating:

Having spent a record \$2,850 on gasoline last year, the average American household today simply cannot afford to invest in a gas-guzzler. The best way to insulate American families from volatile gasoline prices is to create a passenger vehicle fleet that gets more miles to the gallon.

The new 54.5-mpg standard will deliver the cars, trucks and SUVs that consumers can afford and will love to drive.

The number of passenger cars and trucks getting over 30 mpg has more than quadrupled in the past 5 years, increasing from 12 models to 52. It is no coincidence that we have just started to see vast improvements in fuel economy after years of stagnation. Automakers knew that these higher standards were coming and they have responded by putting out a better, more efficient, more cost-effective product.

The 54.5-mpg standard is a win for both consumers and automakers because it creates a clear pathway for automakers to meet the needs of consumers today and in the coming years.

To interview Dr. Cooper, please contact Christina Haro at 415-453-0430.

To interview Jack Gillis, please call 202-737-0766.

CFA's recent study, A Key Step To Ending America's Oil Addiction:

Policymakers, Consumers and Automakers Are Shifting New Vehicles To Higher

Fuel Economy, shows that passenger vehicle fuel economy and emissions standards
align with consumer demands and needs. The report examines historical and current day
mileage and pricing data as well as polling data to determine what consumers want and
need, whether or not the auto industry can deliver on those needs, and whether or not fuel
economy improvements will be cost prohibitive.

Click <u>here</u> to see the top 10 reasons why consumers back 54.5 mpg.

The <u>Consumer Federation of America</u> is an association of nearly 300 nonprofit consumer organizations that was established in 1968 to advance the consumer interest through research, advocacy, and education.