Light-Duty Automotive Technology and Fuel Economy Trends: 1975 through 2007

Appendix A: Database Details and Calculation Methods

Compliance and Innovative Strategies Division and Transportation and Climate Division

Office of Transportation and Air Quality U.S. Environmental Protection Agency

NOTICE

This technical report does not necessarily represent final EPA decisions or positions. It is intended to present technical analysis of issues using data that are currently available. The purpose in the release of such reports is to facilitate the exchange of technical information and to inform the public of technical developments.



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Harmonically Averaging Fuel Economy Values

Dimensionally, fuel economy is miles divided by gallons. Then, presented with more than one fuel economy value, an approach to averaging the values is to compute the result by determining the total miles traveled and dividing that by the total gallons used.

Example: A motorist's fuel economy log for May shows that 704 miles were accumulated around town in which the fuel economy was 16 mpg, and one 216 mile highway trip was taken on which the fuel economy was 24 mpg. What is the average fuel economy for May?

The total miles are 704 + 216 = 920. The total gallons thus are 704 / 16 = 44 plus 216 / 24 = 9 or a total of 53 gallons. The average mpg is 920 / 53 = 17.4 mpg. Notice that the arithmetic average of the two fuel economy values (16 + 24) / 2 = 20 mpg gives an individual result that is higher than the total miles/total gallons result.

Even if the around-town miles traveled and the highway trip miles traveled were the same (460 miles), the average fuel economy would not be 20; it would be 19.2 mpg. This is because in the total miles/total gallons approach, *fuel consumption* is arithmetically averaged, but *fuel economy* is harmonically averaged, so for the second example (equal trip distances), the calculation would be:

Average MPG = 2 / (1/16 + 1/24) = 19.2 MPG,

which is the same as arithmetically averaging the two fuel consumption values.

A specific example of this type of averaging approach is shown in the calculation of the overall average fuel economy using the EPA "city" (MPG $_{\rm C}$) and EPA "highway" (MPG $_{\rm H}$) fuel economy values.

Average MPG =
$$\frac{\text{Total Miles}}{\text{Total Gallons}}$$

= $\frac{\text{Total Miles}}{\text{City Gallons} + \text{Highway Gallons}}$

= <u>Total Miles</u> City Miles/City MPG + Highway Miles/Highway MPG Now, if city miles are 55 percent of total miles and highway miles are the remaining 45 percent, after dividing by total miles,

Average MPG = $1_{(.55/MPG_C) + (.45/MPG_H)}$

and this average mpg would represent a composite mpg value based on the 55% city/45% highway driving in this example. This 55% city/45% highway weighting is the metric in this report for laboratory composite fuel economy values.

The same approach can be used when the average mpg of a group of vehicles with different mpg values is to be calculated. Suppose a fleet of 100,000 vehicles is made up of two classes, one of 70,000 vehicles whose fuel economy is 10 mpg and the other of 30,000 vehicles whose fuel economy is 14 mpg. Each vehicle in the fleet is assumed to travel the same number of miles (**M**),

Total Miles =	100,000 M
Total Gallons =	70,000 M / 10 + 30,000 M / 14

and the average fuel economy is:

Average Fuel Economy =
$$\frac{1}{.7/10 + .3/14}$$

= 10.9 mpg

where .7 and .3 are the relative shares of each vehicle class in the fleet. Notice that, again, the arithmetic average of the class fuel economy values (10 + 14)/2 = 12 mpg is higher.

In general, some form of a weighted harmonic mean must be used when averaging different fuel economy values in order to maintain mathematical integrity.

Estimated and Final Sales Data

Table A-1 compares average laboratory 55/45 fuel economy for model years 1998 through 2005 at three points in time, and for MY2006 at two points in time:

(1) an initial estimate determined early in each model year using just projected sales;

(2) a revised estimate determined by using trade publication sales data that were obtained after the end of each model year, but before the final CAFE data were submitted by automakers to the Federal Government; and

(3) final fuel economy values determined from CAFE compliance data provided by the manufacturers to the Federal Government after the end of the model year.

The final car plus truck fuel economy values have varied from .4 mpg lower to .3 mpg higher compared to the original estimates based exclusively on estimated sales. The revised car plus truck value for MY2006 in this report is 0.7 mpg higher than the initial estimate for 2006 in last year's report, which suggests that sustained, higher gasoline prices have led to some changes in consumer demand relative to what manufacturers expected prior to the start of 2006.

