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## Trucking Companies and Fleet Operators React to New Heavy-Duty Fuel Efficiency and Emissions Rules

Big fleets and manufacturers weigh in on Phase II standards to increase efficiency for heavyduty vehicles

WASHINGTON (Aug. 16, 2016) – Today, an alliance of the country's biggest names in trucking reacted to the final rulemaking for the Phase II program regulating fuel efficiency and greenhouse gas emissions for heavy-duty vehicles – jointly developed by the Environmental Protection Agency (EPA) and the Department of Transportation's National Highway Traffic Safety Administration (NHTSA).

"The continued focus on improving fuel efficiency will unlock new innovations that protect our environment and spur economic growth," said **Indra K. Nooyi, Chairman and CEO of PepsiCo**. "The steps we have taken to boost the efficiency of our fleet across PepsiCo have significantly reduced emissions while lowering our operating costs, and we are committed to doing much more. We thank the Administration for its leadership on this issue and believe these new standards set the stage for continued progress."

The Heavy Duty Fuel Efficiency Leadership Group, an informal alliance of six of the nation's leading heavy-duty fleets, manufacturers and logistics companies, formed in 2010 to provide industry input into the historic first-ever national greenhouse gas and fuel efficiency standards for heavy-duty engines and vehicles (Statement of Principles). Its member companies give the first phase of the rule credit for accelerating the industry's adoption of advanced technologies while minimizing market disruption. Per today's announcement, they look forward to even more progress on efficiency and emissions reductions for the heavy-duty vehicle sector.

"Our goal in this process was to work collaboratively with the agencies to simplify compliance while maximizing environmental benefits and overall cost savings for the fleets. I think we've achieved that," added **Dick Giromini, President and CEO of Wabash National**. "As the innovation leader in our industry, Wabash will continue to pursue new technologies and develop new aerodynamic solutions to further improve fuel efficiency, reduce the operating costs of our customers, and work to develop practical solutions that benefit all stakeholders."

Building on the success of Phase I standards finalized in 2011, these companies stand ready to put more efficient technology on the road to meet the newly finalized standards.

"We've long supported standards that reduce emissions and improve the environment, particularly in the communities where we operate. That's why we support the new Phase II standards for medium and heavy-duty trucks. It's a win-win for our industry, our customers and communities – reducing emissions and saving fuel and money, "said **David Steiner**, **CEO**, **Waste Management**, which operates North America's largest refuse fleet. "Having invested in

approximately 6,000 natural gas trucks so far, we've already seen the benefits of new advanced technologies and have eliminated the need for 8,000 gallons of diesel fuel per year, per vehicle. We're fully committed to continuing the transition of our fleet to natural gas."

The new fuel economy and emissions standards for engines, trucks, and trailers will save medium- and heavy-duty truck owners \$170 billion over the life of the rules, the agencies calculate. The standard will be applied to vehicles ranging from pickup trucks to big-rig tractors, including 18-wheelers, sanitation trucks, buses and other commercial vehicles, manufactured in model years 2019 through 2027. These vehicles account for about 20 percent of greenhouse emissions and oil use in the U.S. transportation sector, but comprise only five percent of all vehicles on the road. Over the life of the Phase II rule, more than 1 billion metric tons of CO2 and 2 million barrels of oil per day by 2027 will be saved.

"Eaton recognizes the importance of providing environmentally responsible solutions, so we are pleased with the new Phase II standards for medium and heavy duty commercial vehicles which will deliver significant fuel consumption and emissions reductions," said **Craig Arnold**, **Chairman and CEO**, **Eaton**. "As a leading supplier of advanced transmissions, engine and powertrain components, Eaton is committed to delivering cost effective technologies that will help our customers achieve significant operational savings. These new standards ensure that we both satisfy customers and protect the environment."

"We are committed to working with EPA on the Phase II standards for medium- and heavy-duty commercial vehicles, and have been proactively working on public policies to minimize environmental impacts and fuel use since 2006," **said Michael L. Ducker, President and CEO of FedEx Freight**. "We support the national harmonization of commercial vehicle standards and requirements through both technological and operational means. FedEx also continues to support the adoption of a new national standard of 33-foot twin trailers, which would reduce highway congestion and the wear and tear on the nation's infrastructure, while maximizing safety and environmental benefits. FedEx recognizes the importance of its role to connect the world responsibly and resourcefully."

"Cummins products provide power that make people's lives better around the world, from fire trucks that keep communities safe, to buses that people rely on to take them safely to school and work, to trucks that deliver critical goods, and much, much, more," said **Tom Linebarger**, **Chairman and CEO**, **Cummins Inc**. "When we design and manufacture these products, we work to ensure everything we do leads to a cleaner, healthier, safer environment."

**Linebarger** added, "Our position as a technology leader allows us to deliver products that reduce both fuel consumption and emissions, which is a win for our customers and a win for the environment. Over the past eight years, we have worked with our customers, technology partners and various other stakeholders to help government regulators develop regulations that drive economic growth while reducing the environmental footprint of our industry. As the Phase 2 rule is finalized, we are ready with the technology to meet and exceed both the goals and expectations of our customers and regulators."

The **Heavy Duty Fuel Efficiency Leadership Group** is an informal alliance of leading companies involved in trucking, whose goal is to inform and support the development of national fuel efficiency and greenhouse gas emission regulations for heavy duty vehicles. Its members include:

- **Cummins Inc.** the world's largest independent manufacturer of diesel engines.
- **Eaton** focused on power management solutions, is a leading supplier of advanced transmissions, engine and powertrain components.
- **FedEx Corporation** –providing customers and businesses worldwide with a broad portfolio of transportation, e-commerce and business services.
- **PepsiCo** North America's largest food and beverage business by net revenue.
- **Wabash National Corporation** North America's largest manufacturer of semitrailers.
- Waste Management, Inc. operates North America's largest refuse fleet.