NTEA | CLIMATE CHANGE POLICY

NTEA – The Work Truck Association

NTEA climate change policy

Climate change is a serious global challenge that will require long-term commitments, and every industry has a role to play. The work truck industry is well-positioned to make a significant and positive difference. The industry has begun and continues to develop innovative new technologies to reduce vehicle greenhouse gas (GHG) emissions and fuel consumption, and we are seeing the emergence of new zero-emission vehicle options in the work truck world. The work truck industry will produce vocational trucks for the future that both increase overall vehicle efficiency while reducing GHGs.

NTEA – The Association for the Work Truck Industry (NTEA) represents more than 2,100 companies that manufacture, distribute and use work trucks across North America and globally.

What are work trucks?

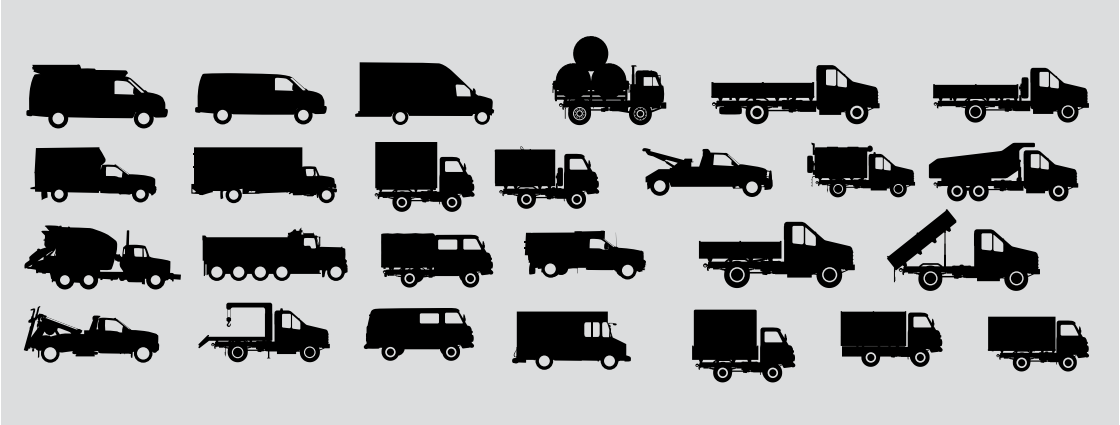
Unlike mass-produced assembly-line passenger cars and trucks, commercial work trucks are primarily designed and produced individually, on a custom-order basis. Their diverse applications, limited volume and nearly limitless body and equipment variations dictate this method of production.

Many work trucks are considered mission-critical. Emergency vehicles such as ambulances, fire trucks and law enforcement vehicles are necessary on a daily basis. Utility trucks are needed to keep services such as power and water running, and utility fleets support one another with trucks and crews in the face of natural disasters like hurricanes.

Typically, commercial trucks are built in a multistage process involving three distinct yet interrelated industry segments. To ensure product compatibility, a close-working relationship is necessary between the truck chassis manufacturers and their dealers; truck body and equipment manufacturers; and truck body and equipment and distributors (also known as truck upfitters).

Vehicles produced by NTEA member companies for commercial or vocational use include, but are not limited to, dump trucks, utility company vehicles, agricultural platform and stake body trucks, van-based delivery or service vehicles, shuttle buses, aerial bucket trucks, tow trucks, beverage delivery trucks, digger derricks, snow removal vehicles, fire trucks, ambulances, and a host of other specialized configurations.

Work trucks are vital to everyday life and support the activities of every major sector of the economy, from agriculture and energy, to utilities and construction.



Work trucks are part of a low-carbon future

According to the U.S. Environmental Protection Agency (EPA), "the transportation sector generates the largest share of greenhouse gas emissions (28.2% of total GHG emissions in 2018). Greenhouse gas emissions from transportation primarily come from burning fossil fuel for our cars, trucks, ships, trains, and planes. Some 90% of the fuel used for transportation is petroleum based, which includes primarily gasoline and diesel."

NTEA is committed to supporting continuous improvement and innovation that result in GHG emission reductions and climate solutions both in terms of the products and technologies the industry produces. We support evidence-based policies designed to further these goals and move society toward a low carbon future.

The work truck industry views the transition to a low carbon future as a path to zero emissions that allows for multiple routes encompassing a wide range of fuels, technologies, innovations and new materials, and recognizes that different fuels and technologies may be beneficial in different market applications. Additionally, NTEA is committed to building knowledge and acceptance of technologies that will reduce GHG emissions. Further, NTEA supports and develops both driver training and vehicle purchasing education that will further enhance vehicle efficiency.

Our principles

- We support evidence-based, scientifically grounded policy solutions that are fuel- and technology-agnostic. We believe there are multiple paths to a zero-emissions future.
- Solutions should be data-driven.
- Industry has an important role to play in driving new innovative technological solutions, and government policy can help create the enabling environment for that innovation.