Table A-1

Comparison of Laboratory 55/45 MPG

	Model	Initial	Revised	Final
	Year	Estimate	Estimate	Value
Cars	1998 1999 2000 2001 2002 2003 2004 2005 2006	28.6 28.1 28.3 28.5 29.0 28.7 28.9 28.8	28.6 28.2 28.3 28.3 28.5 28.9 28.9 29.2 29.2	28.5 28.1 28.2 28.4 28.6 28.9 28.9 29.5 ***
Trucks	1998	20.6	20.6	20.9
	1999	20.3	20.4	20.5
	2000	20.5	20.5	20.8
	2001	20.3	20.4	20.6
	2002	20.4	20.3	20.6
	2003	20.8	20.9	20.9
	2004	20.9	20.9	20.8
	2005	21.3	21.2	21.4
	2006	21.5	21.9	***
Both	1998	24.4	24.4	24.5
	1999	23.8	24.0	24.1
	2000	24.0	23.9	24.3
	2001	23.9	24.0	24.2
	2002	24.0	23.9	24.1
	2003	24.4	24.2	24.3
	2004	24.4	24.4	24.0
	2005	24.6	24.6	24.8
	2006	24.6	25.3	***

Use of 3-Year Moving Averages

Use of the three-year moving averages, which effectively smooth the trends, results in an improvement in discriminating real trends from what might be relatively small year-to-year variations in the data. For this report, as shown in Table A-2, these three-year moving averages are tabulated at the midpoint. For example, the midpoint for model years 2002, 2003, and 2004 is MY2003.

Table A-2

Light-Duty Vehicle Laboratory Fuel Economy and Truck Sales Fraction

		Actual D	ata		Three-Year Moving Average				
Year	55/45 Cars	Fuel Ec Trucks	onomy Both	Truck Sales Fraction	-	Fuel Ec Trucks	onomy Both	Truck Sales Fraction	
1975	15.8	13.7	15.3	0.194	* * * *	* * * *	* * * *	* * * * *	
1976	17.5	14.4	16.7	0.212	17.1	14.5	16.5	0.202	
1977	18.3	15.6	17.7	0.200	18.5	15.1	17.6	0.213	
1978	19.9	15.2	18.6	0.227	19.4	15.2	18.3	0.216	
1979	20.3	14.7	18.7	0.222	21.1	16.0	19.8	0.205	
1980	23.5	18.6	22.5	0.165	22.8	17.5	21.5	0.187	
1981	25.1	20.1	24.1	0.173	24.8	19.7	23.7	0.178	
1982	26.0	20.5	24.7	0.197	25.7	20.5	24.5	0.197	
1983	25.9	20.9	24.6	0.223	26.1	20.6	24.6	0.219	
1984	26.3	20.5	24.6	0.239	26.4	20.6	24.7	0.239	
1985	27.0	20.6	25.0	0.254	27.0	20.8	25.1	0.258	
1986	27.9	21.4	25.7	0.283	27.6	21.2	25.5	0.272	
1987	28.1	21.6	25.9	0.278	28.2	21.4	25.8	0.286	
1988	28.6	21.2	25.9	0.298	28.3	21.2	25.8	0.294	
1989	28.1	20.9	25.4	0.307	28.2	20.9	25.5	0.302	
1990	27.8	20.7	25.2	0.302	28.0	21.0	25.3	0.310	
1991	28.0	21.3	25.4	0.322	27.8	20.9	25.2	0.319	
1992	27.6	20.8	24.9	0.334	27.9	21.0	25.1	0.339	
1993	28.2	21.0	25.1	0.360	28.0	20.8	24.8	0.366	
1994	28.0	20.8	24.6	0.404	28.2	20.7	24.8	0.381	
1995	28.3	20.5	24.7	0.380	28.2	20.7	24.7		
1996	28.3	20.8	24.8	0.400	28.3	20.7	24.7	0.401	
1997	28.4	20.6	24.5	0.424	28.4	20.8	24.6	0.424	
1998	28.5	20.9	24.5	0.449	28.4	20.7	24.4	0.441	
1999	28.2	20.5	24.1	0.449	28.3	20.7	24.3	0.449	
2000	28.2	20.8	24.3	0.449	28.3	20.6	24.2	0.453	
2001	28.4	20.6	24.2	0.461	28.4	20.6	24.2	0.465	
2002	28.6	20.6	24.1	0.485	28.7	20.7	24.2	0.481	
2003	28.9	20.9	24.3	0.496	28.8	20.8	24.1	0.500	
2004	28.9	20.8	24.0	0.520	29.1	21.0	24.4	0.504	
2005	29.5	21.4	24.8	0.495	29.2	21.3	24.7	0.492	
2006	29.2	21.9	25.3	0.461	29.4	21.8	25.2	0.482	
2007	29.4	22.1	25.3	0.490	* * * *	* * * *	* * * *	* * * * *	

