

National Conference of State Legislatures The Transportation Energy Challenge

Mike Stanton
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August 8, 2011
San Antonio, Texas



Our Members:

ISUZU



NISSAN



ASTON MARTIN



DELPHI



TOYOTA



BOSCH



DENSO

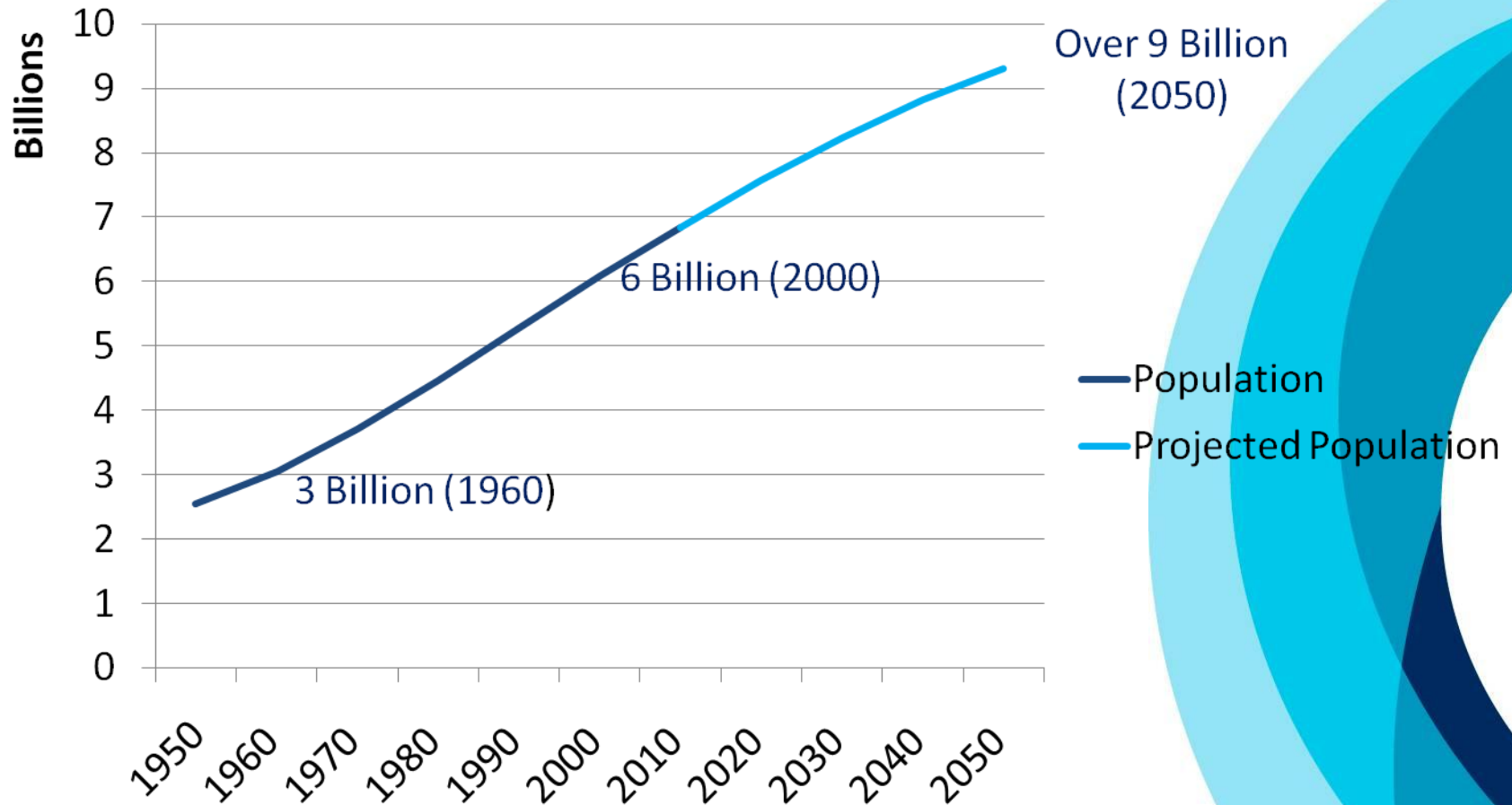
HONDA

The Energy Challenge Today

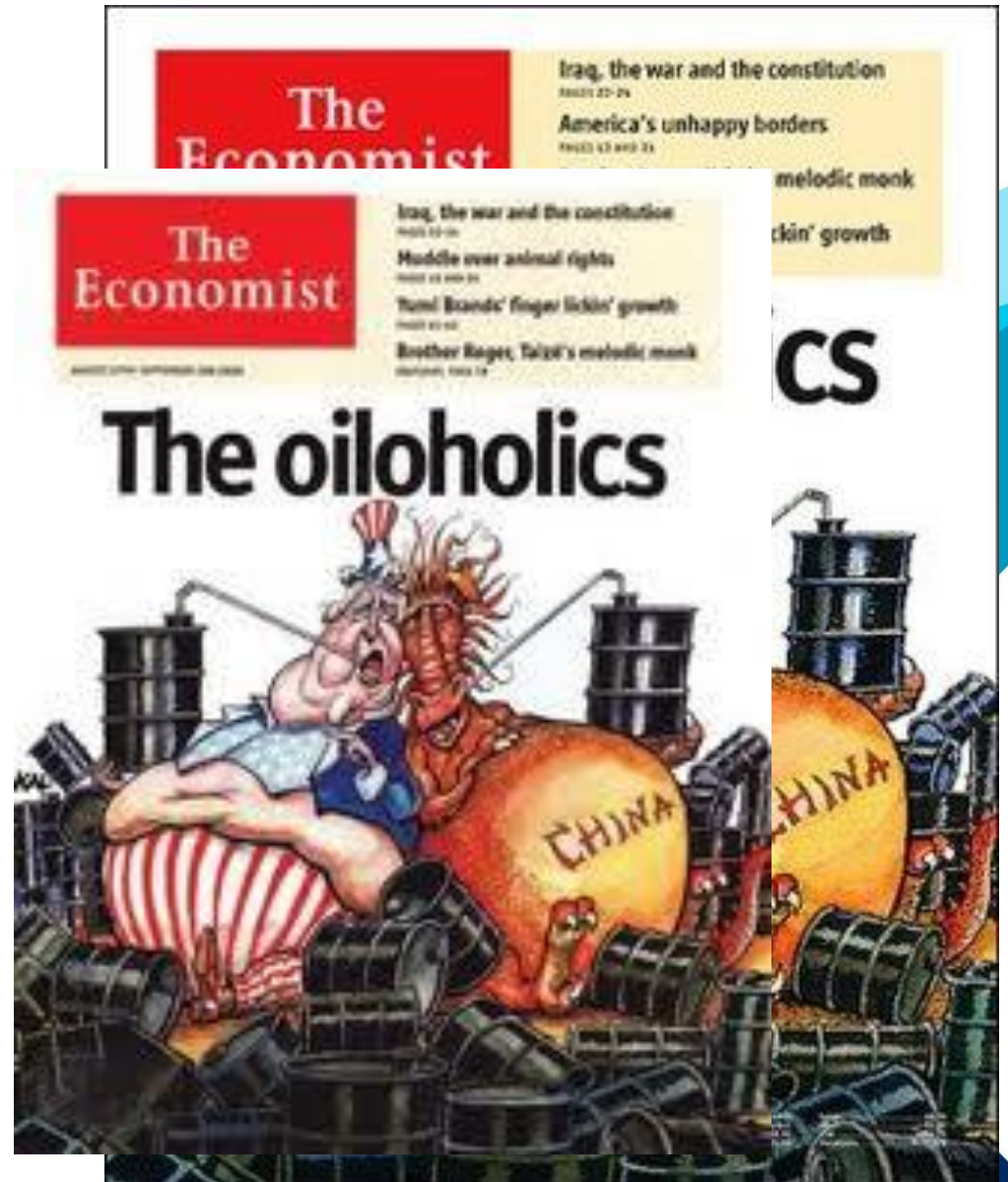
- Energy challenge is huge
- National Energy Policy
- Climate Change
- Energy Security



