

Press statement  
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## **Final U.S. Phase 2 heavy-duty vehicle efficiency rule sets standards that are ambitious, far-sighted, and achievable**

The standards for fuel consumption and greenhouse gas emissions of new medium- and heavy-duty vehicles announced today by the U.S. Environmental Protection Agency and Department of Transportation represent the most ambitious and technologically far-sighted policy of its kind in the world, and are the exemplary outcome of a data-driven process and effective stakeholder engagement.

The new standards, which will take effect in 2018 and run through 2027, are Phase 2 of the Obama administration's effort to improve fuel efficiency and reduce carbon emissions in trucks and buses. Phase 1 standards, finalized in 2011, cover 2014–2018. The agencies estimate that the Phase 2 regulation will reduce carbon dioxide (CO<sub>2</sub>) emissions from the vehicles affected by 1 billion metric tons of over their lifetimes. When fully phased in, the benefits will be over 700,000 barrels of oil savings per day. There will be a net \$200 billion in savings to fleets and society as a whole.

Phase 2 will require efficiency improvements in tractor trucks, pickups and vans, and vocational vehicles such as delivery trucks and buses. There are separate standards for tractor-truck and vocational-truck engines, and for the commercial trailers hauled by tractors. The trailer standards build on the successes of the voluntary SmartWay program and California's tractor-trailer greenhouse gas regulation and will require the increased deployment of fuel-saving technologies that have been proven to be cost-effective for fleets across the country.

For tractor-trailers, which are responsible for the largest share of fuel use and greenhouse gas emissions in the commercial vehicle sector, the Phase 2 standards require up to a 30% reduction in fuel use per mile compared to 2017 levels. The regulation will drive fuel-saving technologies into the market that, ICCT research has shown, can increase typical highway fuel economy from 6–7 miles per gallon today up to above 8 miles per gallon and deliver payback periods within 2 years. The rule

requires a 16%–19% efficiency improvement for vocational vehicles and 16% for heavy-duty pickup trucks and vans.

“With an estimated payback period of within 2 years for tractor-trailers, these standards hit the mark,” said Nic Lutsey, ICCT program director. “There are a lot of available and ready-to-be-deployed technologies, and this regulation ensures that the most cost-effective of those technologies see more widespread use.”

While its primary focus is increasing energy efficiency in the U.S. transportation sector to address climate change and improve oil security, this regulation will have a global impact. Many of the same manufacturers that develop and deploy efficiency technologies for engines, transmissions, improved aerodynamics, and lower rolling resistance tires for the U.S. fleet also have a significant presence in other markets around the world.

“The world’s major economies will take important policy guidance from these rules,” said Drew Kodjak, the ICCT's Executive Director. “Adopting long-term standards – in this case eleven years out into the future – will help industry invest with great confidence in reliable, sustainable low-carbon technologies.”

Globally, heavy-duty trucks and buses account for almost half the oil consumption and carbon emissions from the on-road transport sector. Besides the U.S., China, Japan, and Canada have established heavy-duty vehicle efficiency regulations, but these four markets alone accounted for about a third of heavy-duty vehicle sales in 2015. In addition, Brazil, the European Union, India, Mexico, and South Korea are all in various stages of developing policies to improve the efficiency of their commercial vehicle fleets. Recently, the European Commission [announced](#) that it will commence a formal regulatory process to establish efficiency standards for heavy-duty trucks and buses. China has its own process moving forward to finalize its [proposed Phase 3 of standards](#) that would reduce fuel consumption by up to 27% from 2012 trucks. These countries and regions are looking to the U.S. rulemaking as they develop standards to promote existing and emerging technologies that cost-effectively deliver real-world benefits.

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