Table A-2 (Continued)

Light-Duty Vehicle Adjusted Fuel Economy

Cars

Model	Each	Year's	Data	3 Year	Moving	Avg.
Year	CITY	HWY	COMP	CITY	HWY	COMP
1975	12.3	15.2	13.5	****	****	****
1976	13.7	16.6	14.9	13.4	16.3	14.6
1977	14.4	17.4	15.6	14.5	17.6	15.8
1978	15.5	19.1	16.9	15.3	18.5	16.6
1979	15.9	19.2	17.2	16.5	20.2	18.0
1980	18.3	22.6	20.0	17.8	21.8	19.4
1981	19.6	24.2	21.4	19.3	24.1	21.2
1982	20.1	25.5	22.2	19.8	25.1	21.9
1983	19.9	25.5	22.1	20.1	25.7	22.2
1984	20.2	26.0	22.4	20.3	26.1	22.5
1985	20.7	26.8	23.0	20.7	26.8	23.0
1986	21.2	27.6	23.7	21.0	27.4	23.5
1987	21.2	27.7	23.8	21.3	27.8	23.9
1988	21.4	28.2	24.1	21.2	27.9	23.9
1989	20.9	27.9	23.7	20.9	27.8	23.7
1990	20.5	27.5	23.3	20.6	27.7	23.5
1991	20.5	27.6	23.4	20.3	27.5	23.3
1992	20.0	27.5	23.1	20.2	27.6	23.3
1993	20.3	27.9	23.5	20.1	27.7	23.3
1994	20.0	27.7	23.3	20.1	27.9	23.4
1995	20.0	28.1	23.4	19.9	27.9	23.3
1996	19.8	28.0	23.3	19.9	28.0	23.4
1997	19.8	28.0	23.4	19.8	28.0	23.4
1998	19.7	28.0	23.4	19.6	27.8	23.2
1999	19.4	27.5	23.0	19.5	27.6	23.1
2000 2001 2002 2003 2004	19.3 19.4 19.4 19.5 19.3	27.3 27.3 27.2 27.5 27.4	22.9 23.0 23.1 23.2 23.1	19.3 19.4 19.4 19.4 19.4 19.4	27.4 27.3 27.3 27.4 27.5	23.0 23.0 23.1 23.2 23.3
2005	19.6	27.6	23.5	19.4	27.5	23.3
2006	19.4	27.5	23.3	19.5	27.6	23.4
2007	19.5	27.6	23.4	****	****	***

Table A-2 (Continued)

Light-Duty Vehicle Adjusted Fuel Economy

Trucks

Model	Each	Year's	Data	3 Year	Moving	Avg.
Year	CITY	HWY	COMP	CITY	HWY	COMP
1975	10.9	12.7	11.6	****	****	****
1976	11.5	13.2	12.2	11.7	13.3	12.3
1977	12.6	14.1	13.3	12.2	13.7	12.8
1978	12.4	13.7	12.9	12.4	13.6	12.9
1979	12.1	13.1	12.5	13.0	14.4	13.6
1980	14.8	17.1	15.8	14.1	15.9	14.9
1981	16.0	18.6	17.1	15.7	18.2	16.7
1982	16.3	19.0	17.4	16.3	19.1	17.4
1983	16.5	19.6	17.8	16.3	19.3	17.5
1984	16.1	19.3	17.4	16.3	19.4	17.6
1985 1986 1987 1988 1989	16.2 16.8 16.2 15.9	19.4 20.2 20.5 20.2 19.8	17.5 18.2 18.3 17.9 17.6	16.4 16.6 16.6 16.3 15.9	19.6 20.0 20.3 20.2 19.9	17.7 18.0 18.1 17.9 17.6
1990	15.6	19.8	17.4	15.8	20.0	17.6
1991	15.9	20.3	17.8	15.7	20.0	17.5
1992	15.5	19.9	17.4	15.6	20.1	17.5
1993	15.5	20.1	17.5	15.4	19.9	17.3
1994	15.3	19.7	17.2	15.2	19.7	17.2
1995	15.0	19.5	17.0	15.1	19.7	17.1
1996	15.1	19.9	17.2	15.0	19.6	17.0
1997	14.8	19.5	17.0	14.9	19.7	17.1
1998	14.9	19.8	17.1	14.8	19.5	16.9
1999	14.6	19.2	16.7	14.7	19.5	16.9
2000	14.7	19.4	16.9	14.6	19.2	16.8
2001	14.6	19.1	16.7	14.6	19.2	16.8
2002	14.4	19.1	16.7	14.5	19.1	16.8
2003	14.6	19.3	16.9	14.4	19.2	16.8
2004	14.3	19.2	16.7	14.5	19.4	16.9
2005	14.6	19.8	17.2	14.6	19.7	17.2
2006	15.0	20.2	17.6	14.9	20.1	17.5
2007	15.1	20.4	17.7	****	****	****