World Population Growth, Actual and Projected, 1950-2050

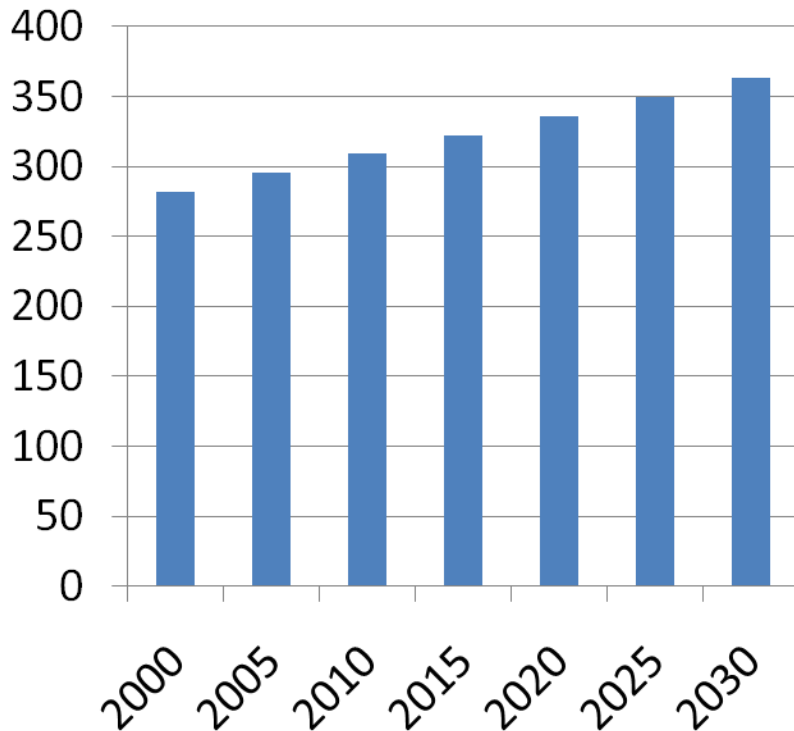


World Oil Consumption



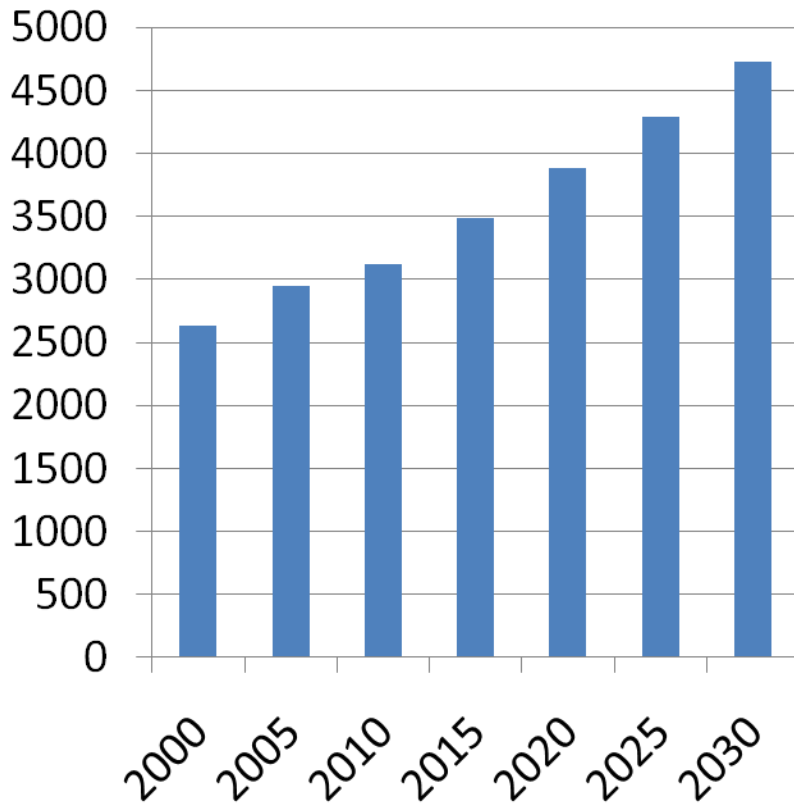
U.S. Population

