

Monday, February 13, 2012 3:55 PM ET  **Exclusive**

Electric cars get undeserved favoritism from EPA emissions rule, gas groups say

By [Sarah Smith](#)

Government agencies are showing undue favoritism toward electric vehicles when it comes to meeting fuel economy and greenhouse gas emissions standards, according to natural gas-affiliated groups.

The U.S. Environmental Protection Agency and National Highway Traffic Safety Administration are incentivizing electric vehicle technology over other available technologies in their vehicle emissions [proposed rule](#), gas groups said at a Feb. 13 news conference in Washington, D.C.

The proposed 2017-2025 light-duty vehicle emissions and Corporate Average Fuel Economy standards rule seeks to reduce fleet-average greenhouse gas emissions to 163 grams per mile, equivalent to 54.5 miles per gallon, by 2025. But the rule gives electric vehicles a "multiplier incentive" in which each electric, plug-in hybrid electric vehicle and fuel cell vehicle would count as more than one vehicle in manufacturers' compliance calculations — a benefit not extending equally to natural gas vehicles, industry groups said.

"It's a discriminatory approach, because as we've seen, [compressed natural gas] vehicles or hybrid gasoline-CNG or CNG-electric vehicles are not eligible for a similar incentive scheme," said Gregory Staple, CEO of the [Chesapeake Energy Corp.](#)-backed American Clean Skies Foundation. "We should create a technology-neutral pool of alternative-fuel vehicle incentives."

Staple recommended that EPA create a system in which all qualified alternative-fuel vehicles, including both electric vehicles and natural gas vehicles, should be eligible for these incentives using a similar multiplier.

In comments filed Feb. 13, the American Clean Skies Foundation, American Gas Association, America's Natural Gas Alliance and Natural Gas Vehicles for America all requested changes to EPA's incentive program. As written, the proposed rule would drive up costs for manufacturers and consumers by creating an unnatural advantage for the more expensive electric vehicles, while downplaying natural gas vehicles' ability to lower emissions, according to the groups' joint [news release](#) issued Feb. 13.

Many of the groups emphasized the importance of so-called well-to-wheels emissions calculations, taking into consideration the source of the electricity powering electric vehicles and not just what greenhouse gases come out of their tailpipes. They took issue with EPA's plan to label electric vehicles with zero grams of emissions per mile, as it misrepresents the vehicles' greenhouse gas impacts.

"The EV-only incentive program that exists in the proposed rules doesn't make rational sense when you look at it in terms of the end goals of these rules," Staple said. "We know on a well-to-wheels basis EV emissions may be as much as or greater than a CNG vehicle."

Staple compared the greenhouse gas emissions performance of [natural gas](#) versus gasoline-electric hybrid Honda Civics, which emit 266 grams per mile and 264 grams per mile, respectively. Pointing to the relatively small difference, Staple said EPA's decision to incentivize one over the other is arbitrary.

But consumer perception of emissions associated with electric vehicles would still be an obstacle for natural gas vehicles, Staple said after the conference. The zero-tailpipe emissions component of an electric car might lead consumers to disregard the emissions created during the generation of electric power, he said. He suggested that alternative fuel vehicles would perhaps need region-specific stickers indicating their emissions and accounting for differences in fuel-sources for electricity. So far, however, Clean Skies has not yet begun to work toward well-to-wheels vehicle labeling.

"That might be the next step," Staple said.

Still, Edward Cohen, vice president for government industry relations for Honda, said customers' understanding of greenhouse gas emissions may not be the most important factor for natural gas vehicles.

"Consumers look at cost, they look at performance and there's a niche of consumers that look at greenhouse gas emissions," Cohen said after the conference. "Of that niche there's a sub-niche that looks at it from tank-to-wheel as opposed to well-to-wheel."

More importantly, he said, EPA should recognize the similarity in the carbon footprints of natural gas vehicles compared with electric vehicles and incentivize the technologies equally.