

Clean Diesel Work Group



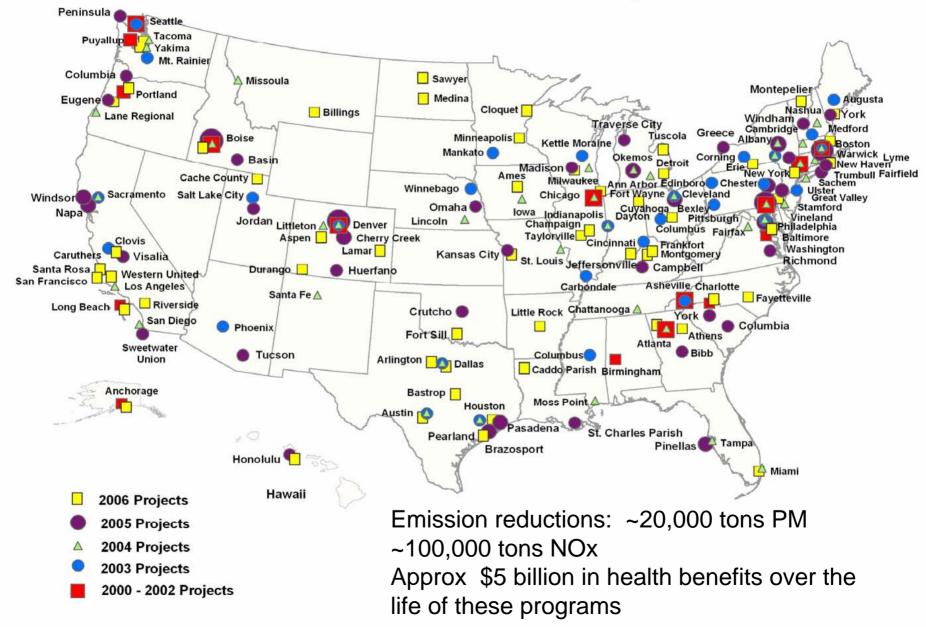
September 18, 2007 Meeting Report For the MSTRS September 19, 2007



Clean Diesel Working Group

- Clean Diesel Working Group formed under MSTRS to advise EPA on:
 - How to assess fleets to determine diesel emission reduction strategies' suitability
 - Evaluation of in-use performance of retrofit technology
 - Education of the public on emission reduction strategies
 - How to establish national incentives for cleaner diesel strategies
- Submitted Report in January, 2006 to the MSTRS
- CAAAC submitted Report to Administrator in April, 2006
- 6 Month report October 2006
- September 18th meeting update on progress

EPA Funded Retrofit Projects (as of 6/28/2007)



FY08 EPA Budget

EPAct 2005: Diesel Emission Reduction Program:

- President proposed \$35M, nonattainment (NA) areas
- House and Senate Marks: \$50 M
 - Senate mark contains additional \$15M for CA
- Program divided into Federal (70%) and State (30%) components
 - Funds will be distributed through RFPs by EPA Regions
 - Up to 10% for "emerging technologies"
 - Up to 30% for State programs
- Program funding, allocations, criteria, eligibility, etc. subject to final Congressional appropriation language

EPA's 7 Clean Diesel Collaboratives Awarded \$12M in grants last year



- Collaboratives will compete FY08 DERA grants
- Using a model RFP, tailored to regional needs
- 70% for federal grant/loan programs
 - 50% to public fleets
 - 10%emerging technology
- 30% state programs

CMAQ Progress - \$80M in Projects since 2005 SAFETEA-LU

Guidance Documents

- FHWA Interim CMAQ Guidance
 - Cites SAFETEA-LU's priority language for diesel retrofits and provides broad eligibility for retrofit projects
- Retrofits and emissions credits
 - "Diesel Retrofits: Quantifying and Using Their Benefits in SIPs and Conformity- Guidance for State and Local Air and Transportation Agencies"
 - For the first time, outlines how conformity credit can be taken for nonroad projects
 - "SmartWay SIP and Conformity Guidance: Accounting for NOx Reductions from Trailer Aerodynamic Kits and Low-Rolling Resistance Tires"
- Cost effectiveness of diesel retrofits
 - New Technical report on the cost effectiveness of nonroad diesel retrofits
 - "The Cost-Effectiveness of Heavy-Duty Diesel Retrofits and Other Mobile Source Emission Reduction Projects and Programs"

