SmartWay Transport Partnership

Overview

US Environmental Protection Agency August 2011

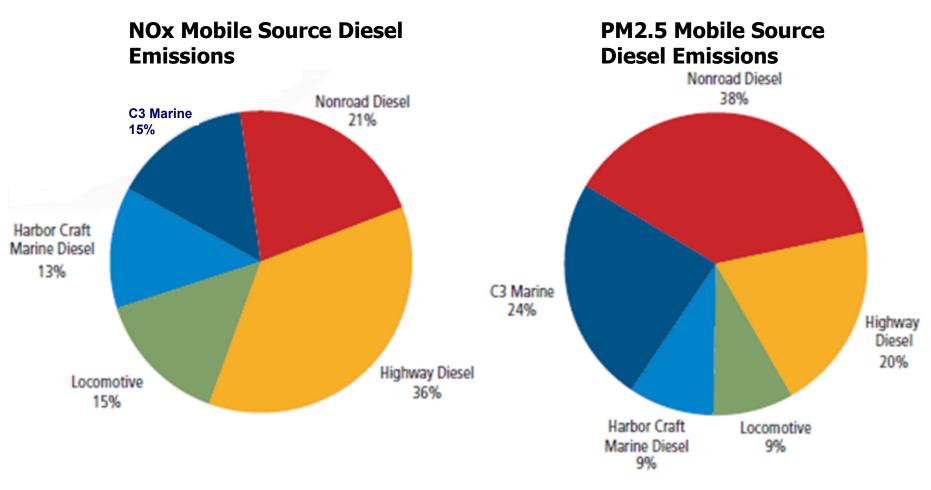




Outline

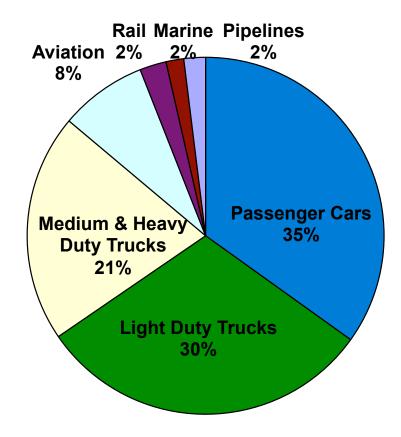
- Drivers and Challenges
- SmartWay Overview
- Program Enhancements
- Public Service Campaign
- Globalizing the SmartWay Template
- Appendix: SmartWay Technologies and Practices

U.S. Transportation Diesel Emissions



Report To Congress: Highlights of the Diesel Emission Reduction Program, National Clean Diesel Campaign. EPA-420-R-09-006, August 2009

U.S. Transportation GHG Emissions

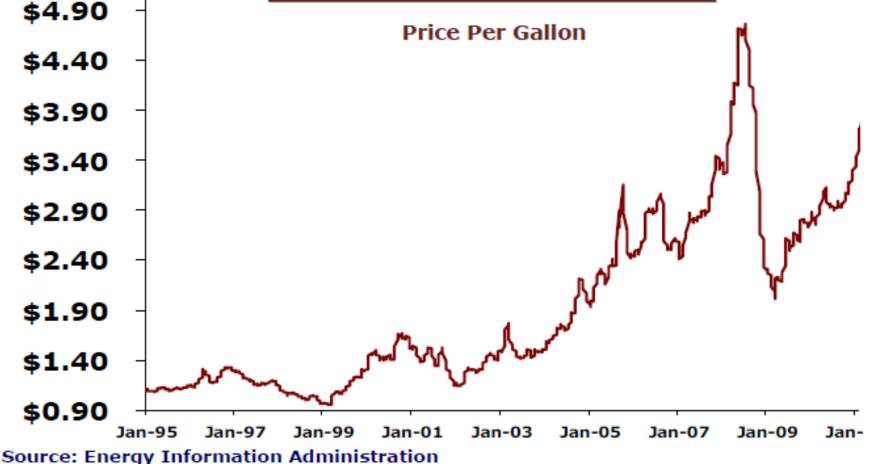


GHG (1,820 mmt CO2-eq, 2009)