Table A-2 (Continued)

Light-Duty Vehicle Adjusted Fuel Economy

Cars and Trucks

Model	Each	Year's	Data	3 Year	Moving	Avg.
Year	CITY	HWY	COMP	CITY	HWY	COMP
1975	12.0	14.6	13.1	****	****	****
1976	13.2	15.7	14.2	13.0	15.6	14.1
1977	14.0	16.6	15.1	13.9	16.6	15.0
1978	14.7	17.5	15.8	14.5	17.2	15.6
1979	14.9	17.4	15.9	15.6	18.6	16.8
1980	17.6	21.5	19.2	16.9	20.3	18.3
1981	18.8	23.0	20.5	18.5	22.8	20.2
1982	19.2	23.9	21.1	19.0	23.6	20.8
1983	19.0	23.9	21.0	19.1	23.9	21.0
1984	19.1	24.0	21.0	19.1	24.1	21.1
1985	19.3	24.4	21.3	19.4	24.5	21.4
1986	19.8	25.0	21.8	19.6	24.9	21.7
1987	19.8	25.3	22.0	19.7	25.2	21.9
1988	19.6	25.2	21.9	19.5	25.1	21.7
1989	19.1	24.8	21.4	19.1	24.9	21.5
1990	18.7	24.6	21.2	18.9	24.7	21.3
1991	18.8	24.7	21.2	18.6	24.6	21.1
1992	18.2	24.4	20.8	18.4	24.5	21.0
1993	18.2	24.4	20.9	18.1	24.2	20.7
1994	17.8	23.8	20.4	17.9	24.1	20.6
1995	17.7	24.1	20.5	17.7	24.0	20.4
1996	17.6	24.0	20.4	17.6	23.9	20.3
1997	17.4	23.6	20.1	17.4	23.7	20.2
1998	17.2	23.6	20.1	17.1	23.4	20.0
1999	16.9	23.0	19.7	17.0	23.2	19.8
2000	16.9	23.0	19.8	16.9	23.0	19.7
2001	16.8	22.8	19.6	16.8	22.8	19.6
2002	16.6	22.5	19.4	16.7	22.7	19.5
2003	16.7	22.7	19.6	16.6	22.6	19.4
2004	16.3	22.4	19.3	16.6	22.7	19.6
2005	16.8	23.1	19.9	16.7	23.0	19.8
2006	17.1	23.5	20.2	17.0	23.4	20.1
2007	17.1	23.6	20.2	****	***	****

Vehicle Classification Exceptions

The truck size classification scheme used in this report is based primarily on published wheelbase data. For cars, vehicle classification as to vehicle type, size class, and manufacturer/ origin generally follows fuel economy label, *Fuel Economy Guide*, and fuel economy standards protocols; exceptions are listed in Table A-3. The classification of a vehicle for this report is based on the authors' engineering judgment and is not a replacement for definitions used in implementing automotive standards legislation.

Table A-3

Group/M	anufacturer/Vehicles	Years Ar	e Classified As:
DC:	Chrysler Colt 4WD Wagon	All	Small Wagon
DC:	Chrysler Colt Vista	All	Small Van
DC:	Chrysler Pacifica	All	Large Wagon
DC:	Chrysler PT Cruiser	All	Small Wagon
DC:	Chrysler PT Cruiser Convertible	All	Subcompact
DC:	R-Series	All	Large Wagon
DC:	Chrysler Summit Wagon	All	Small Van
DC:	Dodge Ramcharger	All	Car
DC:	Dodge Magnum	All	Midsize Wagon
DC:	Eagle 4WD Wagon	All	Car
Ford:	Ford Pinto Van	All	Car
Ford:	Volvo V70 XC	All	Midsize Wagon
GM:	ННВ	All	Small Wagon
GM:	Isuzu Oasis	All	Midsize Van
GM:	Pontiac Vibe	All	Small Wagon
GIT		1111	Billarr Magon
Toyota:	Lexus RX300	All	Midsize SUV
Toyota:	Matrix	All	Small Wagon
VM:	Audi Allroad	All	Midsize Wagon
Other:	Subaru 4WD Sedans/Wagons	All	Cars
Other:	Subaru Forester	All	Small SUV
Other:	Subaru Baja	All	Small Pickup
Other:	Suzuki X-90	All	Small SUV
Other:	Mitsubishi Expo	All	Small Van
Other:	Mitsubishi Space Wagon	All	Small Van