**Total U.S. Population
(Millions)**

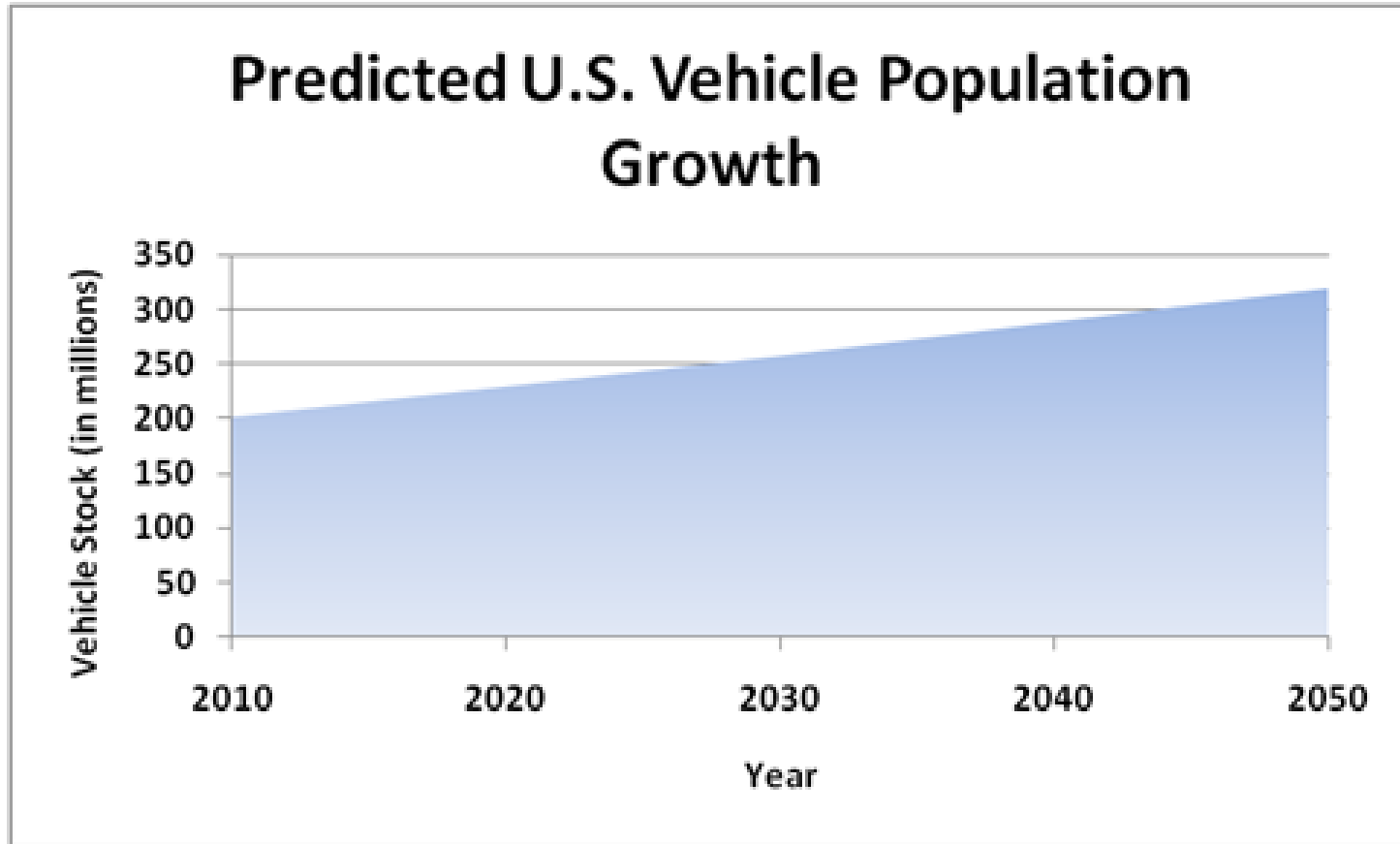


U.S. Vehicle Miles Traveled

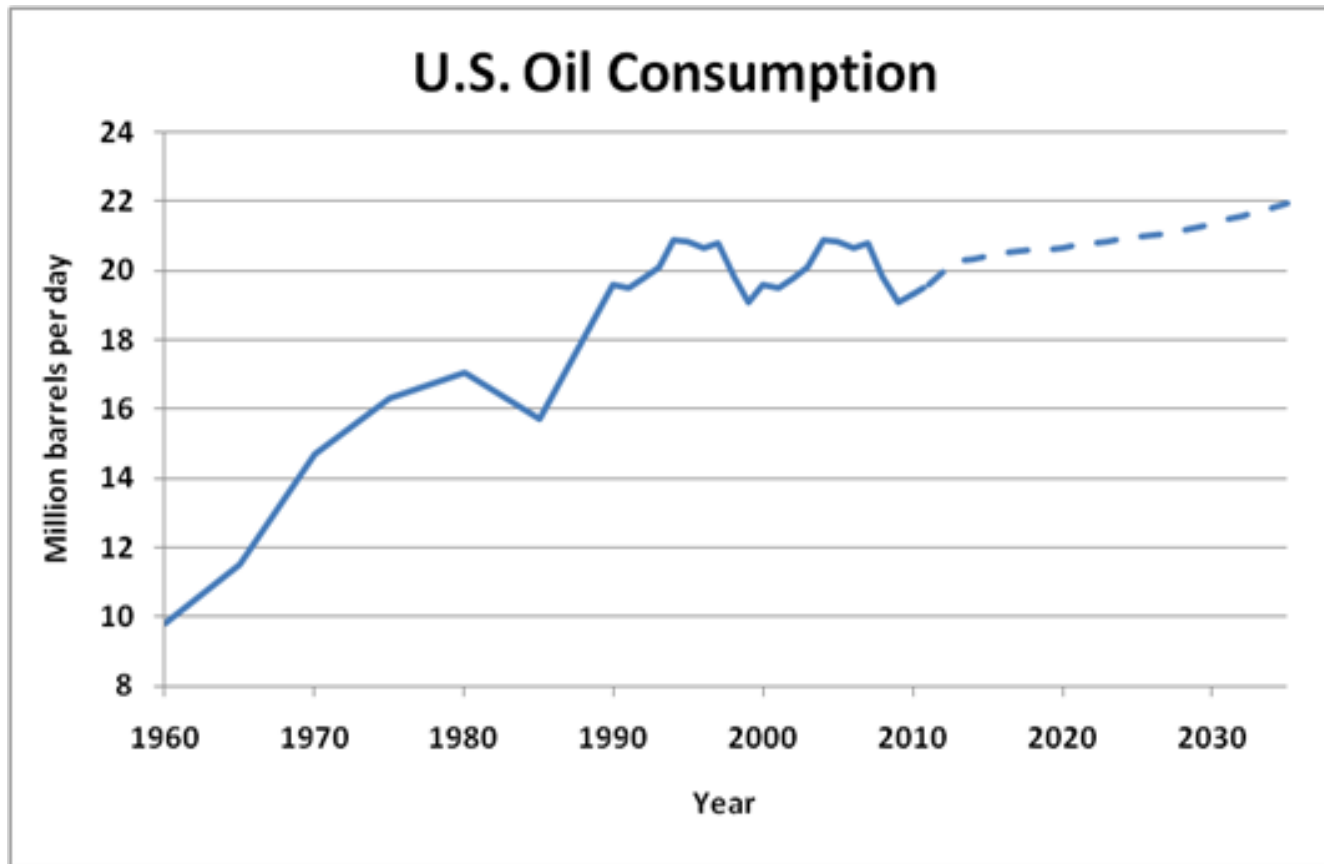
Highway VMT (billions)



