



NATIONAL VEHICLE AND FUEL EMISSIONS LABORATORY

ANN ARBOR, MI 48105

March 9, 2026

IACD-2026-02 (LDV/LDT/ICI/LIMO)

SUBJECT: Fuel Economy Label Information for 2026 and 2027 Model Years

Dear Manufacturer,

The purpose of this manufacturer information letter is to provide information designed to guide you in your 2026 and 2027 model year fuel economy labeling program.

Enclosed, "Fuel Economy Supplementary Information for the 2027 Model Year," contains information necessary to print fuel economy labels, including information about 2027 fuel costs, fuel economy ranges, smog and fuel economy ratings, and more. Except for the fuel economy ranges described in section 2 of the enclosure, nothing in this document impacts labels for 2026 model year vehicles. Labels for 2026 model year vehicles should continue to use the fuel prices and ratings information specified in [IACD-2025-03 \(Revised\) \(April 7, 2025\)](#). All 2027 model year labels should use the information specified in this guidance letter.

Manufacturers are strongly encouraged to carefully review label values and associated data for accuracy before labels are finalized and used. Inaccuracies in labels harm the integrity of the program, delay the prompt publication of values on fueleconomy.gov, and have the potential to harm consumers.

If you have any questions about these instructions, please contact your certification team representative.

Sincerely,

A handwritten signature in black ink, appearing to read "Byron Bunker", is positioned above the typed name.

Byron Bunker, Director
Implementation, Analysis and Compliance Division
Office of Transportation and Air Quality

Enclosure

cc: Austin Brown, DOE

Enclosure to IACD-2026-02
Fuel Economy Supplementary Information for the 2027 Model Year

1. Annual Fuel Cost Estimates for 2027 Model Year Vehicles

Annual fuel cost estimates used on the fuel economy labels of 2027 model year vehicles must be based on the following fuel cost estimates. You should contact your EPA representative if you need a fuel price for fuel not listed below.

Regular Unleaded Gasoline	\$3.10	per gallon
Mid-Grade Unleaded Gasoline	\$3.60	per gallon
Premium Unleaded Gasoline	\$3.95	per gallon
Diesel Fuel	\$3.45	per gallon
E85	\$2.60	per gallon
Compressed Natural Gas (CNG)	\$2.30	per gallon equivalent
Electricity	\$0.18	per kilowatt-hour

The annual fuel cost estimates should be calculated based on 15,000 annual vehicle miles, the above listed fuel cost, and the adjusted combined miles per gallon (MPG) (0.55/0.45 harmonic weighting of the adjusted city and highway MPG values, then rounded to the nearest whole MPG). Note that the annual fuel cost is required to be rounded to the nearest \$50.00. The generally accepted method for achieving this is to divide the unrounded annual fuel cost by 50, round the result to the nearest \$1.00 (using ASTM rounding), and then multiply by 50. Using this method, an unrounded value that ends in exactly 25 will be rounded down, and an unrounded value that ends in exactly 75 will be rounded up (e.g., \$1225.00 rounds to \$1200.00 and \$1275.00 rounds to \$1300.00). Fuel prices shown here are applicable only to 2027 model year vehicles and should not be applied to any 2026 or earlier model year vehicles.

2. Fuel Economy Ranges to be Placed on FE Labels for 2026 and 2027 Model Year Vehicles

Labels must contain the range of the highest and lowest combined MPG values of vehicles within each vehicle class, commonly called the “fuel economy range” for a comparable class of vehicles. Pursuant to 40 CFR 600.314-08(d), the U.S. Environmental Protection Agency (EPA) most recently provided the combined MPG ranges for comparable classes of vehicles via EPA Guidance Letter IACD-2025-03 (Revised) (April 7, 2025). The ranges in that guidance were generally applicable to the 2026 model year, as well as to any 2025 model year vehicles manufactured more than 15 days after that guidance letter was published. This Guidance Letter updates those ranges and should be used for both 2027 model year vehicles as well as any 2026 model year vehicles manufactured more than 15 days after the publication date of this Guidance Letter.¹

If, in the course of the model year, manufacturers add a model with MPG values outside the ranges provided in the EPA guidance letter, manufacturers should update the ranges for that model appropriately, increasing or decreasing the range as needed. Because these ranges are based on 2026 models, the EPA may provide updated ranges during the 2027 model year.