<u>New Methodology for Adjusted Fuel Economy Values</u> for Model Years 1986-2007

On December 27, 2006, EPA published new regulations that changed the methodology for calculating the city and highway fuel economy label estimates for new passenger cars and light trucks (71 Federal Register 77872). The new methodology will provide fuel economy estimates to consumers that better reflect real world fuel economy. The new methodology incorporates test data that directly account for several important factors that affect fuel economy in the real world, such as high speeds, aggressive accelerations and decelerations, the use of air conditioning, and operation in cold temperatures, and indirectly accounts for a number of other factors that are not reflected in EPA test data.

These new vehicle fuel economy label changes take effect beginning with the 2008 model year. For model years 2008-2010, manufacturers will have two options for calculating city and highway fuel economy labels: 1) using vehicle-specific "5-cycle" (Federal Test Procedure for urban stop-and-go driving, Highway Fuel Economy Test for rural driving, US06 test for high speeds and aggressive driving, SCO3 test for air conditioning operation, and cold FTP test for cold temperature operation) fuel economy test data in "composite" equations that calculate vehicle-specific city and highway fuel economy values using weighting factors for data from each of the 5 EPA test cycles, or 2) using an industry-average "mpg-based" method, which yields mpg-based adjustments based on a regression of recent 5-cycle fuel economy data for the industry as a whole. Beginning in 2011, manufacturers must use the 5-cycle method. For more details on the derivation of these options, the specific 5-cycle test data or the industry-average mpg-based approach, and the impact of these changes on average fuel economy label values, see the Preamble to the new regulations (71 Federal Register 77881-77893).

EPA is making significant changes in this 2007 report in how adjusted (ADJ) fuel economy values for model years 1986 through 2007 are calculated to reflect the new EPA fuel economy label methodology. These changes affect every table and figure in the report that involve adjusted fuel economy data. Accordingly, adjusted fuel economy values for 1986 and later model years should not be compared with the corresponding values from previous reports in this series. Specifically, the new adjusted fuel economy values for 1986-2007 in this report differ from those in previous reports as explained below.

• For model years 2005-2007, EPA now calculates adjusted fuel economy values for individual models in the fuel economy trends database using the following city and highway "mpg-based" equations from the EPA fuel economy labeling rulemaking:

	1	
New ADJ HWY =		
	0.001376 +	1.3466
		LAB HWY

Calculating fleetwide adjusted city and highway fuel economy values for a given model year requires a harmonic, sales-weighted average of all of the adjusted city and highway fuel economy values for individual models.

The above equations yield a greater downward adjustment for higher fuel economy vehicles than for lower fuel economy vehicles. For example, compared to the older fuel economy label methodology, a 15 mpg city value will be reduced by an additional 10%, while a 50 mpg city value will be reduced by an additional 18%. Likewise, a 20 mpg highway value will be reduced by an additional 7%, while a 50 mpg highway value will be reduced by an additional 7%, while a 50 mpg highway value will be reduced by an additional 7%, while a 50 mpg highway value will be reduced by an additional 11%. EPA projected an overall average fleetwide adjustment of 11% lower for city fuel economy and 8% lower for highway fuel economy, beyond that in the older label adjustment methodology that has been used in previous reports in this series. These factors can be used to convert older adjusted fuel economy values to the new adjusted fuel economy values for the current fleet as a whole, but would not be appropriate factors to use for individual models or for a future fleet with different mpg characteristics.

This report seldom uses separate city and highway fuel economy values, but typically uses the composite city/highway fuel economy value. In the past, this report has used a 55% city/45% highway weighting, the weighting used in the CAFE compliance program. The analysis of real world driving activity underlying the new fuel economy label methodology assumed a "speed cutpoint" of 45 miles per hour to differentiate between city and highway driving (71 Federal Register 77904). Based on this speed cutpoint, the correct weighting for correlating the new city and highway fuel economy values with real world driving, on a miles driven basis, is 43% city/57% highway. Accordingly, this weighting is now used for all adjusted composite city/highway fuel economy values beginning with the 2005 model year.

