

[6450-01-P]



This document is scheduled to be published in the Federal Register on 01/08/2026 and available online at <https://federalregister.gov/d/2026-00154>, and on <https://govinfo.gov>

DEPARTMENT OF ENERGY

10 CFR Part 474

[EERE-2025-VT-0073]

RIN 1904-AG09

Petroleum-Equivalent Fuel Economy Calculation

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Final rule, technical amendment.

SUMMARY: The U.S. Department of Energy (DOE) is amending its regulations in compliance with a United States Court of Appeals for the Eighth Circuit court decision vacating the March 29, 2024 rule revising procedures for calculating a value for the petroleum-equivalent fuel economy of electric vehicles (EVs) used by the Environmental Protection Agency (EPA) in calculating light-duty vehicle manufacturers' compliance with the Department of Transportation's (DOT) Corporate Average Fuel Economy (CAFE) standards.

DATES: This action is effective on [INSERT DATE OF PUBLICATION OF IN THE *FEDERAL REGISTER*]. However, the opinion had legal effect on September 5, 2025.

FOR FURTHER INFORMATION CONTACT: Mr. Kevin Stork, U.S. Department of Energy, U.S. Department of Energy, Vehicle Technologies Office, EE-3V, 1000 Independence Avenue SW, Washington, DC 20585. Telephone: (202) 586-8306. Email:

Kevin.Stork@ee.doe.gov.

SUPPLEMENTARY INFORMATION: The Energy Policy and Conservation Act (EPCA) requires the Secretary of Transportation to set fuel economy standards for automobiles produced in, or imported into, the United States. 49 U.S.C. 32902. EPCA, as amended, requires the Secretary of Energy to determine the equivalent petroleum-based fuel economy values for various classes of electric vehicles for the purpose of determining compliance with these fuel economy standards. 49 U.S.C. 32904(a)(2)(B).

On March 29, 2024, DOE issued a final rule that revised the procedure for calculating a value for the petroleum-equivalent fuel economy for EVs and revised the value for the petroleum-equivalency factor (PEF). 89 FR 22041 (Mar. 29, 2024) (2024 Final Rule). In the 2024 Final Rule, DOE calculated the petroleum-equivalency factor by multiplying four values: (1) a cumulative gasoline-equivalent energy content of electricity; (2) a fuel content factor (FCF); (3) an accessory factor (AF); and (4) a driving pattern factor (DPF). 89 FR 22041, 22053. DOE asserted that this methodology reflected the Secretary’s consideration of each statutory factor. The 2024 Final Rule adopted the following PEF values for electric vehicles starting in Model Year 2027:¹

Table 1 – Revised PEF values in the 2024 Final Rule for MY 2027-2030 EVs and Later

| Model Year | CE _g | FCF | AF | DPF | PEF |
|----------------|-----------------|----------|-----|-----|--------|
| 2027 | 28,996 | 1/0.3625 | 1.0 | 1.0 | 79,989 |
| 2028 | 28,996 | 1/0.575 | 1.0 | 1.0 | 50,427 |
| 2029 | 28,996 | 1/0.7875 | 1.0 | 1.0 | 36,820 |
| 2030 and later | 28,996 | 1.0 | 1.0 | 1.0 | 28,996 |

On April 5, 2024, the states of Iowa, Arkansas, Florida, Idaho, Kansas, Mississippi, Missouri, Montana, Nebraska, Ohio, Oklahoma, Texas, Utah, and the American Free Enterprise Chamber of Commerce filed a petition for review in the United States Court of Appeals for the Eighth Circuit. *Iowa, et al. v. Wright* (Case No. 24-1721 (8th Cir.)). In a September 5, 2025, opinion, the Eighth Circuit granted the petition for review, vacated the 2024 Final Rule, and remanded the proceedings to DOE. Specifically, the court ruled, among other things, that the fuel content factor was illegal or otherwise contrary to statute. Because the court vacated the 2024 Final Rule, the previous petroleum equivalency factor rule springs back into effect. *Menorah*

¹ The 2024 Final Rule did not revise the methodology or the PEF value for MY 2024-2026 EVs, thus the PEF value for those model years remain 82,049 Wh/gal.

Med. Ctr. v. Heckler, 768 F.2d 292, 297 (8th Cir. 1985) (“Unless special circumstances are present . . . prior regulations remain [in place] until replaced by a valid regulation or invalidated by a court.”).