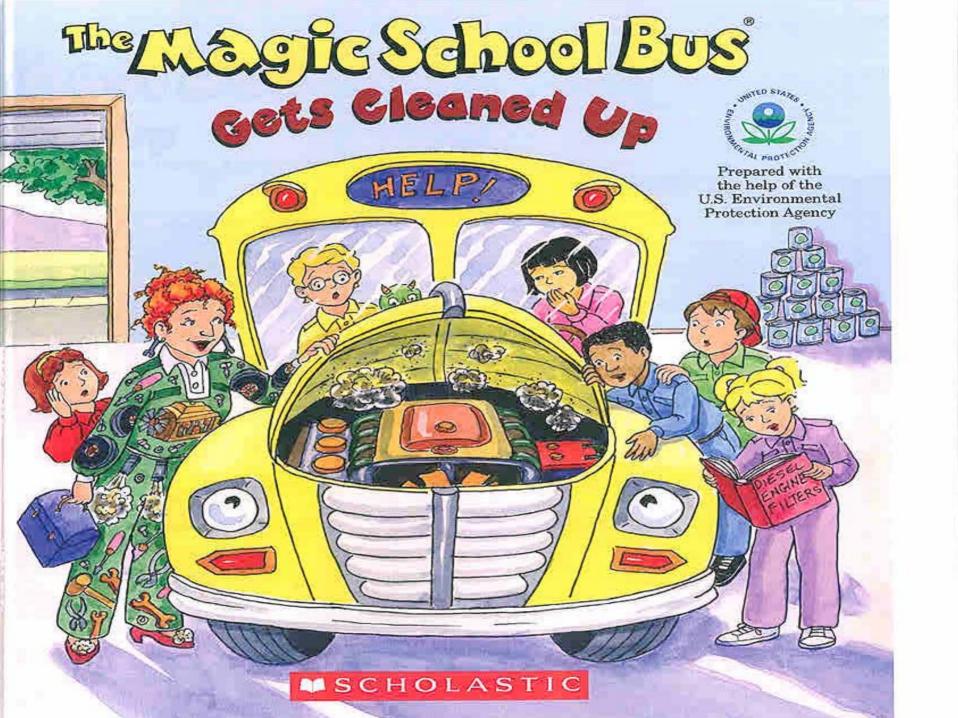
Diesel Technology Forum report on accessing CMAQ funds for retrofits

All 10 EPA Regions held "Funding Forums"

National Clean Diesel Campaign Highlights

Technical Support -

- New nonroad verifications, 27 technologies EPA's verified list
- In-use testing results: technologies effective in the field
- Diesel Emissions Quantifier (web-based calculator released)
 - Widely used tool. In July, the DEQ was accessed more than 800 times daily.
- Major workshops and conferences in sectors
 - Clean Ships Conference
 - Pacific Rim Conference
 - Funding forums on Innovative financing, CMAQ opportunities
 - Faster Freight Cleaner Air Conferences
- Interagency proposal to International Maritime Organization for Ocean Going Vessel emission reductions
- Marketing and Outreach
 - Fall release of Magic School Bus children's book
 - New Construction Sector video released with Region 2 (www.northeastdiesel.org)



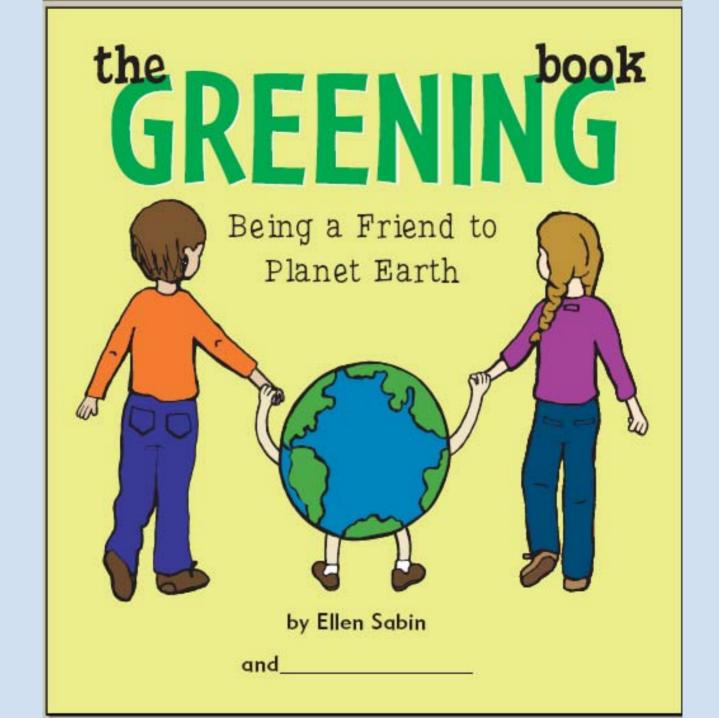
SmartWay Highlights

- Our 625 SmartWay Partners
 - Drive approximately 330,000 trucks and nearly 23 billion miles per year
 - Reduce nearly 7 million tons of CO2 emissions per year
 - Equivalent to emissions from 523,000 cars
 - Save over 625 million gallons of diesel fuel per year
- New SmartWay Program initiatives:
 - SmartWay Truck Designation
 - SmartWay truck stop and truck dealer agreements
 - SmartWay Finance Initiative working with eight lenders, over 200 loans
 - PSA campaign including "Trick My Truck" Video
 - SmartWay Grow and Go Initiative
 - SmartWay Port Drayage model
 - SmartWay Supply Chain Initiative
 - Heavy Duty Fuel Economy Test Development

