



January 12, 2012

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Administrator Lisa Jackson
USEPA Headquarters
Ariel Rios Bldg. (1101A)
1200 Pennsylvania Ave. NW
Washington, DC 20460 (also via fax)

Dear President Obama and Administrator Jackson;

The North American Auto Show this and next week in Detroit is a chance for recovering U.S. automakers to strut their best stuff. It's also an important event for taxpayers who still own about 25% of General Motors and depend on the health of Ford and Chrysler to keep the U.S. economic recovery on track.

This means that government has to ensure that U.S. and foreign automakers are on a very level playing field. Yet questions about EPA mileage estimates, including lawsuits against the Honda Civic hybrid, indicate that auto buyers who seek better fuel efficiency lack accurate information on which cars get the best MPG in real-world driving. Consumer Watchdog has also noted a wide gap between the EPA-certified MPG and real-world numbers of the Hyundai Elantra in both drivers' and professional testers' results. There are no doubt similar cases, but these leap out.

Consumers are largely unaware—and would be shocked to know—that the Environmental Protection Agency does not conduct most auto clean air and MPG tests. Manufacturers conduct the tests themselves and transmit the results to the EPA, with a low likelihood that the EPA will re-test to confirm validity. In fact, though the EPA has told Consumer Watchdog it will keep our findings about the Elantra in mind in future testing, it declines to re-test current and previous year models. Manufacturers' post-market engine modifications, like those made by Honda on earlier Civic hybrids to extend engine life at the expense of MPG, also apparently do not trigger a requirement to re-test the auto or notify buyers of MPG degradation.

It is past time to bring MPG and clean air testing back to the EPA itself. This is the only way to prevent manufacturer gaming of the results. And as the Honda case shows, the EPA should be doing post-market spot testing based on volume of complaints. Such action would clean up doubts caused by the EPA's dependence on manufacturers for clean-air and MPG tests.

With gasoline prices stuck at historic highs, a few miles per gallon can tilt a buyer's decision between similar cars in the same class. If a domestic car is slightly more expensive or has slightly lower official MPG numbers than the competition, but actually gets better on-road mileage, the scale is tilted against the U.S. manufacturer. This appears to be factually the case in comparing the Chevy Cruze and the Hyundai Elantra. The table at the end of this letter, based on driver self-reports at Fueled.com, shows:

- The CRUZE ECO overall achieved **nearly 28% better MPG** on-road than the 2011 Elantra, even though both models' EPA estimated combined mileage is an identical 33 MPG;
- The Elantra fell *below* its EPA 33 MPG estimate for combined driving by 12% for the 2012 model and 7% for the 2011 model;
- The regular Chevrolet Cruze *exceeded* EPA estimates of 28 to 30 MPG combined—in 2012 by 3% and in 2011 by 7%.
- The Chevrolet Cruze ECO was even better at 12% *above* its 33 mpg combined estimate in both 2012 and 2011.

The marketing disadvantage to GM's Chevrolet is obvious: Elantra gets to advertise higher MPG than the Cruze, even though the Cruze gets equal or better MPG once it rolls off the lot. These results, from owners with an interest in driving to achieve the highest fuel efficiency, are too stark to be explained by chance.

A claim of 40 MPG on-highway by one maker may be no better when a car hits the road than another maker's EPA highway claim of 38 or 36 MPG. Yet a nice round 40 MPG seems to be the magic advertising number. High fuel prices make this an important consumer trust issue, and it is an economic viability issue for carmakers. Beyond taking back full responsibility for auto clean air and MPG tests, the EPA should examine its testing parameters for any factor that could give certain engine types an edge. Consumers would also benefit from dealer MPG labels that calculate how much drivers would save or lose on a certain model in a 15,000-mile driving year with fuel at \$3.00 a gallon, compared to a car that gets 25 MPG combined.

In the case of the Hyundai Elantra, previews of ads for the widely watched Super Bowl all tout its "40 MPG," but the caveat that this is only the highway number is in very small print, unmentioned in the voiceover.

Professional testers also found notably low MPG results for the Elantra: Consumer Reports' average was 29 MPG, and Motor Trends' was a dismal 25.9 MPG. A USA Today tester couldn't get overall mileage better than the low 20s, a far cry from the claimed 33 MPG in combined driving, or even its 29 MPG city. Individual consumer complaints also confirm this reality gap. One complainant told Consumer Watchdog:

"I've owned a 2011 Hyundai Elantra Limited since June 2011 and my average gas rating is about 18 or 19 miles per gallon. Most of my driving is city driving, but that's still nowhere near the 29 city mpg rating by Hyundai. I completely bought this car with the claimed "29/40 mpg" in mind. It was the primary reason I bought the car. So I could save money. And I'm hugely disappointed it's not living up to that claim."

The Honda Civic hybrid case was even more clear-cut, in part because of the company's post-sale engine modifications of the models at issue. The claimed MPG for newer Civic hybrid models is also lower, now in the mid-40s. Thus the line between hybrid and conventional autos is blurring, which makes it all the more important that EPA-certified MPG numbers be fully dependable from model to model and from one engine type to another. Otherwise drivers cannot make accurate price decisions.

The National Auto Show puts new autos, both American and foreign, at the forefront of public awareness. The Super Bowl on February 5th will be loaded with automakers' best marketing messages, including MPG. It is a very good time to reassure consumers that the White House, including the Justice Department and the EPA, will make sure they get dependable MPG measurements that allow them to make accurate choices.

Sincerely,



Judy Dugan



Jamie Court

Attachment: MPG chart

Cruze vs. Elantra In Real World: Cruze Bests EPA estimate, Elantra Falls Below

| Model 4 cyl. | EPA estimated city/highway for 1.4 L engine | EPA est.combined | Real driver MPG reports (via fuelly.com) | # of drivers reporting | Variance from EPA est. combined |
|-------------------------|---|---------------------|---|------------------------------|--|
| Hyundai Elantra 2012 | 29/40 MPG | 33 MPG | 29.0 MPG | 44 | -12% |
| 2011 | 29/40 MPG | 33 MPG | 30.6 MPG | 80 | -7% |
| | | | | | |
| Chevy Cruze 2012 | 26/38 MPG | 30 MPG | 31 MPG | 27 | +3 % |
| 2011 | 24/36 MPG | 28 MPG | 30 MPG | 111 | +7% |
| | | | | | |
| Chevy Cruze ECO 2012 | 28/42 MPG manual, 26/39 MPG auto | 33 MPG 31 MPG | 37 MPG (mixed manual, auto) | 19 | +12% (at minimum) |
| ECO 2011 | 28/42 MPG manual 26/37 MPG auto | 33 MPG 30 MPG | 37 MPG (mixed) | 57 | +12% (at minimum) |

Source: Fuelly.com driver self-reports of multiple fuel-ups as of 1/10/2012 (auto trim levels vary)