The appropriate fleetwide factors to convert laboratory or older adjusted fuel economy values to new adjusted fuel economy values are dependent on the city fuel economy-to-highway fuel economy ratios in the fleet. On average, for the current fleet, combining the 11% lower adjustment for city fuel economy, the 8% lower adjustment for highway fuel economy, and the shift to the 43% city/57% highway weighting, the new adjustment for city/highway composite fuel economy values is 6% lower than that used in the older label adjustment methodology. This 6% lower value is the average impact for a fleet with the mpg and city fuel economy-to-highway fuel economy characteristics of the current fleet, and would not be the appropriate value for individual models, partial fleet segments, or for future fleets with different mpg and city fuel economy-to-highway fuel economy-to-highway fuel economy distributions.

For model years 1986 through 2004, EPA now calculates adjusted fuel economy • values based on the assumption that the impacts of the factors that have led to lower real world fuel economy have occurred in a gradual (i.e., linear) manner over the 20 years from 1986 through 2005. On April 6, 1984, EPA published regulations that established the older fuel economy label adjustment factors of 0.9 for city fuel economy and 0.78 for highway fuel economy that took effect for model year 1985 vehicles (49 Federal Register 13832). EPA believes that these adjustment factors were appropriate through the 1985 model year. EPA has not attempted to perform a year-by-year analysis to determine the extent to which the many relevant factors (including highway speed limits, more aggressive driving, vehicle horsepower-toweight ratio, suburbanization, congestion, use of air conditioning, gasoline composition, et al) that have affected real world fuel economy since 1985 have changed over time. Rather, EPA has made the simplifying, but we think reasonable, assumption that the collective impact of these changes has been a linearly increasing impact over the 20 years from 1986 through 2005. Using the equations shown above for individual models. EPA has assumed 1/20 of the fully phased-in downward adjustment for city and highway values would be reflected in the 1986 data, 2/20 of this adjustment would be reflected in the 1987 data, etc., up to 19/20 of this adjustment in 2004 and the full adjustment in 2005, 2006, and 2007. Likewise, EPA has assumed the 55/45 city/highway weighting changes to a 43/57 city/highway weighting in a linear fashion over the 1986 to 2005 time period as well. As discussed above, the average fleetwide composite city/highway fuel economy values for 2005-2007 are 6% lower than the composite city/highway fuel economy value calculated with the older adjustment factors.

To generate precise adjusted city, highway, or composite fuel economy values for individual models or for future fleetwide averages with different mpg or city fuel economy-tohighway fuel economy ratios than the current fleet, it is essential to use the above equations to calculate adjusted city and highway fuel economy values for individual models, then use the 43% city/57% highway weighting to generate an adjusted composite fuel economy value for individual models, and then calculate the harmonically sales-weighted average of the individual models to yield the average composite fuel economy for the fleet as a whole. Alternatively, for a first-order estimate of generic fleetwide factors that one could use to convert values from the historic fuel economy trends database to new adjusted fuel economy levels, see the factors in Table A-4, which are based on the mpg and city fuel economy-to-highway fuel economy characteristics of the current fleet. For example, the industry-wide adjusted composite city/highway fuel economy value for model year 1986 in this year's report, which will be reported as ADJ COMP, is about .997 (1.0 minus 0.003, where 0.003 equals 0.3%, and the latter is equal to 6% divided by 20) times the adjusted composite city/highway fuel economy value, or ADJ 55/45, from previous reports in this series. Likewise, the same industry-wide ADJ COMP value for 1986 can be approximated by multiplying the laboratory composite 55/45 value for 1986 by 0.851. The industry-wide ADJ COMP fuel economy values for model years 2005-2007 in this year's report are all equal to 0.80 times the laboratory composite 55/45 values. Table A-5 provides a comparison of adjusted composite fuel economy values, for cars and trucks combined, using both the older fuel economy label methodology that has been used in past reports in this series as well as the new fuel economy label methodology described above and used for the first

time in this report. For data from MY2003-2007, the adjusted fuel economy values using the new EPA fuel economy methodology are 1.1-1.3 mpg lower than they would be using the older EPA fuel economy label methodology.

No changes have been made in the way EPA calculates adjusted fuel economy values for 1975-1985. For these model years, EPA still uses the 0.9 city/0.78 highway fuel economy adjustments established in 1984, along with the 55% city/45% highway weighting factor. EPA believes that this methodology was appropriate for the late 1970s and early 1980s and is not making any changes to adjusted fuel economy values for 1975 through 1985.

Finally, no changes have been made in the laboratory (LAB) fuel economy values in this report. The laboratory city value remains the fuel economy value over the EPA Federal Test Procedure, the laboratory highway value remains the fuel economy value over the EPA Highway Fuel Economy Test, and the laboratory 55/45 is a weighted value of these two tests, with a 55% weighting of the Federal Test Procedure and a 45% weighting of the Highway Fuel Economy Test. The laboratory 55/45 values are used for CAFE compliance, in conjunction with alternative fuel vehicle credits and test procedure adjustments. Because the underlying methodology for generating and reporting the laboratory fuel economy values have not changed since this series began in the mid-1970s, these values provide an excellent basis with which to compare long-term fuel economy trends from the perspective of vehicle design, apart from the factors that affect real world fuel economy that are reflected in the adjusted fuel economy values.

