

Auto Dealers Doth Protest Too Much Over Proposed Fuel Economy Letter Grades

By *[Jim Motavalli](#)* | October 25, 2010

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Plugged In

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EPA DOT | Fuel Economy and Environmental Comparison

B

The above grade reflects fuel economy and greenhouse gases. Grading system ranges from A+ to D.

Smartphone
QR code

website.here

Over five years, this vehicle **saves \$1,900** in fuel costs compared to the average vehicle.

Gasoline Vehicle

Gallons/100 Miles	MPG City	MPG Highway	CO ₂ g/mile (tailpipe only)	Annual fuel cost
3.8	22	32	347	\$1,617

Combined MPG:

• Fuel economy for all SUVs ranges from 12 to 32 MPG.
 • Annual fuel cost based on 15,000 miles per year at \$2.80 per gallon.

Visit [website.here](#) to calculate estimates personalized for your driving, and to download the Fuel Economy Guide (also available at dealers).

Do you find movies rated with letter grades confusing? Is it a problem in CD reviews? A D- album is pretty bad, right? That's the way [the feds are proposing to rate new cars on fuel economy and greenhouse gas](#) performance, and it makes perfect sense to me.

The EPA and the National Highway Traffic Safety Administration (NHTSA) [have quietly held two hearings, in Los Angeles and Chicago](#) on the much-needed fuel economy update to new car window stickers. The hearings have drawn a raft of green groups, including the **Environmental Defense Fund**, **Sierra Club**, the **Union of Concerned Scientists** and the **Natural Resources Defense Council**. These groups like [the proposed letter grading system](#) (A+ to D-), [pointing out that it's simple and similar to systems magazines and websites use to rate restaurants](#). But automakers are giving the ratings system itself a low grade, claiming that it will confuse the public. More likely, it will inform them all too well, especially on Detroit's less-than-stellar record on fuel economy.

I think simple letter grade ratings are a good idea, and probably the easiest way to tell how a car stacks up at a glance. It's also pretty hard to ignore a huge "C" on a car you want to buy — it will push people to buy more efficient cars, which is a good thing. The current label, last revised for model year 2008, doesn't provide much useful information, just EPA mileage ratings, a rough chart showing how this car compares to others in its class, and an estimated annual fuel cost.

The proposed letter-grade sticker (option one of two presented) is fairly packed with information, including gallons of gas used in 100 miles and the carbon dioxide emissions in grams per mile. (The EPA [wants automakers to report on greenhouse gas performance](#).) The sticker also includes a box with a **QR** code that can be read by many smart phones to access a web page with more information on that particular model. On the page, the car shopper can enter personal driving behavior, yielding a pretty accurate estimate of how the vehicle under consideration will perform.

Dave McCurdy, president and CEO of the **Auto Alliance**, representing 11 carmakers, says the letter grade “falls short because it is imbued with schoolyard memories of passing and failing.”

In testimony at the Los Angeles EPA/NHTSA hearing October 21, the **National Automobile Dealers Association** (NADA) said that it likes the labels the way they are now, displaying mpg, annual fuel costs and comparison compared to others in the car’s class. As **Forrest McConnell**, a Honda dealer and chairman of NADA’s regulatory affairs committee, described it, the sticker should provide “‘just the facts,’ as **Sergeant Friday** used to say to those of us old enough t remember black-and-white TV” [and the series *Dragnet*]. Why? Because anything else would be “confuse” consumers.

NADA likes the EPA’s option two, which has much the same information as option one (including the smartphone app) but no letter grade. That’s the hangup for both the dealers and the carmakers.

Some greens, including **Dan Becker** of the **Safe Climate Campaign** at the **Center for Auto Safety**, actually want the window sticker to go further. There’s a lot of debate about how pure electric and plug-in hybrid cars will be evaluated. Under the proposed letter grade system, zero emission battery EVs would get the only A+ grades.

The automakers don’t have a beef with that, but Becker doesn’t like it that all EVs will get a zero emission pass. He thinks the sticker should reflect their likely “upstream emissions,” meaning the CO2 generated from the power plants that created the electricity they run on. That’s no easy task, since EVs in California (with a very clean grid) will be much cleaner “well to wheels” than the exact same car in the Midwest (where coal plants are the rule). It would mean dividing the country up into geographic regions, and it would mean cars would get different grades depending on where you bought them.

The EPA is unlikely to go for this. But my guess is it will stick with the letter grades. Instead of “confusing” the public, such grades will enlighten car buyers by providing them an at-a-glance rating for vehicles they’re considering.

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- [EPA Air Quality Chief Talks to BNET Auto about 35.5 mpg](#)