

The Benefits of Clean Car Standards in the Northeast

Lowering Emissions Helps the Climate and Local Economy

HIGHLIGHTS

The National Program to increase fuel efficiency and reduce global warming emissions from our cars and trucks is the biggest and most important step the country has ever taken to reduce our use of oil. Thanks to this program, drivers in the Northeast will be able to drive cleaner cars that use the latest technology to consume less gas and produce less pollution. This program will reduce emissions, save consumers money and help grow our economy. It represents a critical part of the climate and energy strategy of the Northeast region and must be fully implemented through 2025 to achieve maximum benefits.

The Northeast states have set ambitious goals to cut the pollution that causes global warming—goals that will require significant progress in reducing emissions from transportation. Passenger vehicles are the largest source of emissions in the Northeast, responsible for more than 25 percent of regional emissions (GCC 2015).

To reduce pollution from cars and trucks, the Northeast states are relying on national standards for fuel economy and global warming emissions. These standards, which represent the largest single step ever taken to improve the efficiency of light-duty vehicles, are a critical piece of the climate strategy for the region.

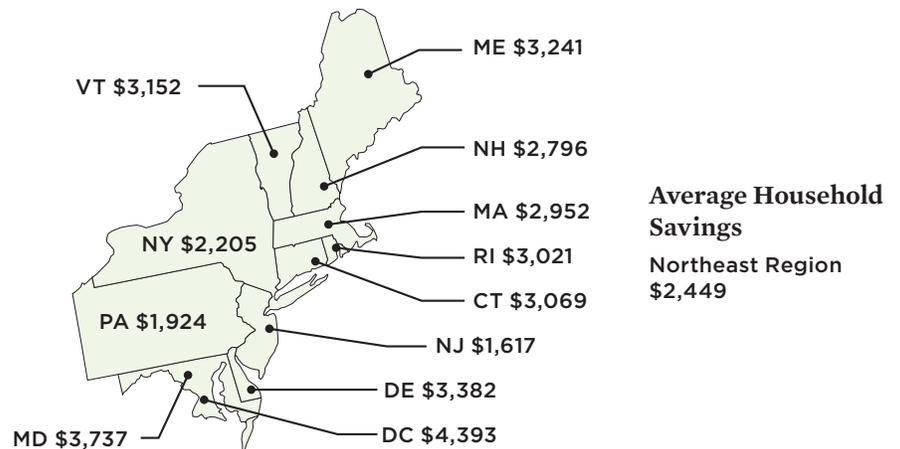
In addition to helping the Northeast achieve emissions reduction goals, increasing efficiency will cut oil use and provide significant benefits to consumers, public health, and the broader economy. Indeed, analysis by the Union of Concerned Scientists (UCS) shows that these regulations are already benefiting the region—a process that will only accelerate over the next decade.

Thanks to this program, cars and trucks are becoming more efficient, producing lower emissions, and putting money back in the hands of consumers. However, a governmental review of the standards is now underway, which gives detractors an opportunity to try to undermine the program.

Strong Standards Must Be Maintained

Following California’s lead in setting emissions standards for cars and trucks, which were subsequently adopted by 14 state governments (including 10 Northeast states), in 2010 the US Environmental Protection Agency and the US National Highway Traffic Safety Administration issued joint fuel efficiency and emissions standards for cars and trucks sold in model years 2012–2016. Two years later, this

The National Program Will Save Money for Northeast Households



By maintaining the National Program to increase fuel efficiency and reduce global warming emissions, the average Northeast household will save more than \$2,400 per year by 2030.

program was extended to cover model years 2017–2025, thereby establishing long-term guidelines for cutting fuel use—and reducing global warming emissions—from the average new car or truck by nearly 50 percent (UCS 2013).

These two standards, commonly referred to as the National Program, represent the biggest and most important step the United States has ever taken to reduce its consumption of oil and curtail global warming pollution from the transportation sector. When the program has been fully implemented, it stands not only to nearly double the fuel efficiency of cars and trucks and save consumers billions of dollars, but also decrease the Northeast’s emissions of global warming pollution by more than 75 million tons per year.

Yet these goals may be in jeopardy. This year, federal agencies will begin a midterm review of the National Program for model years 2022–2025 to determine whether the standards should be adjusted. As our analysis shows, the full implementation of this program will be critical for the Northeast states to protect their consumers from volatile oil prices, grow their economies, and achieve their regional global warming emissions targets.¹

Delivering Benefits to Northeast Consumers

The National Program has already improved the fuel economy of all kinds of passenger vehicles, thereby cutting oil use and saving money for households throughout the Northeast.² Specifically, we estimate that:

- Since 2011, the vehicle standards have reduced oil consumption in the region by 1.3 billion gallons.
- As a result, Northeast drivers have saved \$4.3 billion—the equivalent of \$171 per household—in fuel costs over the past four years.
- Between 2011 and 2030, the average resident will save a net of \$5,000.

Strengthening the Regional Economy

By saving money at the pump, consumers will have more to spend in other sectors of the economy—from education to household needs—which can produce good local jobs (BLS 2012). This means a stronger economy in the Northeast that is more resilient to fluctuations in the global price of oil.

- By 2030, the National Program is estimated to decrease overall oil consumption in the Northeast by 7 billion gallons per year, saving consumers \$27 billion in reduced gas expenses.

- As a result, the program is estimated to create more than 125,000 jobs in the region and increase its gross domestic product by more than \$10 billion by 2030 (Ceres 2011).

Reducing Emissions from Transportation

The National Program is the most important policy instrument we have for achieving the climate emissions goals of the Northeast and ensuring that the region continues to make progress toward a clean and sustainable future. In the face of low gas prices and the resulting increased driving distances (Solomon 2016), these vehicle standards are a cornerstone of the region’s strategy to curtail transportation emissions.

- The National Program has already reduced annual transportation-related emissions in the Northeast by 6.3 million metric tons.
- By 2030, the program will have lowered the region’s global warming pollution by 75 million metric tons per year, the equivalent of shutting down 19 coal-fired power plants.

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The Critical Role of State Leadership

The National Program set historically ambitious standards because the strong leadership of state governments pushed the envelope and catalyzed federal action by adopting vehicle standards first. As a result, the Northeast region is now counting on this program to achieve its climate goals, protect its consumers, and grow its economy. The region’s leaders must make it clear to policymakers in Washington that the national standards need to remain strong through 2025 and beyond.

¹ This analysis utilizes the methodology of UCS and NRDC 2010, updated to reflect the most recent census data (US Census Bureau 2016) and latest projections of energy consumption (EIA 2015).

² Data for all 50 states can be found at www.ucsusa.org/FuelEconomySavings.

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