Table A-4

Approximate Factors for Converting Industry-Wide Fuel Economy Values from Previous Reports to the New Adjusted Fuel Economy Values in this 2007 Report

Factor	<u>rs to conv</u>	ert older A	ADJ to new ADJ	Factors to convert LAB to new ADJ			
	<u>CITY</u>	<u>HWY</u>	<u>55/45</u>	<u>CITY</u>	<u>HWY</u>	<u>55/45</u>	
1975-1985	1.00	1.00	1.00	.900	.780	.854	
1986	.995	.996	.997	.895	.777	.851	
1987	.989	.992	.994	.890	.774	.849	
1998	.984	.988	.991	.885	.771	.846	
1989	.978	.984	.988	.880	.768	.843	
1990	.973	.980	.985	.875	.765	.841	
1991	.967	.976	.982	.870	.762	.838	
1992	.962	.972	.979	.865	.759	.835	
1993	.956	.968	.976	.860	.756	.832	
1994	.951	.964	.973	.855	.753	.830	
1995	.945	.960	.970	.850	.750	.827	
1996	.940	.956	.967	.845	.747	.824	
1997	.934	.952	.964	.840	.744	.822	
1998	.929	.948	.961	.835	.741	.819	
1999	.923	.944	.958	.830	.738	.816	
2000	.918	.940	.955	.825	.735	.814	
2001	.912	.936	.952	.820	.732	.811	
2002	.907	.932	.949	.815	.729	.808	
2003	.901	.928	.946	.810	.726	.805	
2004	.896	.924	.943	.805	.723	.803	
2005	.890	.920	.940	.800	.720	.800	
2006	.890	.920	.940	.800	.720	.800	
2007	.890	.920	.940	.800	.720	.800	

Important Notes for Table A-4:

1. Multiplying the factors above times the appropriate values from previous reports approximates the new adjusted (ADJ) fuel economy values in this 2007 report.

2. These factors are first-order approximations relevant only for industry-wide fuel economy values for the 1986 through 2007 timeframe.

3. Precise estimates for individual models require the use of the mpg-based equations for ADJ CITY and ADJ HWY in the text as well as a linear phase-in, over the 1986 to 2005 time period, for both the mpg-based equations and the change from a 55/45 city/highway weighting to a 43/57 city/highway weighting.

4. These approximations would yield the largest error for individual models or fleets with high mpg and/or high city fuel economy-to-highway fuel economy ratios.

Table A-5

Comparison of "Old" and "New" Adjusted Composite Fuel Economy Values, for Cars and Trucks Combined, for 2003-2007

Model Year	"Old" Adjusted Composite	"New" Adjusted Composite
2003	20.7	19.6
2004	20.5	19.3
2005	21.2	19.9
2006	21.5	20.2
2007	21.5	20.2

Cars and Trucks Combined

Important Notes for Table A-5:

- "Old" adjusted composite fuel economy values are based on the EPA fuel economy label methodology used in previous reports in this series, i.e., 10% downward city adjustment, 22% downward highway adjustment, and a 55% city/45% highway weighting factor.
- 2. "New" adjusted composite fuel economy values are based on the new EPA fuel economy label methodology, applicable to MY2008 vehicles and used for the first time in this 2007 report and described in the previous section.
- 3. The "new" adjusted composite fuel economy values for cars and trucks combined are approximately 6% lower than the "old" adjusted composite fuel economy values for cars and trucks combined. For cars only, the "new" adjusted composite fuel economy values would be more than 6% lower than the "old" values, while for trucks only, the "new" adjusted composite fuel economy values would be less than 6% lower than the "old" values.

Comparison of EPA and NHTSA Data

Table A-6 compares CAFE data reported by the National Highway Traffic Safety Administration (NHTSA) with the adjusted and unadjusted (laboratory) composite fuel economy data in this report. The NHTSA values in Table A-6 are generally higher than the unadjusted or laboratory mpg values due to differences in vehicle classification, test procedure adjustment factors for cars and alternative fuel credits. The NHTSA data for MY1979 trucks in this table is just for vehicles up to 6000 pound GVW; but for all other years the NHTSA data includes vehicles up to 8500 GVW. The NHTSA data for MY2006 is based on mid-model year data. The EPA data for all years in the table includes vehicles up to 8500 GVW. In addition, the EPA data in the table is final through MY2005, but preliminary for MY2006 and MY2007.