SmartWay Tractor-Trailer

- 10 20% more efficient than a combination truck without these features (based upon EPA testing, peer-reviewed reports and industry data)
- Engine must be 2007-certified
- Every major manufacturer of class 8 OTR tractors offers at least one SmartWay tractor model
- Two major manufacturers of trailers offer a SmartWay trailer model
 Interest in expanding to day cabs and refrigerated trailers





OTHER STUFF

💙 Other Ways to Be Green 🎔

People can make lots of other choices that help the earth.

Below, you can read about some things that people, groups, and even businesses are doing to help the planet.

More and more

POWER CHOICES

SHOPPING CHOICES

Some people are "green" consumers. That means that they choose to buy certain kinds of cars, food, clothes, toys, and other things based on the impact these goods have on the earth.

BUSINESS CHOICES

Some companies are choosing to be more "green." They try to treat the earth more gently when they run their business or make products. If you see a truck or



car that says "SmartWay" Transport" you'll know that that company is trying to be earth-friendly by using

fewer fossil fuels and reducing air pollution. Other companies make products that use less energy. For example, many appliances and household itemslike refrigerators, computers, dishwashers, and TVs-

have earned the "ENERGY STAR*" label. Products with that label use a lot less energy and help fight global warming.



people are choosing to use alternative. "renewable" sources of energy to power their homes or things. That means that they use types of energy that will never run out. Instead of using gas or oil, they use solar energy (energy from the sun) or energy from the wind or water.

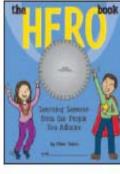
TRANSPORTATION

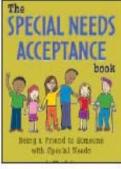


people like to carpool or take buses or trains instead of driving alone. By traveling in groups, people use fewer cars. Fewer cars on the road means less gas is used and less pollution is created.

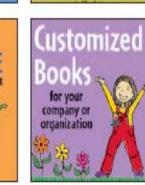
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Hydraulic Hybrid Demonstration Project

- Benefits of Hydraulic Hybrids
 - High fuel economy
 - Low incremental cost
 - Short payback to owner
 - High lifetime-savings
 - Very low emissions
 - Enables unique high-efficiency engines



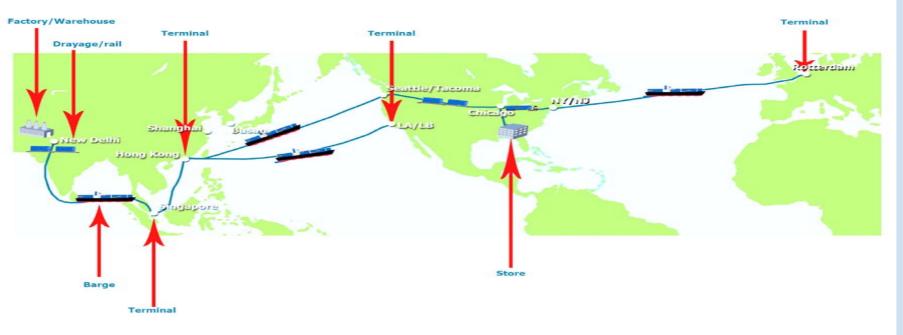
- Yard Hostler Demonstration-APM Terminals, Ports of NY/NJ, Rotterdam, EPA
 - 50-60% efficiency improvement in port operation
 - Fuel savings of \$23,000 over 7 years
 - Will accelerate technology transfer to industry

NYC September 5-6, 2007 2nd Annual Regional Leadership Forum on Ports

- EPA's political leadership agreed on a vision and unified strategy for addressing the environmental implications of port operations and growth
- Vision: "EPA will partner with ports, their business partners, community and other stakeholders to become world leaders in sustainable commerce. US ports will be environmentally and socially responsible, economically viable, safe and secure"
- Strategy establishes targets in 5 areas:
 - Clean Air & Affordable Energy
 - Clean and Safe Water
 - Healthy communities and Ecosystems
 - The Global Environment
 - Communications



Transportation Supply Chain



February 25-27, 2008 LA Convention Center

July 8-10, 2008 - New York City



The FY08 and Beyond

- Continue the communication, education and technology development, technical support & partnerships
- Reducing emissions from diesel engines is a shared responsibility – federal, state, private, local organizations all have to do their part
- Innovative financing programs will help us meet our goal of reducing emissions from the existing fleet

Next Step: Promote establishment of State Air Quality Finance Authorities