

column

Deadlines, Deadlines

STEVE STURGESS • EXECUTIVE EDITOR

Navistar International is pressing for a delay in the implementation of the 2010 emissions mandate, pushing it back from the Jan. 1 deadline. It's very much a go-it-alone strategy, as all the other truck and engine makers say they are on track with their technology solutions and would like the deadline to stay just where it is.

The Navistar argument is that it is a very bad economic environment for the introduction of new technologies that are bound to increase the sticker price of the equipment come 2010. The company is not saying what the level of shock will be, but an informed guess puts it between \$6,000 and \$10,000. Undoubtedly, the proponents of selective catalytic reduction – which is everyone but Navistar – will be at the higher end of any increases, since there are hardware plus research and development costs associated with SCR.

But the Navistar solution – significantly increased exhaust-gas-recirculation – has to have its development costs, too. And it will come with hardware costs, as well. More EGR means more heat rejection into the cooling system, so International's trucks will have to feature reengineered cooling packages to mate to its big-bore MaxxForce 11- and 13-liter engines.

And that development will run years after the deadline, because Navistar will use banked credits from its smaller, cleaner engines that have been well below the '07 emissions limits. This means that it will shoot for 0.5 g per hp-hr NOx – the highest EPA will allow even with credits – instead of the actual mandate of 0.2 g per hp-hr that all the other manufacturers will comply with at the due date.

Obviously, any delay in implementation of the next emissions step would give Navistar a little more breathing room to get down to the 0.2 g level before its credits run out.

The company says, though, that the call for a delay is in response to a study by NERA Economic Consulting that it commissioned, which concludes the market response to the Jan. 1 deadline will be a disaster. NERA calls it a no-buy, no-buy, referencing the last two emissions events that saw a pre-buy and then a no-buy.

Adding fuel to the debate, the Owner-Operator Independent Drivers Association has seized on this piece of "research" to issue its own call for a delay in the



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implementation, saying with some very convoluted logic that staying with the deadline will lead to worse air quality.

Todd Spencer, executive vice president of OOIDA, serves the cause for clean air ill when he said, "It's the worst possible time for the trucking industry to take on a high-stakes gamble with no known level of reliability of the technologies or return on investment."

Talk to the SCR camp – which to reiterate, is everyone but Navistar International – and you'll hear the howls of protest. Spencer's comment is simply not true.

You only have to look to Europe, where something like 500,000 trucks are running every day using SCR technology to meet Euro 4 and the upcoming Euro 5 (which, because of some enlightened fiscal policy, is actually pulled ahead by users buying cleaner trucks today, not waiting till October 2009).

SCR works and, by the way, actually does have a payback, contrary to the rantings of

OOIDA. In Europe, where the NOx limits are less stringent, the use of exhaust aftertreatment has allowed for engine optimization that has paid back 10 percent in fuel economy improvements. When it is applied here in North America it will deliver less but, even allowing for the cost of the diesel exhaust fluid required, will deliver a 3 percent economy improvement. Personally, I believe the engine manufacturers are under-promising in the hope they can over-deliver when the time comes.

Unfortunately for Navistar, more EGR means no opportunity to pick up fuel economy. The company argues that the overall economy of the MaxxForce big-bore engines is sufficiently good that its customers will be at no competitive disadvantage with fuel economy compared to its SCR competitors. Therein lies the gamble. Time will tell. Navistar just hopes the time will be later rather than sooner.

E-mail Steve at ssturgess@truckinginfo.com, or call (949) 225-7911.