Climate Leaders Partners Meeting

A Moving Target: Tackling GHGs from Transportation

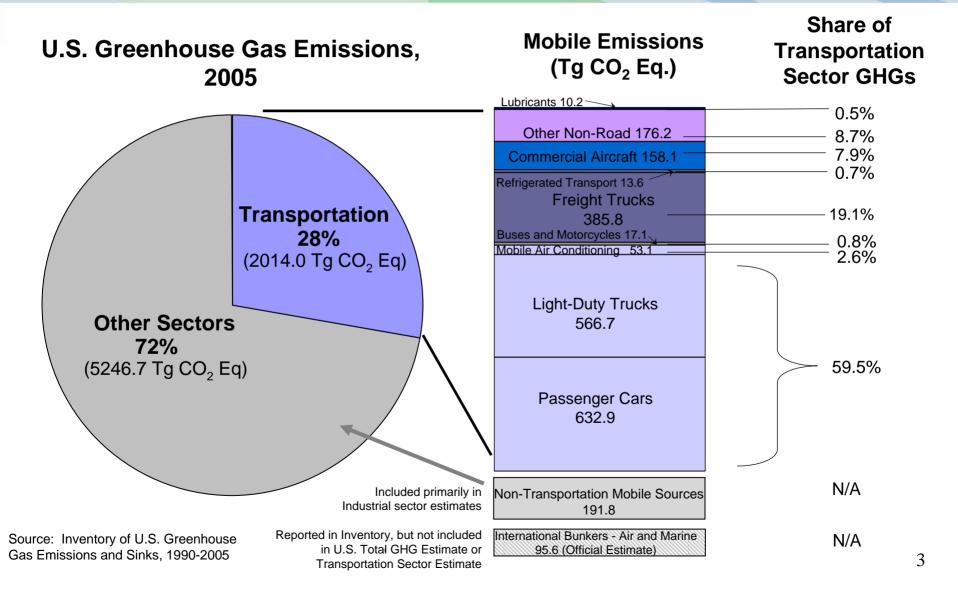
Sarah Froman, U.S. EPA Tom Estock, Quad/Graphics Kevin Igli, Tyson Foods

December 5, 2007

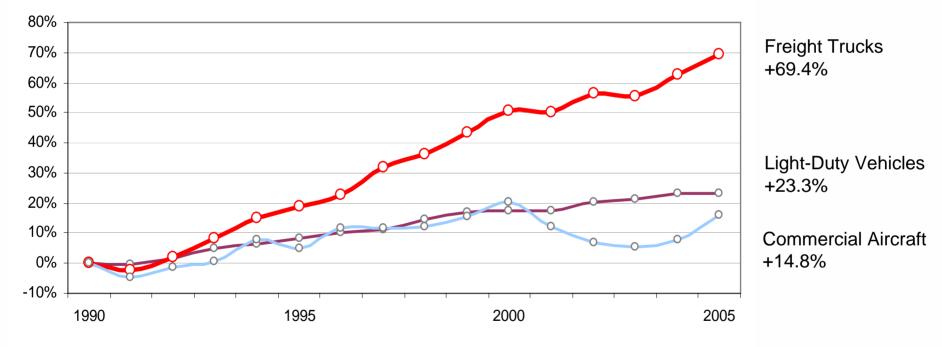
The Transportation Sector



Transportation GHGs Relative to Total U.S. Emissions



Transportation GHG Emissions Growth 1990-2005



Source: Inventory of U.S. Greenhouse Gas Emissions and Sinks, 1990-2005

What is the SmartWay Transport Partnership?

- Launched in 2004
- Public-private partnership between EPA and transportation industry to conserve fuel and reduce emissions
- Now over 600 Partners
 - 387 carriers, 55 shippers, 57 logistics companies, 89 affiliates, 10 rail, plus vendors, trucks stops, and dealer/service centers
 - Includes most top trucking companies 365,000 trucks
- 2012 Goals
 - 150 million barrels of oil each year (12 million cars off the road)
 - 33-66 million metric tons CO2 annually



What are the commitments?

