

Two North LaSalle Street Suite 2200 Chicago, Illinois 60602 Tel: 312/827-8700 Fax: 312/827-8737

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CONTACT: Kevin Kokrda 312-827-8700

SUPPLIERS OF UREA CAN BE READY TO SUPPORT USE OF SELECTIVE CATALYTIC REDUCTION IN CARS AND TRUCKS BY 2009

Chicago, IL, August 9, 2006. The Engine Manufacturers Association (EMA) today released a study demonstrating that suppliers of urea, a key reagent used in pollution control equipment to reduce emissions of nitrogen oxides, can develop a retail infrastructure to support the use of the pollution control technology in diesel trucks, buses, and cars. The technology, know as Selective Catalytic Reduction (SCR), is used widely today in stationary power plants, and is being considered by engine and vehicle manufacturers as a potential solution to meet new stringent nitrogen oxide emission standards for diesel-powered vehicles.

The EMA commissioned study, <u>SCR-Urea Implementation Strategies Update</u>, was prepared by TIAX LLC's office in Cupertino, California, and updated a 2003 study on the same topic. TIAX examined the changes in market conditions and extended the scope of the study to include light-duty vehicles. Several vehicle and engine manufacturers consider SCR to be the best available solution to meet EPA NOx emission standards in the 2009 to 2010 timeframe. Use of an SCR system would require that vehicle owners have ready access to urea when needed to replenish the on-board urea supply.

"SCR is one option seriously being considered by engine and vehicle manufacturers to reduce nitrogen oxide emissions from diesel engines," said Jed Mandel, EMA President. "Manufacturers and regulators need to be assured that there can be a viable retail source of urea accessible across the United States, should they decide to use SCR. The TIAX report examines the supply, market conditions, and options regarding urea distribution, and concludes that the necessary infrastructure to supply urea can be in place by the time that vehicle owners would need it."

The final report indicates that urea production and supplies are adequate to handle the added volumes needed to supply the diesel mobile source demand. Urea distribution systems can be developed that parallel other automotive and truck fluid marketing models such as motor oils and fuel additives. The expected retail system includes small, over-the-counter containers for the automotive market and bulk supplies for heavy-duty trucks. The report concludes that there is sufficient lead time to develop a retail infrastructure to meet expected demand.

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EMA European Office, C.P. 65, CH-1231 Conches, Switzerland Telephone: +41 22 784 3357 Facsimile: +41 22 784 3349 "The updated report supports the conclusion that a viable and robust urea supply infrastructure can be developed to serve the expected diesel vehicle market in a relatively short timeframe," continued Mandel. "The study provides some key information needed by manufactures and regulators in order to proceed along the decision pathway, and clearly reduces concerns that a viable urea supply could not be developed in time for use of SCR in this country."

A copy of the report is available on the EMA website at <u>www.enginemanufacturers.org</u>.

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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, marine vessels, lawn, garden and utility equipment, and stationary generators. EMA works with government and industry stakeholders to help the nation achieve its goals of cleaner fuels, more efficient engines, and cleaner air.