U.S. Vehicle Population




U.S. Oil

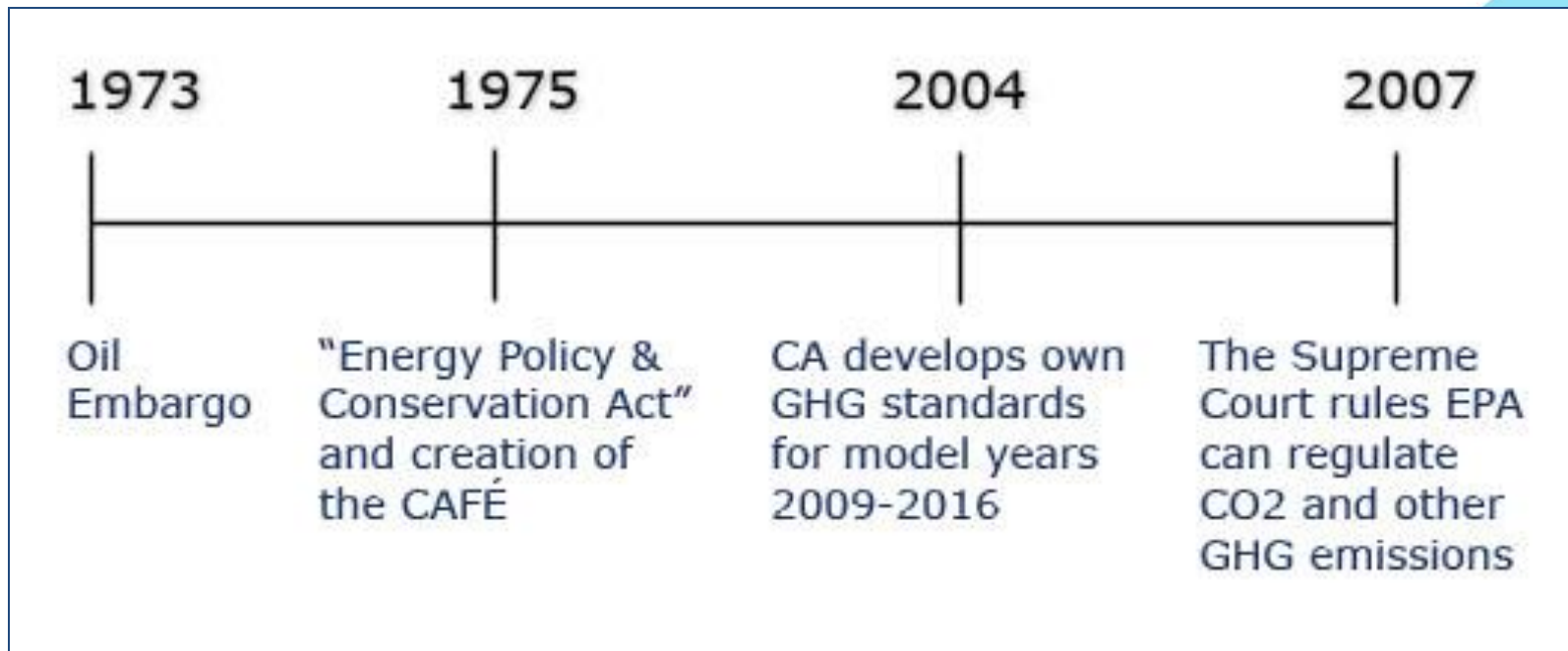


Brief History of U.S. Auto Policy



The 1970s

- Detroit: 85% of the U.S. market
 - Oil Embargo
 - Market share of light duty trucks was 15%
 - Market share of Cars was 85%
- 



Greenhouse Gas/Fuel Economy Rulemaking 2012 – 2016 MY

On May 19, 2009:

- Stakeholders agreed to harmonize the Corporate Average Fuel Economy/GHG emission standards for 2012 through 2016 model years.
- DOT and EPA work together to create a harmonized federal program for 2012 through 2016 model years.
- California agreed to accept compliance with the national program as compliance with California standards.

Standard for 2016 = 35.5 MPG

Greenhouse Gas/Fuel Economy Rulemaking 2017 – 2025 MY

In May, 2011

- Stakeholders agreed to continue to support a single national policy to increase fuel efficiency and decrease GHG pollution from motor vehicles for 2017-2025 MY.

