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ENGINE MANUFACTURERS COMMITTED TO REDUCING EMISSIONS FROM DIESEL ENGINES POWERING NONROAD EQUIPMENT

CHICAGO, IL, June 10, 2003 - Regulations proposed by the United States Environmental Protection Agency (EPA) would virtually eliminate emissions from diesel engines used in farm, construction, and other nonroad applications and will provide huge air quality benefits, but must allow sufficient time for manufacturers to develop and implement necessary technology, according to Jed Mandel, President of the Engine Manufacturers Association (EMA)

In testimony today at an EPA public hearing on the proposed regulation, Mandel reaffirmed the commitment of EMA members, who are the principal manufacturers of nonroad diesel engines, to achieve emission reductions. "The engine industry already has made significant strides to reduce emissions. Meeting the standards defined in the proposed regulation will be extraordinarily challenging and will require enormous effort, but engine manufacturers will do their part." The proposed Tier 4 regulation would reduce sulfur levels in nonroad diesel fuels and require further significant reductions in emissions of particulate matter and nitrogen oxide emissions from a wide variety of nonroad engines and equipment throughout the country.

The new EPA nonroad proposal comes as engine manufacturers are developing the emissions control technology to meet recently approved EPA emissions standards for onhighway engines that take effect starting in 2004 and 2007.

"Applying that technology to nonroad diesel engines will pose significant challenges and require enormous capital investment," Mandel Said. "Unlike on-highway engines, nonroad engines are produced in a much wider power range and much lower volumes, serve in a vastly wider range of specialized applications that are produced by thousands of manufacturers, and must operate under highly variable and harsh conditions. They also are used in equipment for which space often is very limited and for which any redesign, no matter how seemingly minor, imposes substantial costs."

Engine Manufacturers Committed to Reducing Emissions...2

"While we believe that EPA's overall approach is sound, the final regulations must assure manufacturers of: adequate time to develop the necessary technology and spread research and development costs and workload; sufficient time between changes in emissions standards to recoup capital investment; and reasonable compliance flexibility to reduce costs and minimize the potential for market disruptions," he said.

Redesigned nonroad engines and equipment also must meet customers' expectations for performance and cost, Mandel testified. "Lack of customer acceptance of the new products could result in diminished turnover of older, higher emitting engines or pre-buys of less advanced engines, resulting in failure to achieve the emissions benefits that EPA anticipates."

Mandel noted that emission reductions to date have been achieved through improved engine technology and that further gains will require a systems approach linking improved engine technologies, clean fuels and aftertreatment technologies. "The key is to greatly reduce the sulfur content of nonroad diesel fuel, which today has an average sulfur content ten times that of on-highway diesel fuel," he said. "We support EPA's two-step plan to reduce sulfur content to near zero, which will reduce emissions from in-use equipment and enable the use of aftertreatment emission reduction technology in new equipment."

Additionally, Mandel stressed the importance and cost effectiveness of aligning fuel and emission standards on a global basis and urged EPA to continue to work with European and Asian regulators to establish uniform, worldwide nonroad emissions standards.

The Engine Manufacturers Association is a trade association representing worldwide manufacturers of internal combustion engines used in applications such as trucks and buses, farm and construction equipment, locomotives, marine vessels, and lawn, garden and utility equipment. EMA works with government and industry stakeholders to help the nation achieve its goals of cleaner fuels, more efficient engines and cleaner air.