GREEN TRUCK ASSOCIATION

GREEN TRUCK SUMMIT

Green Truck Association (GTA) was established in 2010 as an affiliate division of NTEA – The Association for the Work Truck Industry. GTA is a resource for legislative and regulatory updates, market data, technical and engineering solutions, and timely news on clean vehicle products and initiatives. GTA recognizes that having a green fleet is more than just running your vehicles on alternative fuels or energy sources. GTA is dedicated to improving work truck efficiency and productivity. Often, this is measured by reduction of diesel and gasoline consumption and associated environmental impacts. However, GTA also assists fleets with learning how to make decisions based on data analysis that creates improved performance with fewer resources.

Green Truck Summit, held annually in conjunction with Work Truck Week since 2008, is attended by hundreds of work truck industry professionals and features intensive programs on clean energy trends and initiatives for commercial vehicles. The conference brings together government, educators, industry users and innovators to offer insights on the industry's path to zero emissions. Presenters share how sustainable technologies, alternative fuels and connected vehicles are driving industry evolution.

FET as a deterrent to newer, cleaner and safer vehicles.

In the United States, there is a 12% Federal Excise Tax (FET) on retail purchase of heavy-duty trucks. This tax typically adds between $12,000 and $22,000 to the purchase price of a new heavy-duty truck. It applies also to any alternative fuel conversions or advanced fuel efficiency technologies added to the truck. Because of the cost, work trucks are viewed as a long-term investment. It is not uncommon for a work truck chassis to be in use for 20 years. As a result, more than half of all Class 8 trucks on the road today are over 10 years old.

NTEA supports FET repeal in the context of maintaining Highway Trust Fund integrity.

Eliminating FET would spur sales of today's cleaner and safer heavy-duty trucks and trailers by making them more affordable. Today's heavy-duty trucks are cleaner than ever before. Cleaner fuel and engines utilizing advanced technologies have combined to reduce nitrogen oxide emissions by 97% and particulate matter emissions by 98%. Since 2010, more fuel-efficient diesel trucks have saved 101 million barrels of crude oil and reduced CO2 emissions by 43 million tons.

NTEA supports coordinated national policies as a path to zero emissions

Through proactive energy- and technology-neutral energy policies that are coordinated between governments, we can elevate alternative fuels and various vehicle-related technological advances — many of which are already available — into the mainstream of commerce, resulting in job creation while making North American manufacturers more globally competitive.

It is imperative that work trucks are included in the policy as they play a vital role in our productive economy and represent an opportunity through which alternative fuels and advanced technologies can be effectively and rapidly deployed.

As part of a coordinated effort to reduce GHG emissions, we call for additional infrastructure investment along with research and innovative demonstration projects that could lead to policies mitigating road congestion. Additionally, fueling infrastructure for alternative fuels such as propane, natural gas, electric and hydrogen must be supported in order for these fuels to be adopted in the vocational truck fleet.

NTEA will

- Recognize and support programs that enhance North American manufacturing competitiveness globally through more fuel-efficient and sustainable vehicle fleets;
- Promote evidence-based federal, state, provincial and municipal government policies and regulations as well as private-sector initiatives that effectively reduce GHG emissions from work trucks;
- Encourage industry and government research that assists in the determination of the best fuels or technologies for differing transportation and work truck applications;
- Educate municipalities, private fleets and the general public on the availability and value of alternative fuels and fuel-efficient technologies;
- Partner with North American governments, agencies, and laboratories to support the development and integration of innovative technologies and strategies reducing GHG emissions from the work truck fleet; and
- Work with industry to maximize the near-term benefits of deployable alternative fuels and advanced technologies that reduce GHG emissions and increase fuel efficiency.

Conclusion

NTEA commits to helping the work truck industry reduce GHG emissions generated by vocational truck fleets. We encourage and support policies that will increase overall energy and fuel efficiency. Further, NTEA calls for increased investments in the research, development and deployment of advanced technologies and alternative fuels that can reduce GHG emissions and increase the efficiency of work trucks by its member companies.

About NTEA

NTEA – The Work Truck Association represents more than 2,100 companies that manufacture, distribute, install, sell and repair commercial trucks, truck bodies, truck equipment, trailers and accessories. Buyers of work trucks and the major commercial truck chassis manufacturers also belong to the Association. NTEA provides in-depth technical information, education, and member programs and services, and produces Work Truck Week®. The Association maintains its administrative headquarters in suburban Detroit and government relations offices in Washington, DC, and Ottawa, Ontario. NTEA staff are knowledgeable and experienced in a variety of areas related to the work truck industry. Visit ntea.com/meetourexperts to learn more or request an interview.

About GTA

Green Truck Association was established in 2010 in recognition of the growing interest and demand for green products within the work truck industry. It helps fleets, manufacturers, upfitters, government agencies and other industry stakeholders stay up-to-date with relevant regulatory and industry developments, while also working to expand and improve the market for green truck applications. Find more information at greentruckassociation.com.

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