



Consumer Federation of America

FOR IMMEDIATE RELEASE

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**UNPRECEDENTED SUPPORT FOR 54.5 MPG STANDARD AS PUBLIC
COMMENT PERIOD ENDS**

***New Rule Will Protect Consumer Pocketbooks and the Nation Says 24 of
America's Consumer Groups***

Washington, DC – The growing public concern about gasoline and its burden on household budgets has resulted in a remarkable consensus in support of higher fuel economy standards, a consensus that includes car makers, unions, consumer activists, federal and state regulators, and both political parties.

In order to determine the impact of this standard on both consumers and the nation, the Consumer Federation of America has analyzed the economics of fuel economy in relation to the proposed 54.5 MPG goal by 2025. CFA's analysis, co-submitted to EPA and NHTSA with 23 other consumer organizations*, clearly demonstrates from the consumer, economic, security and environmental point-of-view, that implementing the proposed standards are a "win-win-win-win." This could easily be one of the most significant energy related regulations in our nation's history.

"By far the single largest benefit of '54.5 by 2025' is the reduction of consumer expenditures on gasoline," said Dr. Mark Cooper, CFA's Director of Research. "The consumer pocketbook savings for the typical consumer with a 5 year auto loan will be immediate and substantial."

"The consumer benefits of the new standard are enormous. Consumers will be 'cash-positive,' right from the first month of ownership—even with the increased cost of new technology," said Jack Gillis, CFA's Director of Public Affairs, auto expert, and author of *The Car Book*.

Consumer and National Benefits of 54.5 MPG by 2025:

- The standards will lower the cost of driving in the very first month after a new car purchase. The reduction in gasoline expenditures is greater than the increase in the monthly payment to cover the cost of fuel saving technology.
- Consumers will save an average of nearly \$800 by the end of a typical auto loan and \$3000 by the 10th year of ownership.

- The total national benefits are close to \$600 billion, well over three times their cost. Because higher fuel economy standards primarily benefit consumers, the consumer's share of the savings are close to \$500 billion.
- Reducing oil consumption and imports by almost 4 billion barrels will cut the balance of payments deficit by \$370 billion.
- The standard will boost America's economic growth by driving down the price of oil by \$0.25 per gallon, lowering vulnerability to oil price shocks, and reducing the need for national security expenditures.

*Member groups joining the Consumer Federation of America to submit comments on the proposed standards for cars and light duty trucks:

Arizona Consumers Council

Arizona PIRG

CALPIRG

CoPIRG

Citizens' Utility Board of Oregon

Consumer Action

Consumer Assistance Council

Consumer Federation of the Southeast

Consumers for Auto Reliability and Safety

Chicago Consumer Coalition

Florida Consumer Action Network

Illinois PIRG

Iowa PIRG

Maryland PIRG

Massachusetts Consumers' Coalition

Massachusetts Consumers Council

MASSPIRG

New Jersey PIRG

U.S. PIRG

Utility Consumer Action Network

Virginia Citizens Consumer Council

Wisconsin Consumers League

WISPIRG

For a copy of the full comments go to: <http://www.consumerfed.org/pdfs/CFA-NHTSA-EPA-Comments-FE-Standard-2-13-12.pdf>

The Consumer Federation of America is an association of nearly 280 nonprofit consumer organizations that was established in 1968 to advance the consumer interest through research, advocacy, and education.