Confusing CAFE Standards

Logan Neal

University of Nebraska-Lincoln, USA, loganneal@usgs.gov

Follow this and additional works at: http://digitalcommons.unl.edu/ageconugensc

Part of the Environmental Sciences Commons

http://digitalcommons.unl.edu/ageconugensc/60
Confusing CAFE Standards

Our homes are one of our most prized possessions, because of the many things it provides. Trying to keep your house from falling apart, can seem like a never ending task. If you neglect these tasks your house can go from a home to a death trap very quickly. While your house is your home, the earth is home to you, your home, along with generation yet to be born. Just like your individual home, the earth requires tasks to be done to keep it from killing us all. Today addressing the problem of greenhouse gases (GHG) emissions needs to be at the top of our docket. While many factors contribute to the problem of GHG emission, I would like to focus on one; transportation. Transportation is responsible for 31% of GHG emissions in the US, second in the standings to electricity who is at 37%. Café standards are the current way the US regulates fuel efficiency, but I believe that there are some major flaws with this. The standards are being decided by two separate agencies and they are heavily influenced by political pressure.

The corporate average fuel economy (café) standards come out of the Energy Policy and Conservation Act (EPCA) of 1975, which gave the National Highway Transportation Safety Administration (NHTSA) the power to regulate the café standards. The EPCA was not developed for any kind of climate change purpose, but instead was in response to the energy crisis of 1973. The NHTSA made the first café standards in 1978 and were regulated by themselves until 2007. In 2007 the Supreme Court ruled that the environmental protection agency (EPA) has the right to regulate GHG emissions for new cars, this power is derived out of the clean air act. The NHTSA and the EPA put out their first joint decision in 2012.

It is very hard to believe that a single standard can be set by two completely separate entities. Take congress for example, we have two separate parties and we have witnessed gridlock after gridlock on issue after issue. The problem is because of the goals of the two entities; just as the democrats and republicans have different goals, so does the EPA and the NHTSA. The NHTSA determines its standards based on; technological feasibility, economic practicability, considerations of other federal agencies policies, and to conserve energy. The EPA on the other hand sets its standards based reducing GHG emissions. The different acts that give each respective agency its power, also have different sets of rules. For example the EPA allows for “off-cycle” credits, which can affect test results, but the NHTSA does not. This manifest into different standards by each agency; for example in 2025 the EPA standard is 54.5 miles per gallon (mpg) this is based on reducing carbon emissions to 163 grams/mile, while the NHTSA standard is 49.6 mpg for the same year. These are forecasted number because the café standards can only be set for five years at a time. Secondly, the way that the cars mpg is calculated is riddled with problems. The NHTSA runs two test, one in the city cycle lab to calculate city mpg, and one in the highway cycle lab to calculate highway mpg. The number that is on the window
sticker, when you go to buy your brand new car is going to be significantly different from this. That is because the window sticker is developed after running five tests including hot and cold conditions and with the air conditioner on or off.

While the Obama administration has set its sights very high for improving fuel efficiency, they will not be in office forever. The truth is that another administration could come in and completely change the current course of the café standards. By law the café standards can be set for no more than five years after those five years. They have to be redone, and if a new administration wants them lowered than they will most likely be lowered. They can control them by threat of fund cutting.

Legislation needs to be passed for a new café standard with two new reforms. First, they need to have one agency in charge of setting the standards. Having two agencies with two different sets of rules decide on one standard is very illogical. Secondly, this needs to be free of political pressure. Different people have different agendas, just like some people choose to fix certain problems while other neglect them. If you choose to neglect the problems in your home than it can become uninhabitable. Legislations like this will help protect our home from being foreclosed.