Proposed standard for 2025 MY = 47 to 62 MPG

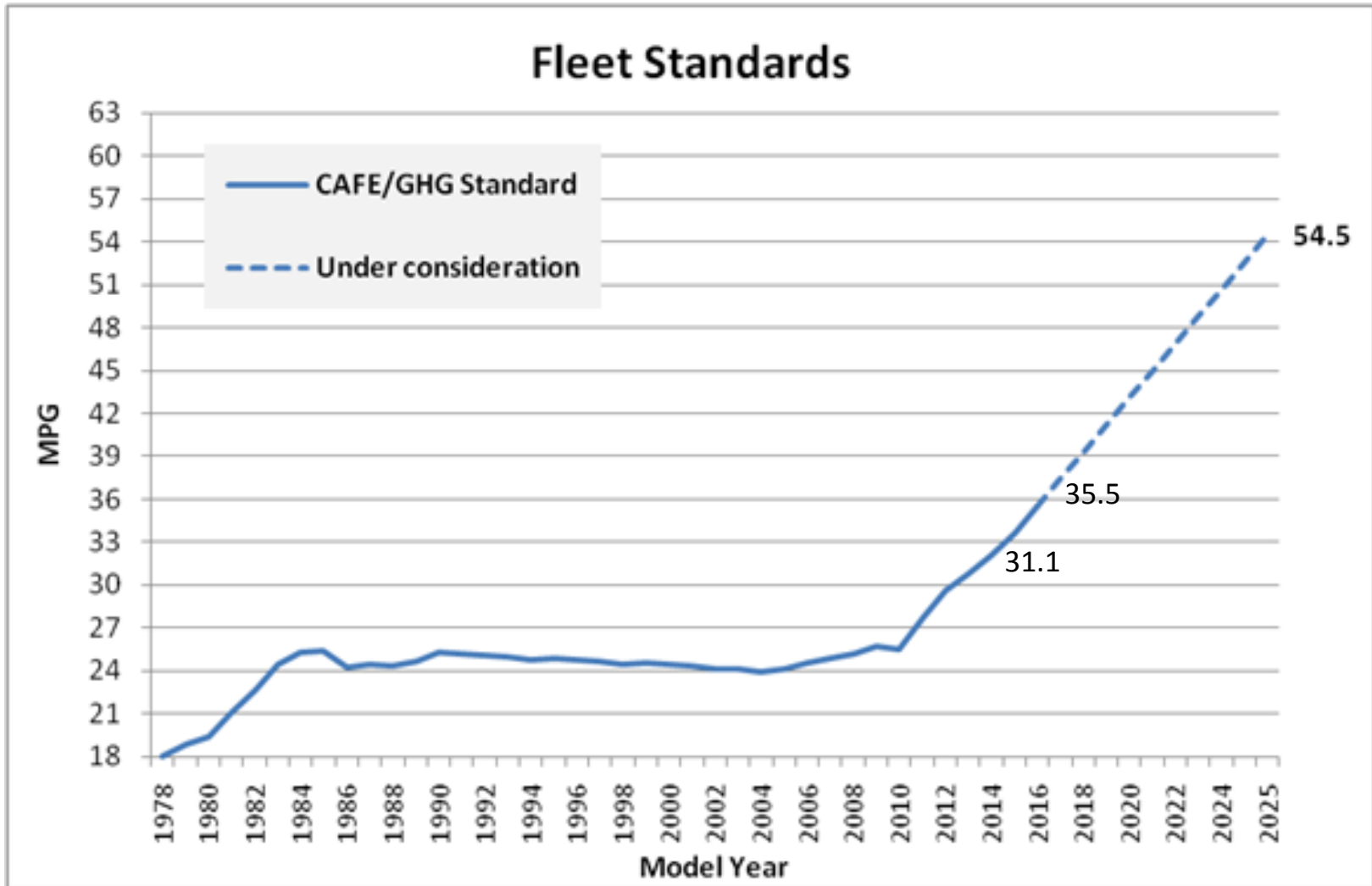
Greenhouse Gas/Fuel Economy Rulemaking Cont.

Currently:

- Support for one national program
- 54.5 MPG combined standard
- Progress has been made



Future Standards



The New Standards Will Require:

- Advanced Technologies
- \$50.5 billion by 2016
- \$300 – 400 billion by 2025



Near Term Improvements

Improvements to the Internal Combustion Engine

Cylinder deactivation

Friction reduction

Cooled exhaust gas recirculation (EGR)

Engine Downsizing

Variable valve train

Direct injection

Continuously variable transmission

Increased transmission speeds (6-speed, 8-speed)

