

THE NEW AMERICAN STANDARD: *NRDC Is a Driving Force for a Cleaner Environment*

When President Obama announced new clean car standards in August 2012, his statement represented nothing short of a monumental victory for environmental advocates. The new carbon pollution and fuel efficiency standards—which will require an average fuel economy the equivalent of 54.5 miles per gallon for the 2025 model year—will eliminate 6 billion metric tons of carbon dioxide pollution over the life of the program, cutting greenhouse gas emissions in half. But the standards also mean that America’s love affair with the open road may soon undergo a renaissance—one in which drivers will save money, auto manufacturers can grow and create jobs, and the cars and trucks we drive will again inspire a patriotic pride in American ingenuity.

CUTS CARBON
POLLUTION EQUAL
TO THE OUTPUT OF
85 MILLION CARS
IN ONE YEAR

CREATES
570,000 JOBS

CUTS OIL
IMPORTS BY
ONE-THIRD

SAVES DRIVERS
\$8,000 OVER THE LIFE
OF THEIR VEHICLES



Together with previous requirements to raise fuel efficiency to 35.5 mpg by 2016, these policies are the biggest action this country has ever taken to cut carbon pollution. The new standards will also cut American oil consumption by 3.1 million barrels per day by 2030, according to the Environmental Protection Agency. President Obama said in a statement, “These fuel standards represent the single most important step we’ve ever taken to reduce our dependence on foreign oil.”

Drawing on the Best of America

The standards demonstrate how opponents can become allies, and how in an industry that impacts jobs, energy, and the environment, we all have a stake in the game.

In the end, 13 automakers, the United Auto Workers, the state of California, consumer groups, energy security groups, and the GO60mpg environmental coalition that NRDC helped charter all lent their support to the agreement and helped establish these sweeping changes.

Bringing all those parties together was a process that began a decade ago when California adopted an NRDC-cosponsored bill that would tighten greenhouse gas emission standards and fuel efficiency for cars sold in the state. From there, momentum grew as 13 more states followed suit, and pressure mounted to raise standards at the federal level.

Automakers pushed for lower fuel economy standards but were finally willing to move to secure a national program in which California agreed not to separately enforce its own standards. But the negotiations were not a matter of strong-arming the industry. In fact, GM’s CEO called the standards a “win for American automakers” because the new rules provide a level of certainty that will encourage automakers to make the long-term investments necessary to bring even more efficient technologies to market. Adjusting their fleets to the first tier of standards has already given the industry a new foothold in the American market, because in moving toward efficiency, automakers are giving consumers what they want.

In poll after poll, including the most recent one by the Consumer Federation of

Roland Hwang,

TRANSPORTATION PROGRAM DIRECTOR

FROM SACRAMENTO TO THE SUPREME COURT TO THE STEPS OF THE CAPITOL, NRDC ADVOCATES, EXPERTS, AND ATTORNEYS WERE RELENTLESS IN REALIZING BETTER FUEL ECONOMY AND A CLEANER FUTURE FOR AMERICA.

America, around 70 percent of Americans surveyed support the new fuel standards. That's with good reason. Drivers can expect to save more than \$8,000 over the life of a 2025 car compared with one on the road today—the equivalent of lowering gas prices by \$1 per gallon.

Automakers have already gotten a taste of what more fuel-efficient cars can mean for the industry. The first half of 2012 set a record for fuel efficiency in new vehicles, and year-over-year sales were up, with fuel-efficient vehicles driving overall sales growth.

All those car sales have shown fuel efficiency to be a job builder. In just three years, more than 250,000 jobs have been added to the American auto industry, including more than 150,000 jobs making parts for hybrids, electric cars, and other advanced vehicles that were not available 10 years ago.

What's more, a study by a coalition of environmental groups found that by 2030, the new fuel standards will create 570,000 jobs overall. Design, development, and manufacture of new technologies add workers to the auto industry, and each auto job has ripple effects: For every auto manufacturing position added, about four other jobs are created in the broader economy. Over the life of the program, more efficient vehicles will also translate into a \$1.7 trillion savings at the pump that drivers will then have available to spend on other goods and services, spurring further economic growth.



**5-YEAR
FUEL
SAVINGS**

**FOR A 2010
FORD EXPLORER,
6 CYLINDER, VS.
A 2012 MODEL:**

\$5,707

After decades of fighting, it is remarkable that the fall of 2012 ushered in a national fuel efficiency standard of 54.5 mpg by 2025. Even more remarkable is the fact that automakers, the United Auto Workers, and environmental leaders stood together in support. The first key breakthrough for the campaign was in 2002 when, frustrated with gridlock in Washington, D.C., California passed the nation's first global warming pollution law, which was cosponsored by NRDC. NRDC's legislative director, Annie Notthoff, spearheaded the campaign. Few experts thought we had any chance of winning, but Annie and I thought otherwise. The bill passed by a single vote. But passing the bill was just the start.

We still had to overcome numerous legal challenges about the constitutionality of the standard. Again, few experts gave us much of a chance, but David Doniger, the environmental community's preeminent Clean Air Act attorney, and I were optimistic. In 2007, the Supreme Court ruled 4-3 in favor of NRDC's simple but brilliant legal strategy to define carbon dioxide as an air pollutant under the Clean Air Act.

Meanwhile, we worked with other colleagues to get 13 states—which represented 40 percent of the new car market—to sign up for California's clean car standards. We were also building a broad coalition of groups under the direction of Deron Lovaas, our federal transportation director, including an uncommon union with security hawks, who shared our goal to reduce oil dependency, which ultimately turned an oil man in the White House into a champion of higher fuel economy standards. With the Supreme Court deciding in our favor, the White House calling for higher standards, California and 13 other states with carbon pollution standards, and oil spiraling toward \$100 per barrel, the automakers threw in the towel and agreed to the first legislative increase in fuel economy standards in 30 years.

But NRDC didn't stop there. We fought to make sure California and the 13 other states won the right to implement their more stringent standards. Experts said that California's pollution standards and the federal fuel economy standards couldn't exist side by side. Again, David Doniger and I thought otherwise. And in 2009, NRDC's leadership sat in the White House Rose Garden as President Obama announced an historic agreement to adopt California's stringent standards at the federal level—with the support of automakers, the unions, the state of California, and environmental leaders. Transformative.

Then in 2011, automakers said that they couldn't double fuel efficiency. Luke Tonachel, former nuclear engineer turned NRDC auto expert, and I showed it could be done, and moreover, we showed that this would increase profits for the automakers. The United Auto Workers union, once one of the sharpest critics of the higher fuel economy standards, agreed with us and became one of its most vocal champions.

In the fall of 2012, the Obama Administration put the finishing touches on what is now the law of the land: 54.5 mpg by 2025. Automakers are now vying for market leadership in fuel efficiency. And more miles per gallon has replaced more horsepower as the auto industry's goal, signaling an end to two decades of battle.

