



# **Tune Up America:**Real Relief for High Gas Prices

While record-high gas prices have captured the attention of the public and Congress, oil and gas companies are deceptively claiming they can relieve the economic pain if allowed to drill in protected coastal waters and in the Arctic. But as the U.S. Department of Energy's projections show, more drilling will do nothing to reduce what drivers are paying at the pump now or in the near future. Fortunately, there are alternatives to drilling that will allow drivers to lower their fuel bills immediately. NRDC's new analysis of measures for increasing the fuel efficiency of cars on the road right now shows that by driving more smoothly, keeping vehicles properly maintained, and using transportation alternatives one day per week, the average driver can save about \$800 on gas per year. With the support of Congress, we can reduce fuel consumption and bring lasting relief from high gas prices to consumers right now.

For more information, please contact:

**Eric Young** (202) 289-2373

Jim Presswood (202) 289-2427

**Liz Martin** (202) 289-2419



www.nrdc.org/policy

July 2008

© Natural Resources Defense Council



# Energy

## **Tune Up America:**

## Real Relief for High Gas Prices

## Drilling Will Not Affect Current Gas Prices

Right now, places like the Arctic National Wildlife Refuge and waters near the Florida coast are protected from drilling activities. Lifting the moratorium on drilling in the Outer Continental Shelf will have little to no impact on gas prices before 2030, and drilling in the Arctic National Wildlife Refuge would only change gas prices by 4 cents per gallon in 2026—an amount that equals about \$23 per year for the average driver—assuming all other conditions affecting gas prices remain the same.<sup>2</sup>

#### Alternatives to Drilling Provide Immediate Relief for Consumers

Alternatives to drilling, such as helping drivers to improve the efficiency of their vehicles and encouraging changes in driving behavior, can bring immediate reductions in fuel costs and relieve some of the pain at the pump. Common behaviors like speeding, jack-rabbit starts, and choosing premium fuel for vehicles that do not







### Is premium worth it?

Switching from premium to mid-grade or regular gasoline for vehicles that do not require premium is another potential opportunity to save at the pump. Before making this switch, drivers should consult their owner's manual to ensure that their vehicles are compatible with mid-grade or regular gasoline.

require it costs drivers hundreds of extra dollars at the pump each year. In addition, cars that are not operating at their best—whether because they need a tune-up, more air in the tires, or the correct engine oil—cost their drivers extra at the pump.

NRDC's new analysis shows that real relief measures aimed at getting the greatest possible efficiency out of the cars on the road now hold great promise. For the driver of a vehicle with an average fuel efficiency rating, taking advantage of these options and utilizing alternative

"Access to the Pacific, Atlantic, and eastern Gulf regions would not have a significant impact on domestic crude oil and natural gas production or prices before 2030."

Annual Energy Outlook 2007, Energy Information Administration.<sup>1</sup>

## Adding Up the Savings: Drivers Can Reduce Annual Fuel Costs On Average By About \$800

## Smooth Driving: Up to \$294

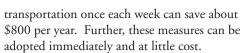
- At speeds exceeding 75 mph, reductions in speed of 5 to 10 miles per hour can improve fuel economy significantly.
- Avoiding rapid acceleration and aggressive high speed driving can improve highway fuel economy by up to 20%.
- In town, avoiding jackrabbit starts and unnecessary idling can improve fuel economy by up to 5%.

## Vehicle Maintenance: Up to \$271

- Tune-ups and routine engine maintenance can improve fuel economy by up to 4%.
- Keeping tires properly inflated and buying efficient low rolling resistance tires can increase fuel economy by 3% or more.
- Using the manufacturer's recommended oil can improve fuel economy by up to 2%.
- Removing heavy, unnecessary items from trunks and roof racks can improve fuel economy by up to 2%.

## Commute by Car One Day Less Per Week: Up to \$236

Reducing average weekly commutes by 1 day can save \$236 per year.



These small and simple steps can result in big savings for drivers who can make the changes. Potential savings for the top 10 bestselling vehicles in the U.S. are shown in the table below. Of course, exact savings will depend on individual drivers, vehicles, and the measures adopted to reduce fuel costs.

#### **Congress Can Help Drivers Right Now** with the Tune Up America Plan

Rather than allowing oil companies to drill in protected areas, which will do nothing to address the current pain of high gas prices for America's motorists, Congress can provide some near-term relief by encouraging greater efficiency. One possible action is enacting a program that gives owners a \$100 voucher to be used to increase the fuel efficiency of their vehicles. These vouchers, provided to one car owner per household, could be used for qualifying services, such as an engine tune-up, or parts like low rolling-resistance tires.

