

Consumer Federation of America

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22 CONSUMER GROUPS CALL ON PRESIDENT TO RAISE FUEL ECONOMY STANDARDS TO 60 MPG BY 2025

Washington, D.C. – Americans deserve more fuel-efficient cars. The Consumer Federation of America (CFA) and 21 of its member, state and local groups have delivered a letter to President Obama, urging adoption of a fleet-wide car and light truck fuel economy standard of 60 miles per gallon (mpg) by 2025, because it will save consumers money. The Obama Administration will release a Notice of Intent for 2017-2025 fuel economy standards for cars, SUVs and pickup trucks on September 30th.

"Consumers across the country want higher fuel efficiency," said Mark Cooper, CFA Director of Research. "They want us to get off oil, and they want to save money at the pump. Sixty mpg by 2025 will help deliver both."

The letter, signed by consumer groups in Arizona, California, Connecticut, Florida, Illinois, Maryland, Massachusetts, New York, Oregon, Virginia and Wisconsin, states:

"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."

The letter also cites a recent CFA analysis, which found:

- Savings from reduced gasoline consumption at 60 mpg would more than offset any
 increase in vehicle prices likely to result from adding technologies in order to lower
 gasoline consumption.
- For the individual consumer, buying a car that gets 60 mpg would result in gasoline savings in the first month that are larger than the likely increase in the monthly loan payment. Investing in fuel economy will yield net savings for the household from the first month, and savings will grow over time as gasoline prices increase. (This assumes 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%)

The full text of the letter is available at: http://www.consumerfed.org/pdfs/60MPG-Obama.pdf
CFA's recent analysis of the 60 mpg target is available http://www.consumerfed.org/pdfs/60MPG-Obama.pdf

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The Consumer Federation of America (CFA) is an association of non-profit consumer groups that was founded in 1968 to advance the consumer interest through advocacy, research, and education.