• Freight industry

- Companies that own trucks, locomotives (Carriers) agree to integrate innovative fuel and emission savings technologies into their freight operations
- Companies that hire Carriers (Shippers) agree to ship at least 50% of their goods with SmartWay Carriers

>>> Carrier and Shipper partners are given a score based on performance

- Tailored commitments from logistics companies, technology vendors and manufacturers, trucks stops, ports, banks, dealer and service centers
- USEPA
 - Guidance and measurement tools
 - Technology research and demonstration
 - Project and policy facilitation
 - Innovative financing
 - Marketing and recognition



FLEET Model Inventory Tool

A	B	C	D	E	F	G	H	1		
Carrier 1 Information	Consul Red Evaluation	Current Fle Summan		TAN	5	Print	Import to Version1.0			
2003 Fleet	Efficiency E	Evaluation	า	11.2 ·				0		
3										
4 STEP 1: 0	General Info	rmation A	bout Your E	xisting F	leet:					
5	1. For which ye	ear are you es	stimating the em	vironmental	performance o	of your fleet?	2003			
							-			
6			-							
7 Show Vid	leo Tutorial	Single-unit Trucks								
8		Total # of	Average Miles	Total	Total Fuel	Average	Average Idling	Total Idling		
9		trucks	per truck per year	Miles	Consumption	payload (tons) per trip	Hours per truck per year	Hours		
1	Diesel (Gals)			0				0		
2 Short Haul	Gasoline (Gals)			0						
3	Alternative Fuel	0	0	0	0	0	0	The		
4	Diesel (Gals)			0				N		
5 Long Haul	Gasoline (Gals)			0		-				
6	Alternative Fuel	0	0	0	0	0	0	0		
7		Combination Trucks								
8		Total	Average Miles	Total	Total Fuel	Average	Average Idling	Total Idling		
			per Truck	Miles	Consumption	payload (tons)	Hours per truck	Hours		

FLEET Model

Emission Reduction Strategies Evaluation Tool

	A	В	С	D	E	F	G		Н	1	
1	Carrier Information	Colorestal United Colorestal United	Current Fle Summary				v Tool dex	Print	Import to Version1.	and the second se	
2	2003 Fleet	Efficiency E	Evaluation	n	94725					0	gallor
140	٦	Idling Control S	trategies								
141	Show Vide	o Tutorial		Print This	Table						
142	Please enter the # of HOURS each		Combination Trucks		Single Unit Trucks		Default Idli	ing _	Food Casimore		
143		trategy was used to eliminate idling:		Long Haul	Short Haul	Long Haul	Hours	FU	iel Savings		
144	Direct Fired	Diesel					Short Hau	ıl			
145	Heater	Gasoline					2				
146		Alternative Fuel					Long Hau	1			
147	Auxiliary	Diesel					8				
148	Power Unit	Gasoline									
149		Alternative Fuel									
150	1 Electrification	Diesel									
151		Gasoline									
152		Alternative Fuel									
153 154	Driver Tag Teams	Diesel								· · · · · · · · · · · · · · · · · · ·	-
154		Gasoline									
155		Alternative Fuel									
156	Double	Diesel									
157	Drivers	Gasoline									-
4		Baseline / Sun	nmaryBaseline	/ Future /	SummaryFuture	/ AFCurrent	/ AFFuture /	Table / I	M / I I		•

Truck Technology Package Savings Calculator

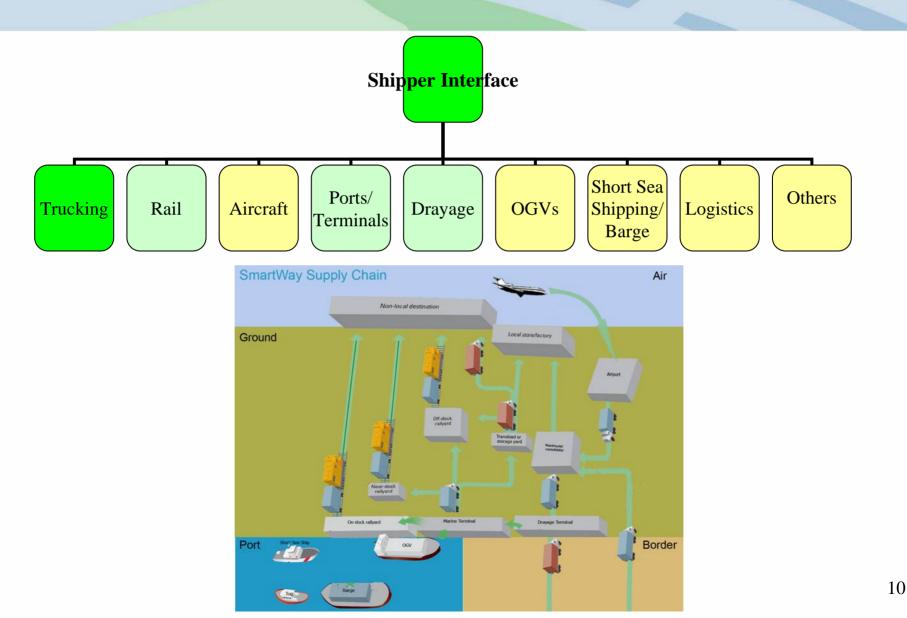
Calculator for single-owner (one truck):