DRAFT INVENTORY OF U.S. GREENHOUSE GAS EMISSIONS AND SINKS: 1990 – 2009 FEBRUARY 2011

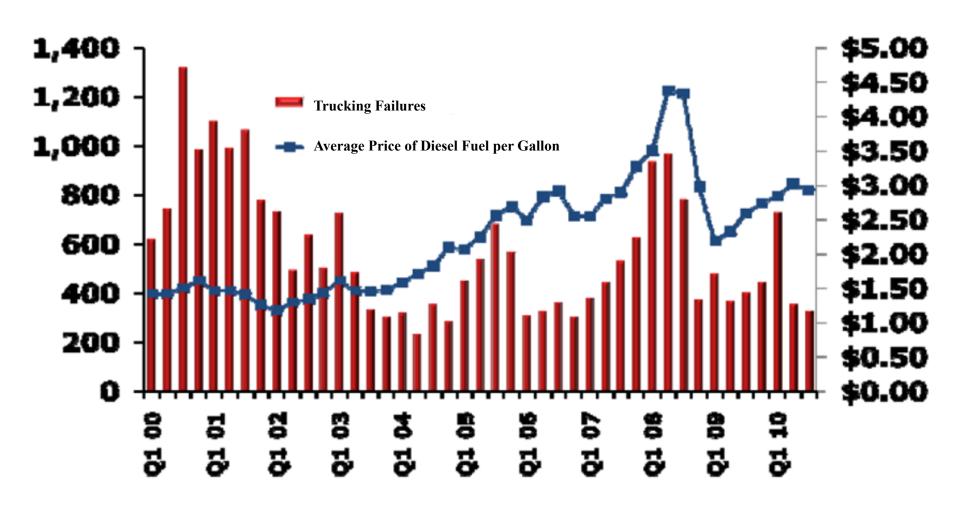
Business Case for Freight Sustainability

On-Highway Diesel Prices



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Trucking Failures vs Diesel Prices



Sources: Avondale Partners and Energy Information Administration

SmartWay Program Components

Partnership

- Assess, benchmark and track emissions of carriers, shippers, and logistics companies
- National idle reduction program
- New carbon assessment tools
- Partner support
- GHG and fuel savings

Technology Program

- Test program
- SmartWay Tractor/Trailer
- SmartWay-verified technologies
- Test methods

Finance Program

- Innovative finance programs (grant programs, banks, retailers)
- SmartWay Finance web site

Light Duty Vehicles

- SmartWay certified vehicles
- Preferential leasing, purchasing
- Consumer education

Outreach and Education

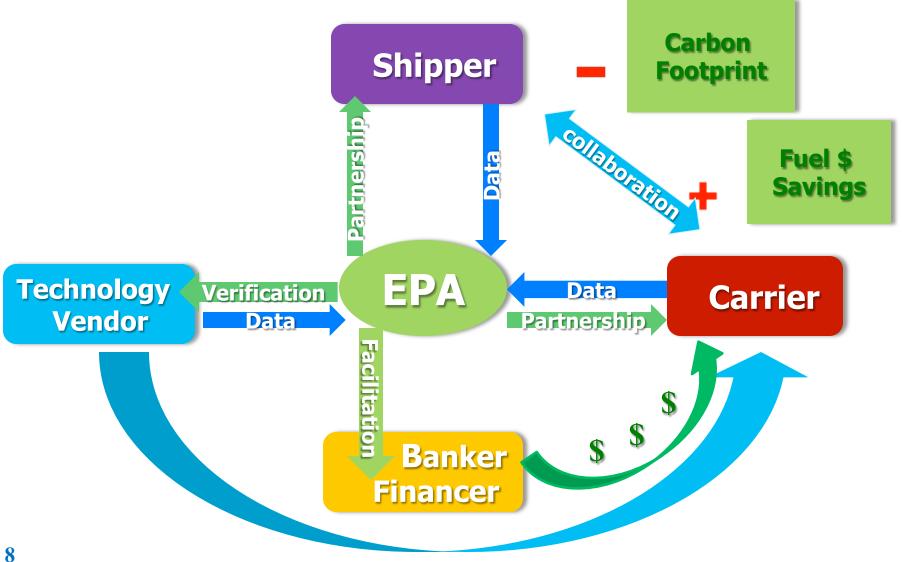
- Partner recognition SmartWay web site, logo, and awards
- Partner education webinars, fact sheets, e-update, web site, workshops, events
- Innovative pilot programs
- Brand marketing PSAs, media campaigns, events

International Activities

- Conferences, training, workshops
- Replicate public/private partnership
- Pilot projects
- Global supply chain



How Does The Partnership Work?



