

What We Stand For

As a company and as a country, we need to make sure that we are working together on the right things that will make a real difference in addressing climate change and energy security.

As a full-line automaker, GM is pursuing energy diversity across its product line-up by offering vehicles that can be powered by many different energy sources and advanced propulsion systems that will displace petroleum and reduce greenhouse gas emissions. GM continues to improve the efficiency of internal combustion engines and builds more vehicles that achieve over 30 mpg on the highway than any other automaker. In addition to its intensive efforts to displace traditional petroleum-based fuels with biofuels like E85, GM is significantly expanding and accelerating the development of electrically driven vehicles, including hybrids, plug-in hybrids, fuel-cells and extended-range electric vehicles. We believe our approach offers a more effective solution than the current Corporate Average Fuel Economy (CAFE) program that, over the course of more than 30 years, has fallen dramatically short of its stated goals.

On a national policy level, we must also look beyond the historical focus on the auto, to include the carbon content of fuels and rational consumer behavior that recognizes a variety of legitimate transportation needs and segments within the market. There needs to be a new, comprehensive policy framework that transcends past approaches in its reach, its effectiveness and its fairness by treating transportation in an integrated, balanced and cost-effective fashion as part of an economy-wide effort. There are policies that can support GM's and the overall auto industry's efforts on this front and to accelerate the introduction of advanced technology vehicles and alternative fuels in the market place. While we are doing our part, government can pursue the following policies:

1. **Fund a major effort to strengthen domestic advanced battery capabilities** – Advanced Lithium-Ion batteries are a key enabler to a number of advanced vehicle technologies - including plug in hybrids. **Increase R&D in this area and develop new support for domestic manufacturing of advanced batteries.**
2. **Significantly expand biofuels production and infrastructure** – The market response to renewable fuels is encouraging, but it needs to reach a self sustaining level that is not lessened when gasoline prices fall. Steps to increase the availability of biofuels should help increase its use. **Continue incentives for manufacture of biofuel-capable flex fuel vehicles. increase biofuels production, increase R&D into cellulosic ethanol, increase support for broad-based infrastructure conversion.**
3. **Continue to develop/demonstrate hydrogen and fuel cells** – Tremendous progress has been made this decade on fulfilling the promise of hydrogen powered fuel cells. The U.S. needs to stay the course on the President's hydrogen program and begin to prepare for the 2010-2015 transition to market phase. **Continue funding hydrogen and fuel cell R&D and demonstration activities at DOE, commit to early purchases by government fleets and support for early refueling infrastructure in targeted locals in the 2010-2015 timeframe.**
4. **Government purchasing should set the example** – Government fleets can help lead the way to bringing new automotive technology to market and bringing down the cost of new technologies. **Continue to purchase flex fuel vehicles; demand maximum utilization of E85 in the government flex fuel fleets; use federal fueling to stimulate publicly accessible pumps; provide funding to permit purchase of electric, plug in and fuel cell vehicles into federal fleets as soon as technology is available, even if it is expensive.**
5. **Incentives** - Advanced automotive technology will not address national energy securities issues unless it is adopted by large numbers of consumers. Well crafted tax incentives can accelerate adoption of new technologies and strengthen domestic manufacturing. **Focus consumer tax credits on technologies that reduce petroleum consumption; provide support for manufacturers/suppliers to build/convert facilities that provide advanced technologies.**
6. **Don't try to solve climate change concerns with policies that failed to address oil dependence** – Fuel economy regulatory programs have not resulted in reduced oil dependence or imports and they have not reduced greenhouse gases. Policies that displace petroleum with low-carbon biofuels and electricity can more effectively address the growth of energy consumption in the U.S. (caused primarily by a growing population and increased driving) -- and avoid creating undue economic limitations and competitive impacts among manufacturers.

