

# EPA and NHTSA Proposal to Roll Back Fuel Economy and Vehicle Emissions Standards

## Faulty “facts” lead Trump’s charge to increase pain at the pump

Thanks to fuel economy and emissions standards, cars and trucks today are the most efficient they have ever been, not only reducing global warming emissions and oil use but saving consumers money on gas, money that then gets reinvested and helps spur economic growth. At the same time, less oil use means less pollution from refineries and improves both national security and public health.

While previous administrations worked to increase vehicle efficiency standards, they are now under attack. Based on faulty analysis, the Trump White House proposed freezing fuel economy and emissions standards at 2020 levels and preventing states from setting their own emissions standards. This proposal is bad for consumers, the environment, national security, and global competitiveness.

### Bad News Ahead If A Rollback Is Finalized

The Trump rollback will reduce socioeconomic and environmental benefits of the standards, as well as threaten American leadership to shape the future of transportation (Cooke 2018).

Consumers are benefiting from investments in the next generation of technologies, having saved more than \$77 billion in fuel costs to date.<sup>1</sup>

### ECONOMIC IMPACTS OF A ROLLBACK

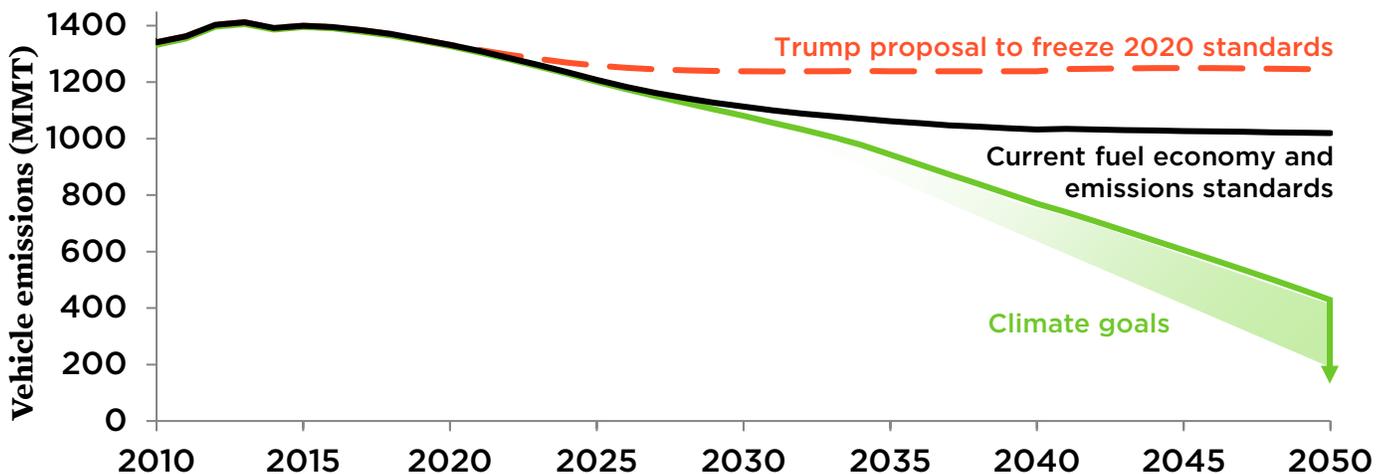
In 2040 alone, the administration’s proposed rollback would cost consumers an additional \$55 billion at the pump. A recent economic analysis showed that in 2035, the rollback would cost about 126,000 jobs nationwide (Hall, et al. 2018).

Increased fuel costs would hit lower- and middle-income families the hardest because fuel costs are a greater share of expenditures for these households, (Greene and Welch 2018).

### ENVIRONMENTAL CONSEQUENCES OF A ROLLBACK

Climate change is already exacerbating droughts, wildfires, and extreme weather events, and low-income communities and communities of color are disproportionately affected by global warming impacts. And transportation is the largest source of global warming emissions in the country.