The program would give funding to state energy offices to be provided to vehicle owners in the form of vehicle maintenance vouchers. The costs of this program could be offset by measures such as eliminating oil and gas tax subsidies, enacting a tax on windfall profits, and ensuring that the federal vehicle fleet gets a tune up. And the benefits of the Tune Up America Plan will flow not only to car owners saving money at the pump, but also to gas stations, auto repair shops, and other retailers that offer eligible maintenance services and parts.

## Annual Savings for Top 10 Bestselling Vehicles in 2000:3

| Vehicle Make/<br>Model | Smooth<br>Driving | Maintenance | Commute<br>Less |
|------------------------|-------------------|-------------|-----------------|
| Ford F-Series          | \$371             | \$346       | \$302           |
| Chevrolet Silverado    | \$364             | \$332       | \$290           |
| Ford Explorer          | \$371             | \$346       | \$302           |
| Toyota Camry           | \$244             | \$229       | \$200           |
| Honda Accord           | \$254             | \$240       | \$209           |
| Ford Taurus            | \$280             | \$273       | \$238           |
| Honda Civic            | \$219             | \$203       | \$178           |
| Ford Focus             | \$232             | \$214       | \$187           |
| Dodge Caravan          | \$292             | \$271       | \$237           |
| Jeep Grand<br>Cherokee | \$351             | \$326       | \$284           |

#### **How Much Can You Save?**

For a more complete listing of vehicles and potential savings, visit www.nrdc.org/fuelsavings





## Tune Up America:

## Real Relief for High Gas Prices

#### The Road to Relief

Driving more efficiently and driving less—with the government providing support for both—is the nearest and easiest road to relief. In contrast to the proposals to expand drilling that are now being peddled in the halls of the U.S. Congress, there is a simple set of actions that drivers can take to create quick, significant, and lasting relief from high gas prices. While there are other things Congress and America must do to reduce our long-term dependence on oil, such as supporting greater development and use of mass transit, raising fuel economy standards, and enacting federal climate legislation, our political leaders can act right now to help drivers get the most out of the cars they currently drive.



#### **Calculating the Savings**

NRDC analyzed the potential savings for drivers of vehicles with average performance across a wide range of popular makes and models. According to the Department of Energy, today's average car and light-truck is about eight years old.4 Today's average vehicle also gets approximately 20.3 miles per gallon on the road and travels approximately 11,600 miles per year.5 In developing the savings for a specific list of popular vehicles, we used the most efficient automatic transmission versions from model year 2000 to represent today's prevalent on-road vehicles. We used the fuel economy and mileage statistics to determine fuel consumption when the fuel-savings measures described below are not used. To calculate the potential dollar savings we multiplied the extra fuel consumption by a price of \$4.00 per gallon of gasoline, which is representative of recent average national fuel costs.6

Savings from reduced commuting assumes that a driver eliminates one 24-mile roundtrip to and from work each week for fifty weeks per year. The values in the table assume that commuting less is the only action taken. If taken in conjunction with smooth driving and maintenance measures, the added savings from commuting less may be approximately \$60 lower due to slightly reduced driving and maintenance savings over fewer miles driven.

<sup>&</sup>lt;sup>1</sup> Energy Information Administration, *Annual Energy Outlook 2007*, Impacts of Increased Access to Oil and Natural Gas Resources in the Lower 48 Federal Outer Continental Shelf (OCS). http://www.eia.doe.gov/oiaf/aeo/otheranalysis/ongr.html.

<sup>&</sup>lt;sup>2</sup> The average driver consumes 571 gals/yr (11,600 mi/20.3 mpg). 571 times \$0.04/gal equals \$22.85/yr in savings from drilling. Based on analysis by the Department of Energy, we estimate that drilling the Arctic timeframe could potentially reduce gasoline prices by approximately 3.8 cents per gallon in 2026 (\$2006). We assume that drilling the OCS in the same time period will not have any significant impact on prices. Analysis of oil production from the Arctic Refuge and Lower 48 OCS is found at http://www.eia.doe.gov/oiaf/servicerpt/anwr/index.html?featureclicked=2& and http://www.eia.doe.gov/oiaf/aeo/otheranalysis/ongr.html, respectively.

<sup>3</sup> Savings in table are based on making the most of the tips listed.

<sup>&</sup>lt;sup>4</sup> Department of Energy, Oak Ridge National Laboratory, *Transportation Energy Data Book, Edition 26*, 2007.

<sup>&</sup>lt;sup>5</sup> Department of Energy, Energy Information Administration, Annual Energy Outlook 2008, March 2008.

<sup>&</sup>lt;sup>6</sup> See EIA's website, http://www.eia.doe.gov/, for most recent gasoline prices. Price for June 16, 2008 was \$4.08/gallon.