RESULTS:

Equipment	Cost	% Fuel Savings	Annual Fuel Savings	Monthly Fuel Savings	Monthly Loan Payment	Net Monthly S	Savings			
APU, Tires, Aero	\$16500	17%	\$7627	\$636	(\$411)	\$225				
STEP 1: ENTER YOUR TRUCK AND LOAN INFORMATION. STEP 2: SELECT TECHNOLOGIES OF YOUR TRUCK. Enter your basic vehicle and loan numbers here OR Click the "Load Typical Values" button below for help with typical long haul truck numbers. STEP 2: SELECT TECHNOLOGIES OF YOUR TRUCK. Check the technology box below to test various combinations technologies for your truck. You can check as many items as you want. Technology Cost Cost										
Annual Fuel Use		16667	(Gallons)	Bunk He	ater (Heater)		\$1500			
Cost of Fuel		\$2.75	 The second strend if 	Auxiliary	Power Unit (APU)		\$8500			
Annual Idling		2400	(Hours)	C Aluminum (Tires)	n Wheel Sets for Single	Wide Tires	\$5600			
Loan Period		48 💌 (Months)	Trailer A	erodynamics (Aero)		\$2400			
Loan Interest Rate		9.00 9	6	🗖 <u>Automati</u>	c Tire Inflation (ATI)		\$900			
Yearly Fuel Cost		\$ 45834		C Oxidation	n Catalyst (DOC)		\$1200			
Monthly Fuel Cost		\$ 3820								
Load Typica	l Value	s S	Savings Without Loar	Clear						

"Savings Without Loan" button sets the loan period and interest rate to zero, to show you the results of buying this technology outright.

Supply Chain Model



For More Information



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For More Information



Shippers

Aveda Corporation Best Buy Co., Inc. **BP Lubricants USA. Inc.** Canon U.S.A., Inc. (Charter Partner) **Chiquita Brands International** Clean Diesel Technologies, Inc. **Coextruded Plastic Technologies, Inc.** Dell. Inc. **DENSO Manufacturing Michigan, Inc.** GlaxoSmithKline Consumer Healthcare NA Hewlett Packard Holcim (US) Inc. **IBM** Corporation **IdleAire Technologies IKEA Distribution Services, North America (CP)** Interface, Inc. (Charter Partner) J & J Industries, Inc. J.J. Keller & Associates Inc. JC Penney Johnson & Johnson Sales & Logistics Co., LLC

Kimberly-Clark

Kohl's Department Stores, Inc Limited Brands Logistics Services Lowe's Marangoni Tread NA, Inc.

Method Products, Inc.

Michelin North America, Inc.

Nau, Inc. Nestle Purina Pet Care <u>Nike, Inc.</u> (Charter Partner) Office Depot

Owens Corning

Panasonic, NA Logistics Department Prime Source FSE Richlite Rockwell Automation Schering-Plough CHC Sharp Electronics Corporation

Shurepower, LLC STERIS Corporation Styline Industries Superslab100, Corp Tatung Company of America The TJX Companies, Inc. TheGreenOffice.com <u>The Home Depot, Inc.</u> (Charter Partner) Volvo Logistics North America Whirlpool Corporation

Shipper-Carriers

Anheuser-Busch Bridgestone-Firestone NA Tin Cascades Transport, Inc. Coca-Cola Enterprises, Inc. Dennis K. Burke, Inc. General Nutrition Centers <u>H-E-B</u> (Charter Partner) Hudson's Bay Company Safeway, Inc. Schwan's Logistics, LLC Tyson Foods, Inc. U.S. Foodservice <u>Wal-Mart</u> v