

## **Andrew Schenkel**

Political pundit on the latest from Washington, D.C.



## New MPG standards will lead to political debate

The latest tag-team effort from the EPA and the Department of Transportation is an ambitious one: the 60 mile per gallon car.

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CHANGING: Hummers and other gas guzzlers will be a tough sell in the future if new MPG standards are adopted. (Photo: Anatoli Axelrod/Flickr)

While the buzz inside the Beltway still surrounds the <u>fallout from Rahm Emanuel's departure as</u>

<u>President Obama's Chief of Staff</u>, there is another dull roar coming out of Capitol Hill.

The roar is coming from both the <u>EPA</u> and the Department of Transportation (DOT) and it comes in the form of some ambitious proposals for mileage standards in America. The two agencies unveiled an array of plans calling for increased fuel standards for cars and trucks that increase the current standards by anywhere from 3 to 6 percent. Whatever number is decided upon would be another step following an announcement in April that all new cars and light trucks in the United States should have an average fuel economy of 34 miles per gallon by 2016.

If the most ambitious plan is adopted, it would almost double the 2016 standard. According to both the EPA and the DOT, a 6 percent increase in fuel standards over the next 15 years would mean that by 2025 the nation's average fuel economy would be about 62 mpg. This is certainly ambitious, and already the sound bites in favor and against the increase are beginning to surface.

Once again, this could develop into an environment vs. economy debate. On the side of the environment are the obvious arguments. <u>Bloomberg News quoted Dan Becker</u> of the Safe Climate Campaign as saying that the 6 percent increase would, "be the biggest single step the United States can take to cut <u>global warming</u> and our oil addiction."

Of course, the natural place to look for the cost of these potential policy shifts is Detroit, where the <u>Detroit News reports</u> that new standards will increase the cost of production and thus costs for the consumer, by anywhere from "\$770 to \$3,500," depending on what the new standard is. The same article quotes the National Automobile Dealers Association as saying, "a primary concern for our members is the affordability of basic transportation for Americans," and that "preventing further job loss, preserving consumer choice and affordability" should be primary factors in setting any fuel economy standard.

As for what happens next, there will be a study by the EPA and DOT on the pros and cons of increasing the new energy standard. No new mileage policy is expected to come though until after that study is completed some time in November. This is the second time the EPA and DOT have teamed up in recent months. Both agencies joined forces earlier in the year to announce a <u>potential new ranking system for cars and trucks in America.</u>