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New cars will have to use less gas

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Record gas prices may have put many Nebraskans and lowans in a bad mood, but drivers got a bit of good news Tuesday.

New cars and trucks will have to go farther on a gallon of gas. Those higher fuel standards will save drivers money at the pump in coming years, even though they are likely to raise the cost of new vehicles.

The new federal fuel rules will raise the average efficiency of cars, trucks, sport utility vehicles and vans from 25 miles per gallon to about 32 miles per gallon by 2015 and to 35 miles per gallon for cars and trucks by 2020.

The new fuel standards are in response to an energy law passed last year by Congress and signed by President Bush. The standards represent the most significant fuel economy changes in 30 years.

Tal Anderson, chairman of the nine-dealership Performance Automotive Group in Omaha and Lincoln, said the industry already is making vehicles with higher fuel efficiency.

Anderson said with alternative power sources being explored by automakers, there's a good chance that the new standards will be exceeded in the next 12 years.

"I think they'll be in a position to meet all of the requirements and then some," Anderson said of manufacturers.

The Performance Automotive Group already has seen strong demand for vehicles like the Smart car. Anderson said the wait for the two-seat car is almost a year. The Smart car gets about 40 mpg.

Steve Hinchcliff, president and co-owner of H&H Chevrolet in Omaha, said it is "consumer demand, not federal laws, that will drive the market."

"I don't see a trend toward smaller cars. What I do see, in large part, is people upgrading for fuel economy," he said. "In the old days, size (and) performance would drive sales."

Hinchcliff said his customers generally are buying comparable-size vehicles to what they trade in. Customers, he said, will trade in an old pickup truck for a new one that gets at least three or four miles more per gallon.

U.S. Rep. Lee Terry, R-Neb., helped craft the new fuel economy rules. The standards, he said, will save drivers gas money and will lessen America's dependence on foreign oil.

"This is good for all Nebraskans," Terry said in a statement. "It gives consumers what they want and need, more miles per gallon without sacrificing car size."

Dick Boyd, chairman of the Nebraska Sierra Club chapter, said the standards are a positive step, but they should take effect much sooner. He noted that states such as California have pushed for even greater fuel efficiency.

"These standards, if they were implemented today, would be good because of the high cost of fuel," Boyd said.

Democrats have said the new fuel economy requirements will save drivers \$700 to \$1,000 a year in fuel costs. But the standards also will add several hundred dollars to the cost of vehicles.

A survey conducted by Cars.com and released Tuesday found that 85 percent of those polled would buy more fuel-efficient vehicles if gas reached and stayed around \$4 per gallon.

More than 70 percent said they hoped to get at least 30 miles per gallon out of a new vehicle.

Gas prices have set records in both Nebraska and Iowa in the past week. In Nebraska, the average price of a gallon of regular gasoline is \$3.50. In Iowa, the average price is \$3.46.

Loy Todd, head of the Nebraska New Car & Truck Dealers Association, said fuel efficiency is only one factor for people looking to buy new vehicles. The size and power of the vehicles also are factors.

"If a person can use that (fuel-efficient) vehicle, and it fits their needs, they're out there now," Todd said. "But if you're a farmer, hauling a bale of hay in a Smart car isn't an option. Or if you're a family of four or five . . . you have to balance those needs."

Environmental groups and some members of Congress have pushed for higher fuel efficiency standards, arguing that such a move would help reduce greenhouse gas emissions by reducing oil consumption.

The new standards could reduce U.S. oil imports by 1.1 million barrels a day by 2020, according to Terry's office.

Todd said he believes getting less-efficient, older vehicles off the road may do more to help than upping fuel standards.

He said some states have considered sales tax and other financial incentives to entice people to buy newer vehicles if they promise to take their older ones off the road.

World-Herald staff writer Chet Mullin contributed to this report, which also includes material from the Associated Press.

