Honda Fit electric car gets 118 mpg, but costs add up

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At 118 miles per gallon (50 kilometers per liter), the Honda Fit electric vehicle is the most fuel-efficient in the United States. But getting that mileage isn't cheap — and it isn't always good for the environment.

Honda announced the eye-popping figure Wednesday, making the small,

four-door hatchback more efficient than electric rivals like the Ford Focus, Nissan Leaf and Mitsubishi i-MiEV. It goes on the market this summer in Oregon and California.

The electric Fit has an estimated price tag nearly twice as high as the gasoline-powered version. It would take 11 years before a driver makes up the difference and begins saving on fuel.

With gas prices falling, the high sticker price for electric vehicles is becoming more of a barrier for American buyers, even though the vehicles are far more efficient than their gas-powered counterparts. That's hurting sales of electrics.

Through May, carmakers sold just over 10,000 electric vehicles, less than 0.2 percent of U.S. car and truck sales.

That's because the numbers don't add up for the average consumer.

— The electric Fit needs 28.6 kilowatt hours of electricity to go 100 miles (160 kilometers). At the national average price of 11.6 cents per kilowatt hour, that costs $3.30.

A gas-powered automatic-transmission Fit, which gets 31 miles per gallon (13 kilometers per liter), needs to burn 3.2 gallons (12.11 liters) to travel 100 miles (160 kilometers). At the national average price of $3.57 per gallon of gasoline, that's $11.52.

— People drive an average of almost 13,500 miles (21,725 kilometers) a year, so a typical driver would spend $445 on electricity for an electric Fit over a year, and $1,552 on gasoline for a regular Fit.

— Honda has valued the price of an electric Fit at $29,125 after a $7,500 federal tax credit. That's $12,210 more than the gas-powered Fit

— a savings of $1,107 per year to make up the difference between the electric and the gas-powered version.

Customers don't want to spend the extra money up front and wait for years for payback, said Geoff Pohanka, who runs 13 auto dealerships in Virginia and Maryland, including three that sell the Nissan Leaf and Chevrolet Volt electric cars.

"People are smart. They're looking for the deal," he said. "Is somebody going to fork out $15,000 more for something that gets them less range than their car now? It's not happening."

At first, Honda will only be leasing Fit EVs in Oregon and California, for $389 per month. The subcompact seats up to five people and can be recharged in three hours with a 240-volt charging station. A fully charged Fit EV can go 82 miles (132 kilometers), meaning a daily commute could cost nothing for gasoline.

And leases can make sense for consumers. Carmakers can lower rates and subsidize deals in order to make a car — especially one with new, expensive technology — more attractive to buyers.

Jesse Toprak, vice president of market intelligence for the car buying site TrueCar.com, said he tested an electric Chevrolet Volt, driving it less than 35 miles (56 kilometers) a day from his Los Angeles-area home to work and back. The cost of leasing it — $369 a month — is comparable to the $300 he would spend on gas.

"In a lot of these cases, I'm surprised that people are not lining up to get these things," he said.

The comparison between gas and electric cars also can vary with geography, largely because energy prices vary wildly across America.

In Oregon, where gasoline is 18 percent more expensive than the national average and electricity is 16 percent lower, an electric Fit will save $121 per month in fuel. In Connecticut, which has the highest power prices in the country, the monthly savings are just $83.

The fuel used to generate electric power and the cost of gasoline also vary by region —and that affects how environmentally friendly an electric car purchase is.

In Midwestern states that rely heavily on coal, driving an electric car produces 18 percent fewer greenhouse gas emissions than driving a typical gasoline-powered car, according to the Union of Concerned Scientists. Surprisingly, driving an electric car there produces 50 percent more greenhouse gases than driving a 50 mpg (21.26 kpl) electric hybrid.

In the Northeast and Northwest, where a bigger portion of the power is produced with nuclear reactors, hydroelectric dams, natural gas-fired power plants and wind farms, an electric car will produce 76 percent fewer greenhouse gas emissions than a typical gasoline-powered car and 56 percent fewer emissions than a hybrid.

No matter what the energy costs, Honda expects to trumpet the Fit EV's 118 mpg (50 kpl) figure, even though it will lease only 1,100 of the cars in its first two years on the market.

Honda predicts that the initial customers for the Fit EV will won't be focusing on a cost-benefit analysis. Instead, they'll want to make a statement about cutting greenhouse gases and reducing dependence on foreign oil, said Robert Langford, Honda's manager of plug-in electric vehicle sales.

Like the rest of the auto industry, Honda isn't sure when or if electric

vehicles will ever replace those that run on gas, he said. The company keeps constant watch on sales of electric cars already on the market like the Nissan Leaf and Chevrolet Volt.

"That's constantly on our mind right now and on our radar screen," said Langford.

Chevrolet doesn't actively market the Volt's 94 mpg (40 kpl) figure, because it's too confusing to explain to consumers that the car can drive that distance while running on electricity. The Volt, unlike other electrics, has a small gas engine on board to generate power for the car after the battery is depleted.

What resonates more with consumers is that the average Volt driver goes 900 miles before buying gasoline, said Cristi Landry, the car's marketing director.

She also isn't sure when electric cars will go beyond the environmentally conscious buyer and into the rest of America's driveways.

Electric vehicles, Toprak said, won't sell en masse until customers know they will ultimately save enough to take a risk on new technology.

"You're not buying it to save the trees," Toprak said. "You're buying it to save money for yourself."