

or the generic admonishment against CAFE reform—and not on specific potential options or the various findings necessary to adopt them. This document, while not espousing any particular form of reform, seeks more specific input on various options set forth in an effort to adapt CAFE to today's vehicle fleet.

A brief review of the comments relating to CAFE reform already received follows:

#### *A. Attribute-Based Standards*

Our request for comments sought information on adopting an attribute-based system under which fuel economy standards would be tied to some vehicle attribute or attributes rather than having one fixed standard for passenger automobiles and another for light trucks. With some notable exceptions, many commenters supported adopting attribute-based fuel economy standards.

While private citizens generally favored attribute-based standards, a number of interest groups did not. Manufacturers and trade associations viewed them with caution. Public Citizen, Sierra Club, ACEEE, and UCS expressed concern that an attribute-based system may give manufacturers an incentive to increase production of vehicles in the attribute class with the lowest fuel economy. If an attribute system were to be used, ACEEE opposed weight-based standards and recommended consideration of an interior volume-based system stating that weight-based standards would provide automakers with an incentive to add mass to trucks in order to lower the fuel economy requirements for those vehicles. Professor Patrick Little suggested consideration of attributes that more accurately reflect likely usage of a vehicle, such as a ratio of unenclosed cargo space to passenger seating, in order to properly distinguish between passenger vehicles and light trucks and to avoid minivan/SUV loopholes that would incorrectly place these vehicles in the light truck category.

Other commenters favored an attribute-based system. IIHS favored a system of fuel economy requirements indexed to weight, although it commented that the CAFE structure must be modified to ensure that increased fleet fuel economy does not come about through weight reductions of the lightest, least safe vehicles or through increased sales of those vehicles. The organization stated that such a system would remove downweighting as a means of compliance and force the use of new

technologies. IIHS also suggested that an attribute system could be established requiring each automaker to meet a manufacturer-specific, production-weighted average derived from the specific combination of vehicle types/weights sold by the automaker. This could be accomplished, according to IIHS, by the agency determining the target fuel economy for each vehicle weight, with the sum of any manufacturer's deviations from the target having to be zero or negative.

Carman Ng suggested that an attribute-based system could include power to weight ratio, number of cylinders, coefficient of drag, maximum recommended load, engine type, fuel sources, and number of passengers as attributes to be considered because these attributes can be measured quantitatively and avoid the gray areas of qualitative judgment. The Coalition for Vehicle Choice advised caution, arguing that there are no universal "bright lines" along which vehicles may be grouped.

DaimlerChrysler and Toyota objected to adoption of an attribute-based system, arguing that no method discussed as of that time is superior to the current system. Toyota added that a weight-based system, wherein lighter vehicles would be required to meet a more stringent standard than heavier vehicles, would result in "up-weighting" and increased fuel consumption. Ford and Nissan indicated that a weight based attribute system would be more equitable than the current system because vehicle weight directly correlates to vehicle fuel consumption. Ford also stated that it continues to believe that uniform industry fuel economy standards are inefficient and unfairly penalize full line manufacturers.

GM did not support use of a weight based attribute system, but both GM and Ford stated that a well-designed attribute-based system would be an improvement in that it would make sales mix less of a factor in meeting the standards. GM further indicated that a weight-based system would promote safety by removing incentives to remove weight.

Honda stated that there were several advantages to a size-based system as opposed to a weight-based system, including preserving incentives for fuel economy improvements through use of lightweight materials and improved vehicle packaging, less susceptibility to erosion of overall fleet economy, and safety. AIAM did not favor a weight or attribute-based system but believes that whatever system is chosen should be competitively neutral. In general, while

some manufacturers believed a weight-based system had merit, there was considerable concern that the uncertainties of such a system might have untold effects.

#### *B. Increasing GVWR Limit on Vehicles Subject to CAFE Standards*

An issue relating to classification is the size of vehicles subject to CAFE. We noted in the RFC that one aspect of the growth in the light truck fleet has been the appearance of increasing numbers of large SUVs whose GVWR is above the current CAFE upper weight limit of 8,500 pounds. We asked commenters to provide us with views and data relating to raising the CAFE limit to the statutory maximum of 10,000 pounds GVWR to include larger vehicles in the light truck fleet. There was a general split between consumer groups and industry on whether expanding the scope of the CAFE program to encompass larger trucks is advisable.

Public Citizen supported the expansion. Citing the GVWRs of several larger SUVs as alleged examples of how manufacturers made the vehicles just large enough to escape regulation, Public Citizen argued that both safety considerations and the need to conserve energy dictated that larger vehicles should be subject to CAFE. Similarly, the ACEEE, 20/20 Vision, and Sierra Club also supported expanding the CAFE program's coverage to reach these larger vehicles, arguing that many of the large SUVs and pickup trucks are used as passenger vehicles (ACEEE). Chris Holcomb states that expanding CAFE would increase safety as manufacturers would discontinue production of vehicles at the high end of the weight range due to an inability to make them fuel efficient.

With the exception of Honda, manufacturers did not support the expansion. They argue that most trucks in this category are domestically built to meet a special need for the commercial consumer needing heavy-duty pick-up truck capabilities for heavy cargo or passenger (more than six passenger) load. They stated that only a small fraction of these vehicles are SUVs and many of them were purchased to tow heavy loads.

General Motors argued that raising the maximum GVWR for CAFE would severely damage domestic manufacturers and exacerbate the problems and inequities created by the CAFE program. Moreover, GM attacked the premise that these large vehicles should be considered because they are passenger vehicles by noting that models within the 8,500–10,000 pound segment have "sisters" or twins with