Fuel Economy:

It Matters and You Can Do Something About It

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Outline

Fuel economy matters

U. S. trends

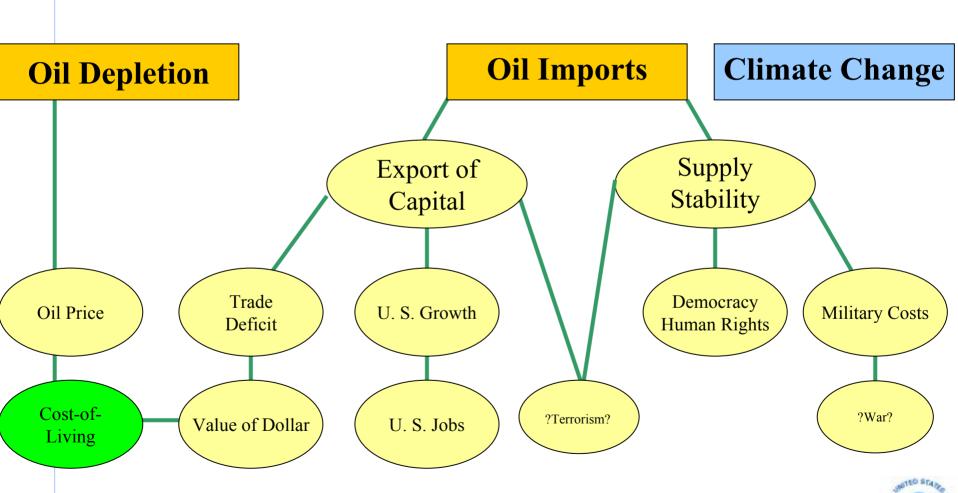
What you can do today

Future technology pathways

Outlook for future



Why Fuel Economy Matters



Annual Benefits of 1 mpg

Save 6 billion gallons of gasoline (400,000 BPD)

Save \$10 billion in consumer expenditures

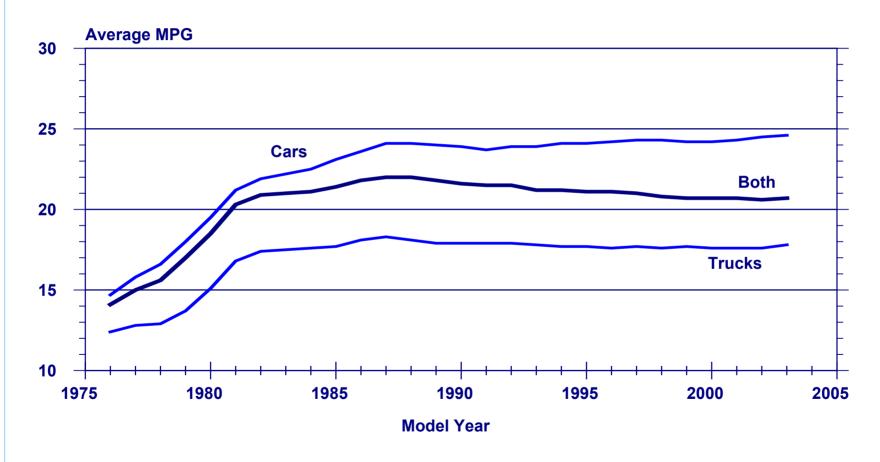
Reduce trade deficit by up to \$4 billion

Reduce carbon dioxide emissions by 70 MMT



New Personal Vehicle Fuel Economy, 1975-2004

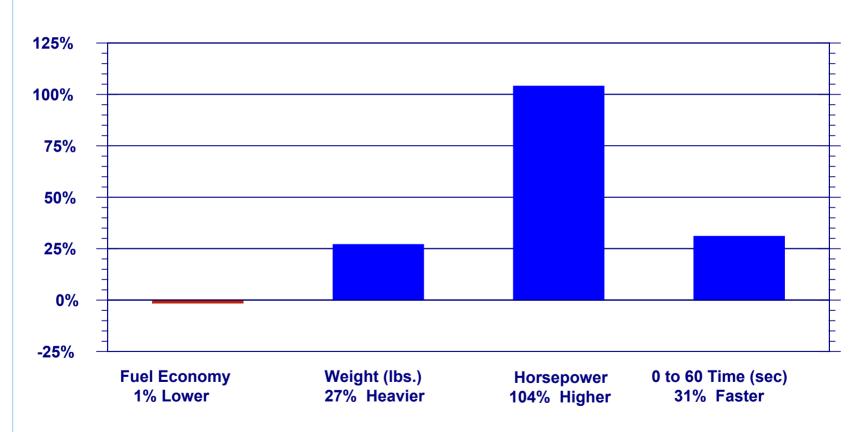
(real world values, 3-year moving average)





New Technology Used for Size/Power

(% change in new personal vehicles, 1981-2004)





How to Increase Fuel Economy Now

Existing Fleet

- smooth accelerations/braking
- lower maximum highway speeds
- minimize A/C and idle
- · maintenance, esp. tire pressure

Next Purchases

- highest mpg engine option
- highest mpg transmission option
- 2WD instead of 4WD
- compare mpg labels



Pathways for 25-50% Improvement

Advanced Gasoline

most likely pathway for mainstream

Diesel Engines

· issues: emissions, cost, acceptance

Electric Hybrids

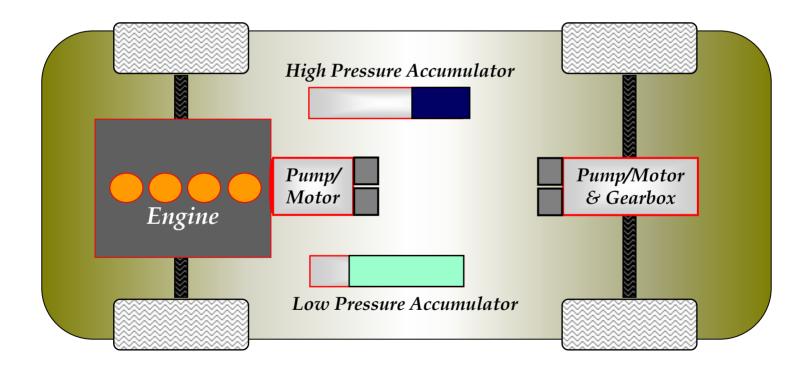
· issues: cost, cost, cost

Hydraulic Hybrids

may join the competition



Full (Series) Hydraulic Hybrid





Hydraulic Hybrid Ford Expedition

Engine

4.6-1 gasoline

3.8-1 diesel

Weight

+400 lbs.

+360 lbs.

FE

+35%

+85%

Cost

+\$600

+\$2200

Payback

1-2 years

2-3 years



Comparison of Hybrids

Electric

Hydraulic

First-to-Market, initial vehicles well received

Higher specific energy

longer zero emissions

Quieter

Supports vehicle electrification

Higher power density

- greater braking energy recovery
- greater power boost
- facilitates full series design

Likely lower cost components



Why Fuel Economy May Increase

Consumers can improve fuel economy by 5-10% today

There are multiple technology pathways that could offer 25-50% improvement in the next decade

New technologies are coming into market "niches" and costs will likely come down over time



Why Fuel Economy May Not Increase

Most consumers don't think about fuel economy when they purchase or drive

None of the technology pathways are certain to move to mainstream

Market won't address externalities

No consensus on public policy

