



# United Transportation Advisors Monthly Newsletter

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## Obama praises new fuel regulations

President Barack Obama has approved a new set of rules aimed at toughening up fuel efficiency in American cars. The Corporate Average Fuel Efficiency (CAFE) standards are demanding a near-doubling of the average fuel efficiency by the year 2025.

Under the new standards, car makers will be forced to improve the overall average fuel efficiency of their vehicles from 27.5 miles per gallon to 54.5 miles per gallon. Industry experts predict the transition will save the U.S. nearly 2 billion barrels of oil per day.

There are also incentives being offered to auto makers that introduce all-electric vehicles of plug-in hybrids. Incentives will also be provided to those who use small petrol engines or run their vehicles on natural gas.

## Bush Administration emissions goal met

When sworn into office, President George W. Bush unveiled a plan to reduce greenhouse gas emissions by 18 percent by 2012. Nearly a decade later, the goal has been achieved.

The AP reports the drop is due in large part to a switch from coal burning to natural gas use. Industry experts estimate emissions are at a 20-year low, as more power plants continue to shy away from dirtier-burning coal.

## Green energy startups deemed “toxic”

Investors are rejecting green energy startups because of shaky government support and a recent drop in energy prices. Industry experts say alternative energy sources took an especially hard hit in the wake of a natural gas boom.

The U.S. government may also soon be forced to scale back on supporting wind farms, solar panel manufacturers, ethanol producers and alternative fuel cars. Investors are now starting to withdraw money, because these companies have been unable to prove they can be profitable on their own. Government officials have yet to renew a federal tax credit for wind farms that will expire at the end of the year. If Congress does not renew the credit, new turbine construction could be dramatically reduced.