¹ 40 C.F.R. 600.301

Car Line Class	Estimated Fuel Economy Range (MPG)*
	Combined (55% city/45% highway)
Two Seaters	12 - 51
Minicompact Cars	16 - 116
Subcompact Cars	12 - 44
Compact Cars	12 - 126
Midsize Cars	15 - 139
Large Cars	14 - 146
Small Station Wagons	17 - 121
Midsize Station Wagons	16 - 93
Large Station Wagons	0 - 0
Small Pick-up Trucks	20 - 38
Standard Pick-up Trucks	12 - 87
Vans	0 - 0
Special Purpose Vehicle	15 - 29
Minivans	20 - 83
Small Sport Utility Vehicles	14 - 138
Standard Sport Utility Vehicles	13 - 115

* Note that ranges do not include the MPG values of flex fuel vehicles operating on E85.

3. Fuel Economy and Greenhouse Gas Ratings for 2027 Model Year Vehicles

The labels require a “slider bar” that displays MPG and greenhouse gas (GHG) ratings. The ratings for the 2027 model year should apply to all 2027 model year vehicles, even those labeled after the EPA issues new ratings for the 2028 model year. In other words, all 2027 models will be rated using the same system, presented in this Guidance Letter, to ensure comparability across all 2027 models.

All vehicles require an MPG rating determined from the table below. The regulations require in 40 CFR 600.302-12(e)(2) that gasoline vehicles display a single rating, based on the rounded combined MPG, as determined for model year 2027 vehicles in the table below. Gasoline vehicles are not required to display a separate GHG rating. Flexible fuel (E85) vehicles are rated based on gasoline operation and, like gasoline vehicles, require only a single rating based on gasoline operation. The MPG value to be used to determine a rating for plug-in hybrid electric vehicles (PHEVs) is a combined city/highway “utilitized” MPG value (*i.e.*, a weighted combination of the charge-depleting MPGe and the charge-sustaining MPG). The MPG value used to determine the fuel economy rating for electric vehicles (EVs) is the combined MPGe displayed on the label which is derived from charge depleting testing with a 5-cycle adjustment factor applied (0.7 or vehicle specific).

Model Year 2027 Rating Scale for Fuel Economy	
Fuel Economy Rating	Combined City/Highway Fuel Economy (MPG)
10	≥121
9	67 - 120
8	47 - 66
7	36 - 46
6	29 - 35
5	23 - 28
4	19 - 22
3	16 - 18
2	14 - 15
1	≤13

Under the regulations, manufacturers must calculate a combined city/highway carbon dioxide (CO₂) value, both for display on the label as required by 40 CFR 600.302-12(e)(5) (for all vehicles) and to calculate a GHG rating (for certain vehicles that operate on fuels other than gasoline) as required by 40 CFR 600.302-12(e)(2). Note that the combined city/highway CO₂ is determined just like the comparable MPG value (*i.e.*, it is a sales-weighted model type value determined from sub-configuration test results, not a mathematical conversion of the model type MPG value). It is also calculated in the same manner the MPG value is, using the derived 5-cycle, modified 5-cycle, or full 5-cycle methodology. The CO₂ value to be used to determine a rating for PHEVs is a combined city/highway “utilitized” gram per mile value (*i.e.*, a weighted combination of the charge-depleting CO₂ emissions and the charge-sustaining CO₂ emissions).

Vehicles that operate on fuels other than gasoline (including PHEVs) must determine a GHG rating from the following table. E85 vehicles should establish a GHG rating on each fuel, although for labeling purposes these vehicles receive MPG and GHG ratings as if they were gasoline vehicles. The GHG rating on E85 should not be placed on the label. If the numerical GHG rating determined from this table is identical to the numerical fuel economy rating, the label should display only one “pointer” above the slider bar. If the GHG rating differs from the fuel economy rating (as will be the case, for example, for some diesel, PHEV, EV and CNG vehicles), the label should display two pointers on the slider. The pointer above the slider bar should represent the fuel economy rating, and the pointer below the slider bar should represent the GHG rating. The CO₂ value for fully electric vehicles in the 2027 model year is zero grams per mile, therefore, the GHG rating will be “10.” In some cases, the fuel economy (MPG) rating for EVs will differ from the GHG rating, therefore requiring two pointers.