SmartWay Partner Results

2, 900+ Partners

- All 100 largest truck carriers and 1K+ medium-small carriers
- All Class 1 Rail lines
- Major logistics firms
- Fortune 500 (and Fortune 50) shippers from every sector

Since 2004, SmartWay Partners saved

- 16.5 million metric tons of CO2
- 235,000 tons NOx
- 9,100 tons PM
- 5 million barrels of oil imports
- 6.1 billion dollars in fuel costs
- Equivalent to taking over 3 million cars off the road for 1 year

Why is SmartWay successful?

Shippers:

- Top of the supply chain, drive marketplace demand
- Give preferred status to SmartWay Carrier Partners
- Get better data to improve their own shipping operations
- Modify logistics operations to improve efficiency & reduce emissions, for example:
 - Inter-modal Shipping
 - Full Truck Loads
 - Warehouse Improvements
 - Idle-Reduction at facilities
- Get recognition and PR value with SmartWay brand

Carriers:

- Gain competitive advantage:
 - Preferred status, plus
 - Fuel efficiency, savings
- Reduce emissions
- Integrate fuel saving technologies and strategies into fleets, such as:
 - Idle Reduction
 - Improved Aerodynamics
 - Efficient Tire Systems
 - Driver Training
 - Renewable Fuels
 - Advanced Lubricants
- Get recognition and PR value with SmartWay brand

Why is the Supply Chain Important?

- Businesses are under increasing pressure and scrutiny to reduce their carbon footprints
 - Shareholders, stakeholders, and customers are demanding companies to do more (e.g. CDP, SEC)
 - Business case for supply chain sustainability increasingly evident
 - rising/volatile energy costs
 - customer demands
- More businesses are addressing their global supply chain footprint and goods movement emissions
 - Supply chains do not end at Nation's ports & borders
 - Need to understand each mode:
 - cargo vessels, ports, drayage, rail, trucks, air cargo
 - Need to quantify, baseline, and report emissions

SmartWay Tractors and Trailers

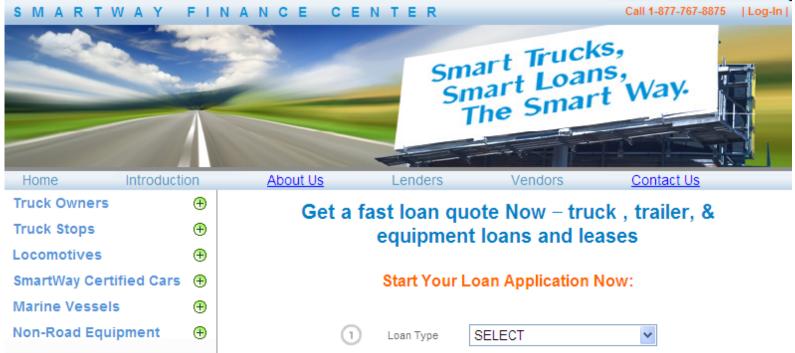
Specifications include 2007+ engine, idle reduction, low rolling resistance tires, and aerodynamic equipment

-10% to 20% reduction in fuel use, relative to a comparable truck without these fuelsaving features

Limited to
the equipment
truck types
that EPA tests



SmartWay Finance Center – For Smaller Fleets, Owner Operators



1	Loan Type	SELECT	*
2	Amount \$	0	
Э	Location	Select Location	*
			,

www.smartwayfinancecenter.com

Public Service Campaign for Shippers







YOU'RE A CLICK AWAY FROM A SMARTER SUPPLY CHAIN



Logistics managers are constantly looking for ways to reduce costs for their customers through customized solutions. SmartWay¹⁰ Transport Partnership is one smart money-saving program grounded in innovative business strategies and new technologies. SmartWay Transport is about streamlined logistics operations that reduce fuel costs while reducing greenhouse gases and other emissions.

