NORTHEAST STATES CENTER FOR A CLEAN AIR FUTURE

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New Northeast States' Study Shows Current and Emerging Technologies Can Cut Vehicle

Greenhouse Gas Emissions in Half and Result in Net Cost Savings to Consumers

Results Lend Support To California's New Rulemaking

September 23, 2004 (Boston, MA) – The Northeast States Center for a Clean Air Future (NESCCAF), a non-profit clean air organization, today released a comprehensive study showing that combinations of current and emerging technologies can cut passenger vehicle greenhouse gas emissions in half while simultaneously giving consumers a net savings. NESCCAF's study, titled "*Reducing Greenhouse Gas Emissions from Light-Duty Motor Vehicles*," found that within 5-10 years, motor vehicle GHG emission reductions of up to 47% could be achieved using combinations of technologies that are currently in production or under development worldwide. Importantly, the study concluded that consumers could actually save money – due to lower fuel use – from these technologies.

"Fundamentally, our study found that it's cheap to be clean. The results show that it is possible to cut greenhouse gas emissions from passenger vehicles in half over the next decade using available and developing technologies and to simultaneously have these advancements pay for themselves through reduced gasoline use." stated Ken Colburn, executive director of NESCCAF. Colburn added, "The fuel savings would more than offset the initially higher sticker price of vehicles equipped with these clean technologies."

The NESCCAF study examined 35 technologies, 32 of which are currently available in the global marketplace. Two-thirds of these currently available technologies are already in full-volume production.

The final report was released today in conjunction with NESCCAF's testimony at the California Air Resources Board hearing on regulations implementing Assembly Bill 1493 – a state law passed in 2002 requiring California to develop regulations to achieve maximum feasible and cost-effective reductions in greenhouse gas emissions from light-duty vehicles beginning in model year 2009.

"This NESCCAF study proves that once cleaner vehicles are available to them, consumers can do something to address global warming and save money," said Susan Tierney of Analysis Group, Inc. who is also vice-chair of NESCCAF and former assistant secretary, U.S. Department of Energy.

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In the Northeast, cars are currently responsible for approximately one-quarter of all greenhouse gas emissions. Increasing concentrations of greenhouse gases in the atmosphere are altering the Earth's natural climate.

The NESCCAF study showed that technologies in production or under development would reduce greenhouse gases while providing cost savings for consumers for every vehicle class, including small cars, large cars, minivans, small trucks/SUVs and large trucks/SUVs. The study showed that consumers could save money – through reduced fuel costs – for greenhouse gas reductions of up to 47% (see attached Chart A).

The greenhouse gas reductions and cost saving benefits could be achieved using available technologies such as 6-speed automatic transmissions as well as more advanced technologies, such as hybrid electric drivetrain and gasoline direct injection.

"Reducing motor vehicle greenhouse gas emissions is a critical component for a comprehensive climate strategy that must include all industrial sectors," said Steve Suttle, senior vice president and general manager, environmental technologies division, Corning Inc. and NESCCAF chair. "This study provides regulators and policymakers with critical information about how motor vehicle GHG emissions can be cost-effectively controlled."

The study relied on state-of-the-art computer simulation software that evaluated the emission impacts of various technologies. This computer software allowed NESCCAF to evaluate a wide range of combinations of technologies and to quantify their associated emission reductions. Based on interviews with industry sources and a review of available literature, a comprehensive cost analysis was conducted on the selected technologies.

Northeast state air quality and energy regulators and policy makers are taking steps to control GHG emissions in order to address their contribution to global climate change. In 2001, the New England Governors and Eastern Canadian Premiers jointly established a *Climate Change Action Plan* with the goal of stabilizing GHG emissions at 1990 levels by 2010 and reducing GHG emissions to 10% below 1990 levels by 2020.

Four states in the Northeast – New York, Massachusetts, Vermont, and Maine – have already adopted California's motor vehicle regulations (LEV II) instead of less stringent federal standards. Three more Northeast states – Connecticut, New Jersey, and Rhode Island – are in the process of implementing California's standards. Once California's program for reducing motor vehicle GHG emissions is implemented, similar benefits will accrue to those states that have adopted California's cleaner motor vehicle standards.

"The substantial impacts of climate change, including increased damage in coastal areas from flooding, erosion associated with sea-level rise, and a variety of stresses on fishing grounds, forests, agriculture, and coastal ecosystems, requires us to address GHG emissions," added Ken Colburn. "Expanding the use of the technologies evaluated in the NESCCAF study would go a long way toward doing so."

NESCCAF focuses on climate change, air quality and public health, and environmental justice issues. NESCCAF's Board includes the air quality division directors of the eight Northeast states as well as representatives from the academic, corporate and public policy sectors. NESCCAF is the sister-organization of Northeast States for Coordinated Air Use Management (NESCAUM).

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CHART A:

NESCCAF Study Shows Existing and Emerging Technologies Could Cut Vehicle

Greenhouse Gas Emissions in Half with Net Cost Savings to Consumers

Type of Vehicle	GHG Reduction & Cost Savings	
	% GHG Reduction	Cost Savings Over Vehicle Lifetime
Small Car	11% - 30%	\$ 300 - \$ 500
Large Car	14% - 45%	\$ 400 - \$1,100
Minivan	14% - 47%	\$ 800 - \$1,500
Small Truck/SUV	17% - 46%	\$1,600 - \$2,200
Large Truck/SUV	13% - 45%	\$ 900 - \$1,700

Note: The cost-benefit analysis assumed a 150,000 mile vehicle life and a \$2.00 per gallon gasoline cost.

Source: "Reducing Greenhouse Gas Emissions from Light-Duty Motor Vehicles," NESCCAF 2004.

The Executive Summary and Final Report are available at: www.NESCCAF.org