

**CONTACT: Joe Suchecki
(312) 929-1978****FOR IMMEDIATE RELEASE****TRUCK AND ENGINE MANUFACTURERS EVALUATING NEW PHASE 2
GREENHOUSE GAS REGULATIONS THAT EPA/DOT ANNOUNCED TODAY**

CHICAGO, IL. August 16, 2016 - The U. S. Environmental Protection Agency (EPA) and U.S. Department of Transportation (DOT) today released a second more stringent round (Phase 2) of new regulatory standards to increase fuel efficiency and reduce greenhouse gas emissions from medium and heavy-duty trucks and buses. The final Phase 2 standards will follow immediately on the heels of the Phase 1 greenhouse gas/fuel efficiency (GHG/FE) standards (that won't be fully implemented until 2017). The Phase 2 rule is a significantly more ambitious and complex regulatory program with increasingly challenging and more stringent requirements that will be implemented in three stages through the year 2027.

The Truck and Engine Manufacturers Association (EMA) has worked consistently to assure that the EPA and DOT adopt a single, national GHG/FE program applicable in all fifty states. EMA and its members provided significant technical input during the Phase 2 rulemaking process. A vitally important outcome is that EPA and DOT have collaborated to issue a single final rule that includes a harmonized approach to greenhouse gas reductions and fuel efficiency improvements. It also is essential that California refrains from adopting GHG standards for new heavy-duty engines and vehicles that are more stringent than Phase 2. The technology-forcing requirements of the Phase 2 program, like the Phase 1 program, are premised on a fully aligned, 50-state harmonized program.

“As the primary manufacturers of medium and heavy-duty engines and vehicles in the United States, EMA members are in the process of implementing the Phase 1 GHG/FE standards,” stated Jed Mandel, EMA President. “The success of the Phase 1 implementation is directly tied to the fact that the 2011 standards were well matched with EMA member efforts to meet customer demand for more fuel efficient vehicles. We are in the process of reviewing today’s highly complex rule to determine if it aligns with manufacturers’ efforts and customer needs. If not, the Phase 2 program would impose enormous costs on our customers, constrain customer choice, and, as a result, impose significant challenges to its successful implementation.”

Mr. Mandel also noted that EPA has made a commitment in the final rule to work with the California Air Resources Board to reduce even further the level of NO_x emissions from heavy-duty on-highway engines. “The NO_x emissions from heavy-duty on-highway engines have already been reduced to near-zero emission levels - - so small as to challenge the ability to measure them,” said Mr. Mandel. “Additional incremental reductions could come at a very significant expense and raise the prospect of disadvantageous tradeoffs and impediments to achieving the GHG/fuel efficiency standards that EPA and DOT have adopted today.” In addition, Mr. Mandel explained “It is important that CARB and EPA engage a broad group as

they move forward. There are questions that need to be examined, such as the validation of California's ozone modeling, the best ways to incentivize the adoption of existing lower emitting technology, and the potential improvement of emission testing protocols. EMA and its members are fully committed to working with EPA, CARB and other stakeholders to better understand the needs, opportunities and consequences of further lowering the NO_x standard.”

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The Truck and Engine Manufacturers Association is the 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 as well as the manufacturers of medium and heavy-duty trucks greater than 10,000 pounds gross vehicle weight. EMA works with government and other stakeholders to help the nation achieve its goals of cleaner fuels, more efficient engines, cleaner air and safer trucks and roadways.