To find out more about this collaborative program, please call 1-734-214-4767 or visit www.epa.gov/smartway.



An innovative program from the U.S. Environmental Protection Agency

Public Service Campaign for Carriers (TV, Radio, Print)

These Manufacturers Are Hauling The Best Logo In The Business



Introducing SmartWay Certified Tractors & Trailers From These Manufacturers

Tractor makers:

- Section Freightliner
- 🛸 International
- 🔍 Kenworth
- 🔍 Mack

🔍 Volvo

🛸 Peterbilt

Trailer makers:

- 🔍 Great Dane
- 🛸 Trailmobile
- 🔍 Utility
- 🔍 Wabash





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Public Service Campaign for Consumers (TV, Radio, Print)



Driving a vehicle that is fuel-efficient, produces fewer greenhouse gases, and can save you money reflects well on its owner—especially these days, with growing concerns about climate change. The U.S. Environmental Protection Agency makes it easy to identify environmentally friendlier cars and trucks. Just look for the SmartWay* leaf. SmartWay will help change the way America drives.

For more on SmartWay certified cars and trucks, leaf through our website at www.epa.gov/smartway.



Let's face it, any time your fleet can boost fuel efficiency by 10 to 20%, it reflects well on you and your bottom line. U.S. EPA certified SmartWay Tractors and Trailers allow you to do just that. You can also display the SmartWay certification mark, a symbol of environmental distinction, which also reflects well on you. The SmartWay leaf indicates to both industry and the public that you operate the cleanest and most efficient trucks and equipment available today.



US EPA Certified





Smarty

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Package Labeling Pilot Program



HP consumer electronics are carried exclusively by SmartWay Carrier Partners



SmartWay Passenger Vehicles

	Vehicle	e Guide	EPO This Ar 🕢			Go			🎴 Share
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Home - Basic Search Advanced	Search	Compare	Complete Guide						
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- Model	Engine	÷ Fuel	 Trans	Drive	Air Pollution Score 10 - Best	Fuel Economy (mpg) City / Hwy	Greenhouse Gas Score 10 - Best	 SmartWay	Compare Choose up to 3
HEVROLET HHR	2.2L 4cyl	Bthanol/Gasoline	Automatic	2WD	Etheral 6 U 10	16/22	Ethanal 6 UTUU	S.	
					Gaestine 6 U 10	22/30	Ganctire 6 U JU		
HEVROLET HHR	2.2L 4.cyl	Bthanol/Gasoline	Manual	2WD	6 0 10	16/23	Ethand 6 0 J0	S.	
					Gaussieve 6 0 IO	22/32	Gaestive 6 0 J0		
HEVROLET HHR	2.4L 4 cyl	Bthanol/Gasoline	Manual	2WD	Ethand 6 U IV	16/23	Ethand 6 U JU	S.	
					Gaessine 6 U 10	22/30	Gascine 6 0		
HEVROLET HHR Panel	22L 4cyl	Bthanol/Gasoline	Automatic	2WD	Etheral 0 10	16/22	Ethanal 6 0 Jo	S.	
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					Garactino G U IV	22/32	Garadina 6 U JU		
HEVROLET HHR Panel	2.4L 4 cyl	Bthanol/Gasoline	Manual	2WD	6 0 Io	16/23	Ethenal 6 0 Jo	S.	
					Garceline 0 IO	22/30	Garactive 6 0 J0	-	_
HEVROLET Malibu	2.4L 4 cyl	Bthanol/Gasoline	Semi-Automatic	2WD	6 0 10	15/23	6 U IU	\$	

SmartWay Passenger Vehicle

SmartWay on EPA's Green Vehicle Guide website



Automakers promoting their SmartWay vehicles:

General Motors

Ford

Chrysler

•Hyundai

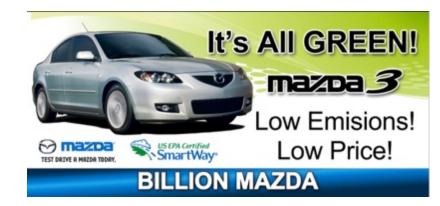
•Kia

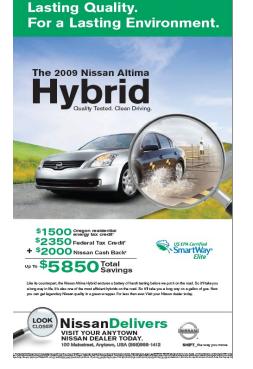
•Mazda

Nissan

•Subaru

•Volvo





Banks and credit unions offer discounted loans for SmartWay vehicles

Partner Case Studies



Intermodal conversions:

- Over 40,000 shipments via intermodal
- Savings of 124,703 tons of CO2
- Savings of 11.2 million gallons of diesel fuel



Shifted notebooks from air to sea and truck to rail on domestic shipments

• Saved 7,500 tons of CO₂



Partner Recognition

– Partner logo earned by top-performingSmartWay Partners

SmartWay AnnualAwards recognize the"best of the best"

 SmartWay partners compete seriously for recognition



Transporting the SmartWay has its rewards. Congratulations to the 2009 SmartWay Excellence Award winners.

The U.S. EPA's arrual Smar&Vay Excellence Award recognizes these partners for their environmental excellence, recruiting effectiveness, promotional efforts, innovation and creativity.



Stuar Way Zanapot Partnership & m innovative collaboration between the U.S. Environmental Protection Agency and the beight industry designed to increase energy efficiency while significantly reducing greenhouse gaue and at polition.

SmartWay Industry Awareness



Survey of supply chain executives shows SmartWay as leading industry sustainability program - Eye For Transport, June, 2010

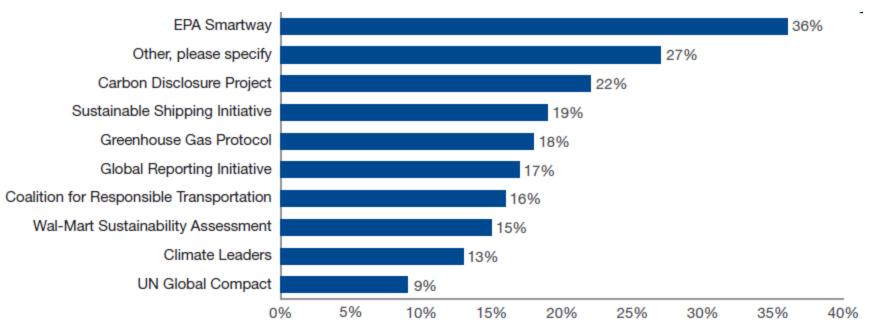
EPA SmartWay Program ISO Standards Carbon Offsets **GHG** Protocol The Kyoto Protocol Carbon Emissions Targets **EPA Climate Leaders Program** Cap and Trade legislation **EU Emissions Trading Scheme** The Carbon Disclosure Project **Energy Saving Performance Contracting** The Carbon Trust LEED-EBOM The Chicago Climate Exchange Sustainable Product Index Lifecycle Inventory Database Sustainability 360 Sustainable Business Clearaninghouse CorporateRegister.com Carbon Labeling PAS 2050 Credit360 0% 20% 40% 80% 60% 100%

3PL Awareness of Green Programs



Survey of 200 shipping executives shows SmartWay as leading industry sustainability program

- Environmental Sustainability Benchmark Study: Leaders Prepare for the "Greening" Supply Chain, *Feb, 2011*



International Interest in SmartWay

SmartWay International Summit - December, 2008

• Thirteen countries participated

"SmartWay" sister program developments

- Mexico launched Transporte Limpio
- Canada harmonizing Fleet Smart to SmartWay
- France, EU, Australia SmartWay platforms

Commission for Environmental Cooperation

Recommending strengthening and harmonizing
 N. American programs to share data & emission factors

World Bank and Clean Air Initiative-Asia

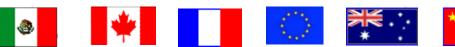


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- SmartWay technologies used for Green Truck Pilot Project in Guangzhou
- Guangdong Demonstration project to enhance logistics, financing and capacity building