In this final rule, DOE amends its regulations in compliance with the September 5, 2025, court decision. It removes the revisions adopted in the 2024 Final Rule and amends the regulatory text so that it reads as it appeared before the 2024 Final Rule went into effect.

This final rule is not subject to the requirement to provide prior notice and an opportunity for public comment pursuant to 5 U.S.C. 553(b)(B). DOE finds good cause to waive the requirement to provide prior notice and an opportunity for public comment as such procedure is unnecessary. DOE is complying with the order of a Federal court and has no discretion to do otherwise. In implementation of that order, DOE is removing 2024 Final Rule. Comments suggesting any other course would serve no useful purpose.

Approval of the Office of the Secretary

The Secretary of Energy has approved publication of this final rule; technical amendment.

List of Subjects in 10 CFR Part 474

Corporate average fuel economy, Electric (motor) vehicle, Electric power, Energy conservation, Fuel economy, Motor vehicles, Research.

Signing Authority

This document of the Department of Energy was signed on December 31, 2025, by Audrey Robertson, Assistant Secretary for Critical Minerals and Energy Innovation, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for

publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC, on January 6, 2026.

Treena V. Garrett
Federal Register Liaison Officer,
U.S. Department of Energy

For the reasons stated in the preamble, DOE amends part 474 of Chapter II of Title 10 of the Code of Federal Regulations as set forth below:

PART 474—ELECTRIC AND HYBRID VEHICLE RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM; PETROLEUM-EQUIVALENT FUEL ECONOMY CALCULATION

1. The authority citation for part 474 continues to read as follows:

Authority: 49 U.S.C. 32901 *et seq.*

2. Amend § 474.2 by revising the definition for “Petroleum-equivalency factor” to read as follows:

§ 474.2 Definitions.

* * * * *

Petroleum equivalency factor means the value specified in § 474.3(b) of this part, which incorporates the parameters listed in 49 U.S.C. 32904(a)(2)(B) and is used to calculate petroleum-equivalent fuel economy.

* * * * *

3. Amend § 474.3 by

- a. Revising the introductory text of paragraph (b); and
- b. Removing paragraphs (c), (d), (e), and (f)

The revision reads as follows:

§ 474.3 Petroleum-equivalent fuel economy calculation.

* * * * *

(b) The petroleum-equivalency factors for electric vehicles are as follows:

* * * * *

4. Add § 474.5 to read as follows:

§ 474.5 Review and Update

The Department will review part 474 five years after the date of publication as a final rule to determine whether any updates and/or revisions are necessary. DOE will publish a notice in the Federal Register soliciting stakeholder input in this review. The Department will publish the findings of the review and any resulting adjustments to part 474 in the *Federal Register*.

5. Revise appendix A to part 474 to read as follows:

Appendix to Part 474 - Sample Petroleum-Equivalent Fuel Economy Calculations

Example 1: An electric vehicle is tested in accordance with Environmental Protection Agency procedures and is found to have an Urban Dynamometer Driving Schedule energy consumption value of 265 Watt-hours per mile and a Highway Fuel Economy Driving Schedule energy consumption value of 220 Watt-hours per mile. The vehicle is not equipped with any petroleum-powered accessories. The combined electrical energy consumption value is determined by averaging the Urban Dynamometer Driving Schedule energy consumption value and the Highway Fuel Economy Driving Schedule energy consumption value using weighting factors of 55 percent urban, and 45 percent highway:

$$\text{combined electrical energy consumption value} = (0.55 * \text{urban}) + (0.45 * \text{highway}) = (0.55 * 265) + (0.45 * 220) = 244.75 \text{ Wh/mile}$$

Since the vehicle does not have any petroleum-powered accessories installed, the value of the petroleum equivalency factor is 82,049 Watt-hours per gallon, and the petroleum-equivalent fuel economy is:

$$\frac{82,049 \frac{Wh}{gal}}{244.75 \frac{Wh}{mile}} = 335.24 \text{ mpg}$$

Example 2: The vehicle from Example 1 is equipped with an optional diesel-fired cabin heater/defroster. For the purposes of this example, it is assumed that the electrical efficiency of the vehicle is unaffected.

Since the vehicle has a petroleum-powered accessory installed, the value of the petroleum equivalency factor is 73,844 Watt-hours per gallon, and the petroleum-equivalent fuel economy is:

$$\frac{73,844 \frac{Wh}{gal}}{244.75 \frac{Wh}{mile}} = 301.71 \text{ mpg}$$

[FR Doc. 2026-00154 Filed: 1/7/2026 8:45 am; Publication Date: 1/8/2026]