FIGURE 1. Global warming emissions from passenger cars and trucks, under future vehicle efficiency standards



Current fuel economy and emissions standards have put us on track to meet future climate targets—but more must be done. The Trump administration’s proposal to freeze standards at 2020 levels takes the industry, and the country, backwards when we should be moving forwards. (Cooke 2018)

Rolling back these standards will result in an additional 2.2 billion metric tons of global warming emissions by 2040—equivalent to bringing 43 coal-fired power plants online over that timeframe. The current fuel economy and global warming emissions standards have helped “bend the curve” on emissions from cars and trucks, but they are not sufficient to hit our climate goals (Figure 1). The current administration’s push to roll back these rules is a huge step backwards precisely when we should be moving forward on even stronger standards.

#### ROLLBACK IMPLICATIONS ON NATIONAL SECURITY

The national security implications of increasing oil use are clear. These inefficient cars and trucks will use an additional 200 billion gallons of gasoline by 2040—that’s as much oil as we’ve imported from the Persian Gulf since the standards were first finalized in 2010.

#### Rollback Rationale Is Completely Irrational

The Trump administration relied on faulty technical and economic assumptions, and bad modeling to justify their rollback of these popular and successful standards.

The administration erroneously claims that a strong efficiency rule will increase fatalities. Historically, safety arguments related to fuel economy standards have centered on whether cars made out of lighter weight materials are less safe, even though most studies agree that they are safe (Wenzel 2018). Instead, the administration has turned to a more inventive way to claim that these standards are unsafe.

The agencies make a number of erroneous claims about people’s driving and vehicle purchasing habits that work together, via a model crafted wholesale for this effort which has never been peer-reviewed, to create fatalities out of thin air. Irrational elements driving the results include a rise in mileage from older, less safe vehicles inconsistent with reasonable expectation of travel demand and an increase in the overall fleet

of vehicles that is at odds with basic economics.

A number of scientists and analysts whose work was cited by the agencies published a scathing critique of the proposed rule, noting how the agencies misused their research (Bento, et al. 2018). In addition, EPA staff publicly distanced themselves from the rulemaking and noted the lack of consultation on the environmental impact analysis and noted numerous errors in NHTSA’s model runs (Charmley 2018a).

Finally, UCS pointed out that the agencies’ analysis was so fraught with errors that their modeling system, Volpe, cannot even perform its basic functions accurately (Cooke 2018).

#### The United States Cannot Cede Its Leadership

On the brink of increased electrification and shared, connected, and autonomous vehicles, the auto industry is investing around the globe to possibly shape a new transportation future. The rest of the world is moving ahead—China is accelerating its requirements for cleaner vehicles, and Europe is poised to set strong standards through 2030. The U.S. has been at forefront of the global auto industry, which has helped maintain a robust industry and good domestic jobs. Allowing industry to stand still in the U.S. will cede U.S leadership on clean cars and cost us in domestic investment in the future of mobility.

#### Reject the Rollback

The administration’s proposal is a failure at every level. The agencies should immediately withdraw the proposal and correct the numerous flaws in their analysis. With such inaccuracies addressed, the agencies’ analysis would likely show that the current standards are net positive for consumers, national security, the economy, and the environment (Charmley 2018b).

#### ENDNOTES

- 1 Current as of February 22, 2019. For an updated value, please see [www.ucsusa.org/clean-vehicles/fuel-economy-ticker](http://www.ucsusa.org/clean-vehicles/fuel-economy-ticker).

#### NATIONAL HEADQUARTERS

Two Brattle Square  
Cambridge, MA 02138-3780  
Phone: (617) 547-5552  
Fax: (617) 864-9405

#### WASHINGTON, DC, OFFICE

1825 K St. NW, Suite 800  
Washington, DC 20006-1232  
Phone: (202) 223-6133  
Fax: (202) 223-6162

#### WEST COAST OFFICE

500 12th St., Suite 340  
Oakland, CA 94607-4087  
Phone: (510) 843-1872  
Fax: (510) 451-3785

#### MIDWEST OFFICE

One N. LaSalle St., Suite 1904  
Chicago, IL 60602-4064  
Phone: (312) 578-1750  
Fax: (312) 578-1751

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