Green Freight China Program – National program development









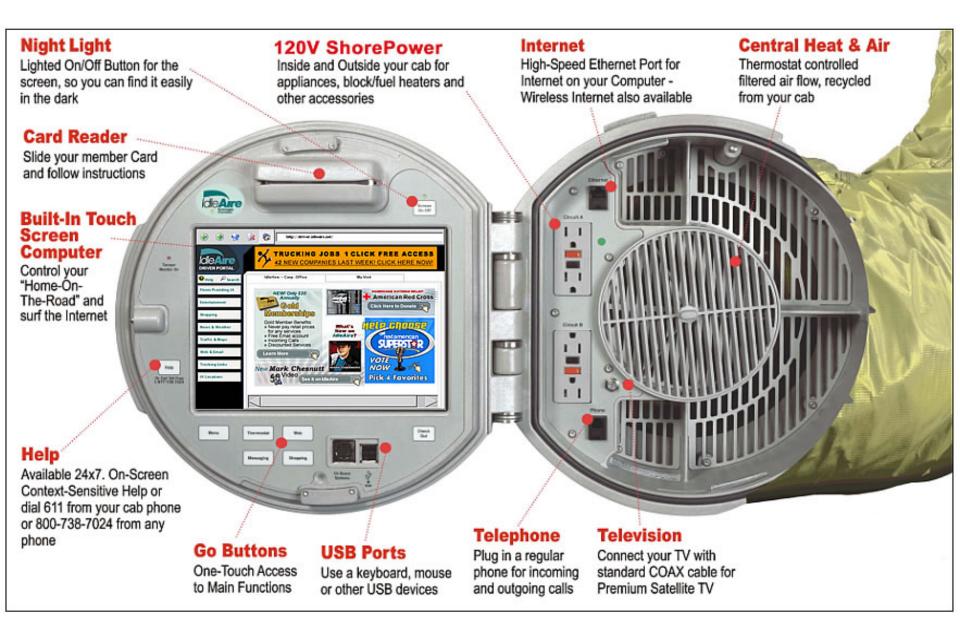
www.epa.gov/smartway smartway_transport@epa.gov SmartWay phone center (734) 214-4767

APPENDIX: SmartWay Technologies & Strategies

Advanced Truck Stop Electrification



Advanced Truck Stop Electrification



Idle Reduction Technologies

For Trucks and Locomotives

Average fuel savings Emissions Controlled

Trucks: 1 gal/hr Rail: 4 - 12 gal/hr CO_2 , NOx, and PM

- Automatic Shut-Down/Start Up System
- Battery Powered Systems
- Diesel Driven Heating System
- Auxiliary Power Unit/Generator Set
- Truck Stop Electrification







Low Rolling Resistance Tires

Single Wide Base and Improved Duals

Average fuel savings Emissions Controlled Trucks: 4 - 5%

 CO_2 , NOx

- Single-wide tires
 - Reduced rolling resistance
 - **Reduced weight**
- Low rolling resistance dual tires









Wheel and Tire Inflation Improvements

Aluminum Wheels, Tire Pressure Monitoring and Inflation

Average fuel savingsEmissions ControlledTrucks:3 - 5%CO2, NOX

- Tire pressure monitoring and inflation
 - Ensure appropriate pressure for efficiency
 - Reduced maintenance and extended tire life
- Aluminum wheels save weight and inertia energy







Trailer Aerodynamics

Average fuel savingsEmissions ControlledTrucks:5%CO2, NOX

- Trailer Fairings, Side-skirts
- Nose Cone and Trailer Tail







Exhaust After-Treatment Devices

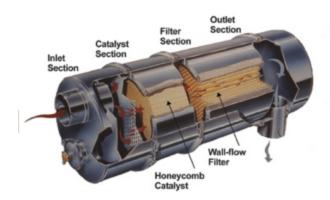
Average fuel savings Emissions Controlled

Diesel Oxidation Catalysts

- Estimated cost: \$1,000
- Reduce PM by 25% 40%

Particulate Matter Filters

- Estimated cost \$6,000
- Reduce PM by 80% 90%





Intermodal Shipping



Operational Strategies

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