Dual clutch transmission

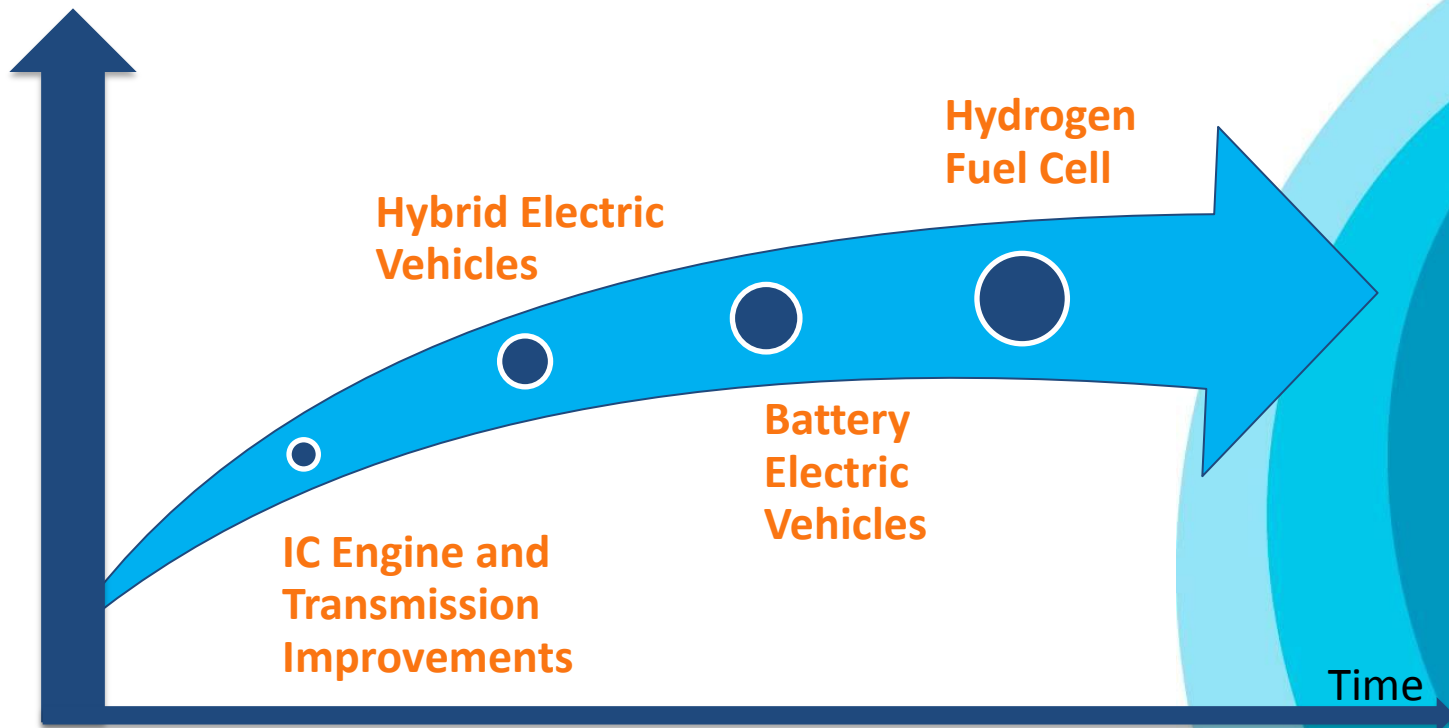
Start/stop

Turbocharging



Technology Transition

Improved
Vehicle Fuel
Economy &
Emissions



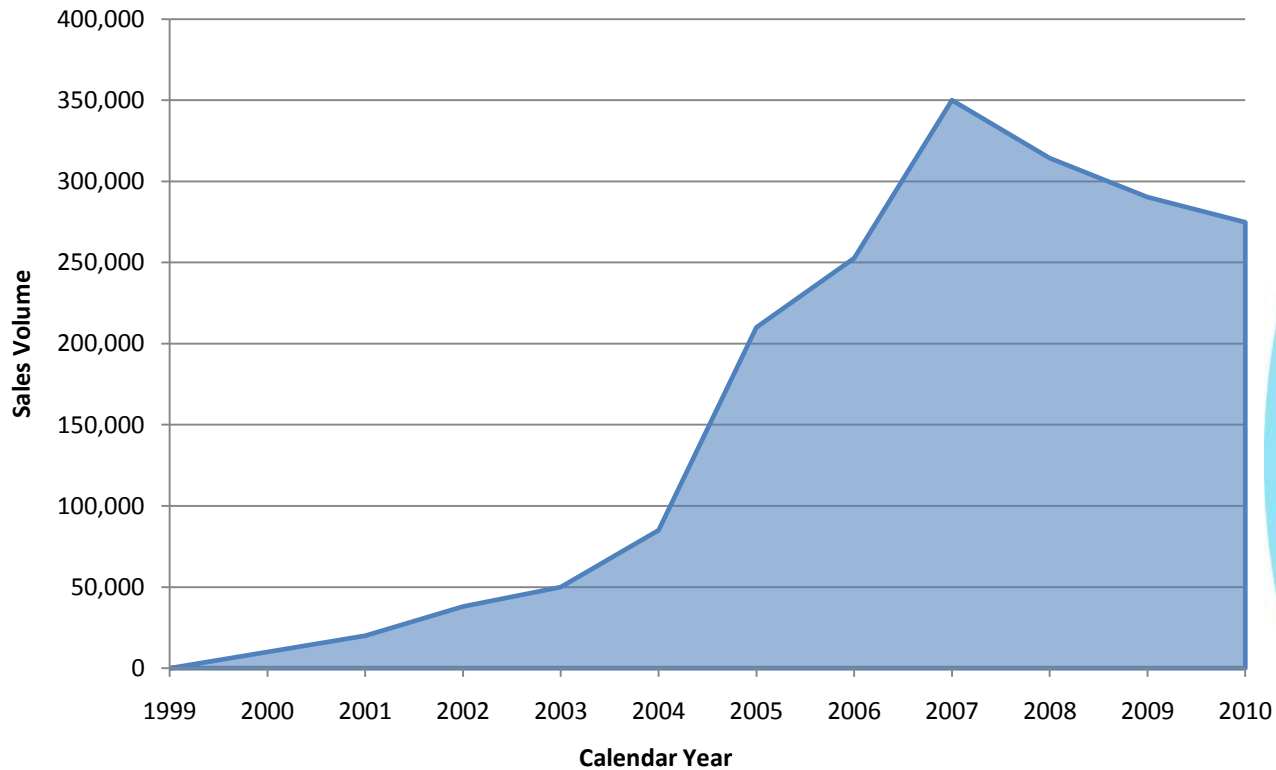
The Consumer

- Consumer is king
- Satisfying consumer needs
- Value Proposition



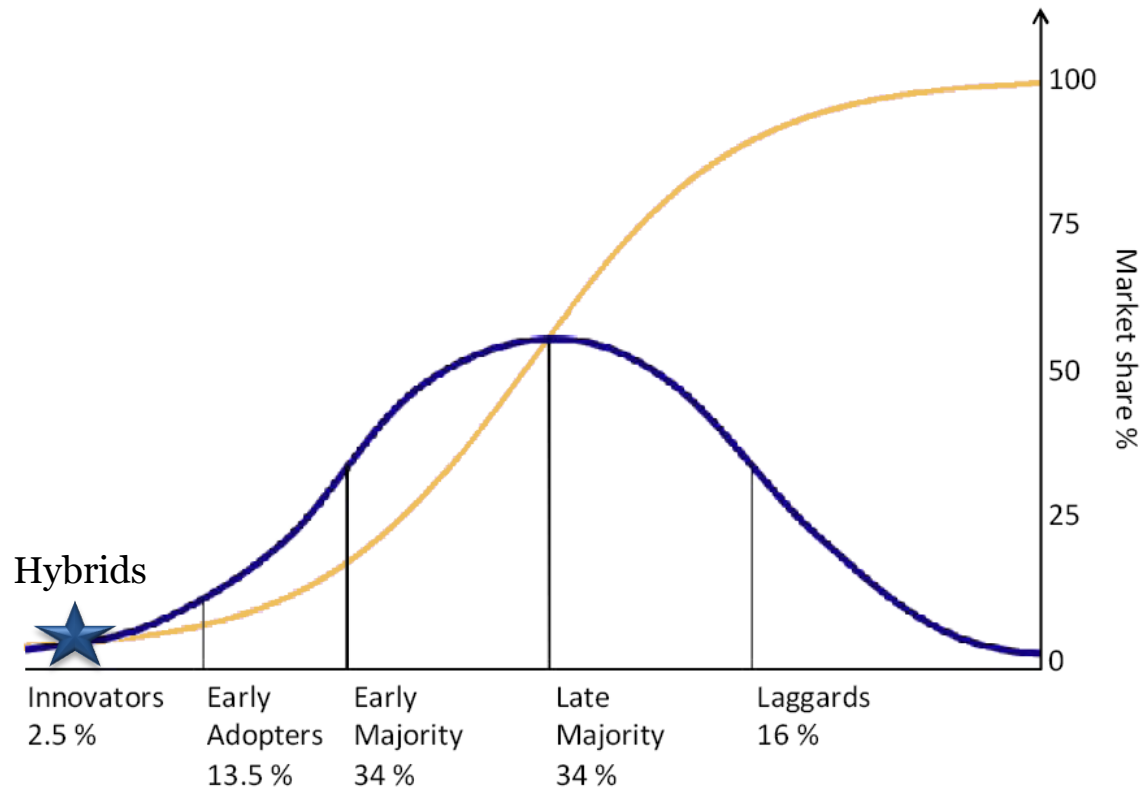
Hybrid Sales

US Annual Hybrid Sales



Phases of Consumer Acceptance

- The Hybrid take-rate in 2010 was 2.50%.
- Common misperception that hybrids are “Mainstream.”



Infrastructure

Fuel Cell

Natural Gas

Hydrogen

Renewables

Electric Vehicles



Moving Forward

- We must do this together
- We want to be part of the solution
- All of this is extremely challenging and we can't do it alone



Questions

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