Table A-6

EPA Adjusted, Laboratory, and NHTSA CAFE Fuel Economy Values by Model Year

Cars					Trucks			Both Cars and Trucks				
Model Year	EPA Adj.	EPA Unadj.	NHTSA (CAFE)	Diff	EPA	EPA Unadj.	NHTSA (CAFE)	Diff	EPA	EPA Unadj.	NHTSA (CAFÉ)	Diff
Ieal	Adj.	unadj.	(CAFE)	DIII.	Adj.	unadj.	(CAFE)	DILL.	Adj.	unadj.	(CAFE)	DIII.
1975	13.5	15.8	n/a		11.6	13.7	n/a		13.1	15.3	n/a	
1976	14.9	17.5	n/a		12.2	14.4	n/a		14.2	16.7	n/a	
1977	15.6	18.3	n/a		13.3	15.6	n/a		15.1	17.7	n/a	
1978	16.9	19.9	19.9	.0	12.9	15.2	n/a		15.8	18.6	19.9	1.3
1979	17.2	20.3	20.3	.0	12.5	14.7	18.2	3.5	15.9	18.7	20.1	1.4
1980	20.0	23.5	24.3	.8	15.8	18.6	18.5	1	19.2	22.5	23.1	.6
1981	21.4	25.1	25.9	.8	17.1	20.1	20.1	.0	20.5	24.1	24.6	.5
1982	22.2	26.0	26.6	.6	17.4	20.5	20.5	.0	21.1	24.7	25.1	.4
1983	22.1	25.9	26.4	.5	17.8	20.9	20.7	2	21.0	24.6	24.8	.2
1984	22.4	26.3	26.9	.6	17.4	20.5	20.6	.1	21.0	24.6	25.0	.4
1985	23.0	27.0	27.6	.6	17.5	20.6	20.7	.1	21.3	25.0	25.4	.4
1986	23.7	27.9	28.2	.3	18.2	21.4	21.5	.1	21.8	25.7	25.9	.2
1987	23.8	28.1	28.5	.4	18.3	21.6	21.7	.1	22.0	25.9	26.2	.3
1988	24.1	28.6	28.8	.2	17.9	21.2	21.3	.1	21.9	25.9	26.0	.1
1989	23.7	28.1	28.4	.3	17.6	20.9	21.0	.1	21.4	25.4	25.6	.2
1990	23.3	27.8	28.0	.2	17.4	20.7	20.8	.1	21.2	25.2	25.4	.2
1991	23.4	28.0	28.4	.4	17.8	21.3	21.3	.0	21.2	25.4	25.6	.2
1992	23.1	27.6	27.9	.3	17.4	20.8	20.8	.0	20.8	24.9	25.1	.2
1993	23.5	28.2	28.4	.2	17.5	21.0	21.0	.0	20.9	25.1	25.2	.1
1994	23.3	28.0	28.3	.3	17.2	20.8	20.8	.0	20.4	24.6	24.7	.1
1995	23.4	28.3	28.6	.3	17.0	20.5	20.5	.0	20.5	24.7	24.9	.2
1996	23.3	28.3	28.5	.2	17.2	20.8	20.8	.0	20.4	24.8	24.9	.1
1997	23.4	28.4	28.7	.3	17.0	20.6	20.6	.0	20.1	24.5	24.6	.1
1998	23.4	28.5	28.8	.3	17.1	20.9	21.0	.1	20.1	24.5	24.7	.2
1999	23.0	28.2	28.3	.1	16.7	20.5	20.9	.4	19.7	24.1	24.5	.4
2000	22.9	28.2	28.5	.3	16.9	20.8	21.3	.5	19.8	24.3	24.8	.5
2001	23.0	28.4	28.8	.4	16.7	20.6	20.9	.3	19.6	24.2	24.5	.3
2002	23.1	28.6	29.0	.4	16.7	20.6	21.4	.8	19.4	24.1	24.7	.6
2003	23.2	28.9	29.5	.6	16.9	20.9	21.8	.9	19.6	24.3	25.1	.8
2004	23.1	28.9	29.5	.6	16.7	20.8	21.5	.7	19.3	24.0	24.6	.6
2005	23.5	29.5	30.3	.8	17.2	21.4	22.1	.7	19.9	24.8	25.4	.6
2006	23.3	29.2	29.8	.6	17.6	21.9	22.2	.3	20.2	25.3	25.4	.1
2007	23.4	29.4	n/a		17.7	22.1	n/a		20.2	25.3	n/a	