Model Year 2027 Rating Scale for Greenhouse Gases	
Greenhouse Gas Rating	Combined City/Highway CO₂ g/mile
10	0 - 74
9	75 - 134
8	135 - 191
7	192 - 250
6	251 - 312
5	313 - 395
4	396 - 480
3	481 - 573
2	574 - 658
1	≥659

4. Average New Vehicle Fuel Economy and Cost Values

For the 2027 model year, based on the regular unleaded gasoline price projection in this memorandum, the statement in the label footer should read as follows:

“The average new vehicle gets 29 MPG and costs \$8,000 to fuel over 5 years.”

5. Smog Rating

Criteria for establishing smog ratings are now generally contained in the regulations.² However, for consistency with previous guidance and to provide a single resource for label ratings, we reproduce the smog rating scale for model year 2027 below.³ As with previous guidance, the rating for a vehicle will continue to be based on the Federal emission standards to which a vehicle is certified.

Rating	U.S. EPA Tier 3 or Tier 4 Emission Standard	California Air Resources Board LEV III or LEV IV Emission Standard
1	Bin 160	LEV160
2	Bin 125	ULEV125
3		
4	Bin 55 - 70	ULEV70 or ULEV60
5	Bin 35 - 50	ULEV50 or ULEV40
6	Bin 25 or 30	SULEV25 or SULEV30
7	Bin 15 or 20	SULEV15 or SULEV20
8	Bin 10	
9	Bin 5	
10	Bin 0	ZEV

² 40 CFR 600.311-12(g)

³ The ratings table below replicates Table 1 in 40 CFR 600.311-12(g).

6. Quick Response (QR) Code

40 C.F.R. 600.302-12(b)(6) requires that the label contain a QR Code. A QR Code is a two-dimensional bar code that contains text – in this case a website URL. The regulations note that the EPA will specify the URL that should be encoded in the QR Code.

In consultation with the U.S. Department of Energy (DOE), we have identified a methodology for determining the URL for a given model type. Using this methodology, every model type will have a unique URL assigned to it, allowing mobile devices to access the data for that specific model type. The URL should have the following form:

<http://fueleconomy.gov/qr?id=YYYYMMMXXX>

Where:

YYYY = the four digit model year of the model type (e.g., 2027);

MMM = the three character manufacturer code as entered in EPA's Verify database, in all capitals (e.g., TKX); and

XXX = the model type index as entered in EPA's Verify database, where all values are represented by 3 digits using preceding zeros as necessary (e.g., 123, 073, 004).

7. Label Text Regarding the Best Overall Vehicle

The label requires two statements regarding the best overall vehicle – one regarding MPG and another, in a different location on the label, regarding CO₂ grams/mile performance. Similar to how we treat the fuel economy ranges of comparable vehicles, we typically ask the manufacturer to refer to the guidance from the prior model year until updated guidance is published. For 2027 model year vehicles, the following statements should appear in the designated places on the label:

“The best vehicle rates 146 MPGe.”

“The best emits 0 grams per mile (tailpipe only).”

8. Expressing the All-Electric Driving Range of a Blended Plug-In Hybrid Electric Vehicle

To ensure that the all-electric driving range of a “blended” PHEV is accurately characterized by the manufacturer on the label, we request that the all-electric range (if any) be expressed as a range of values. (A blended PHEV is a PHEV that mixes gasoline use with stored electricity from the grid before the grid electricity is fully depleted.) For example, instead of describing the range as “12 miles,” the label should state the range as “0 to 12 miles” or “0-12 miles” (replace “0” with an appropriate non-zero value if a non-zero value accurately describes the real-world operation of the vehicle).

We have found that use of the derived 5-cycle method (with a limit on the adjustment of 0.7) may not be an accurate method for characterizing some of the performance values of some vehicles. For example, aggressive driving such as that found on the US06 may immediately call upon the internal combustion engine of a PHEV, thus reducing the all-electric range not by 30%, but by 100% (*i.e.*, to

zero miles). Because the label values are intended to account for the effects of aggressive driving, air conditioning use, cold temperatures, and other factors, the label should attempt to describe the real-world effects of these factors on the all-electric driving range of a PHEV. These factors, either singly or in combination, can significantly reduce or even eliminate the all-electric driving range of a PHEV. Consequently, we request that manufacturers describe the all-electric range of a PHEV as a range with a lower bound that is zero, unless the manufacturer can justify, with an engineering analysis or test results, that a non-zero value is appropriate (*i.e.*, that a non-zero all-electric range will occur even when aggressive driving, air conditioning, cold temperatures, and other real-world factors are encountered in actual use).