RODICA A. BARANESCU MANAGER, ENGINE GROUP

International Truck and Engine Corporation MAY 3, 2004



International Truck and Engine Technology and Emissions Strategy

Environmental Stewardship





Overview

- Legacy
- Emissions Reduction
- Engine Technology for 2007 and Beyond
- Advanced Technologies



Legacy

- Demonstrated 1994 Compliant Smokeless Diesel – 1989
- Demonstrated 2004 Compliant Diesel 1996
- Demonstrated Green Diesel School Bus with lower PM and HC emissions than CNG – 1999
- Certified GDT Diesel Engine at 2010 PM and HC levels - 2001
- Technology Path decisions for 2007 2003



Benefits of Diesel

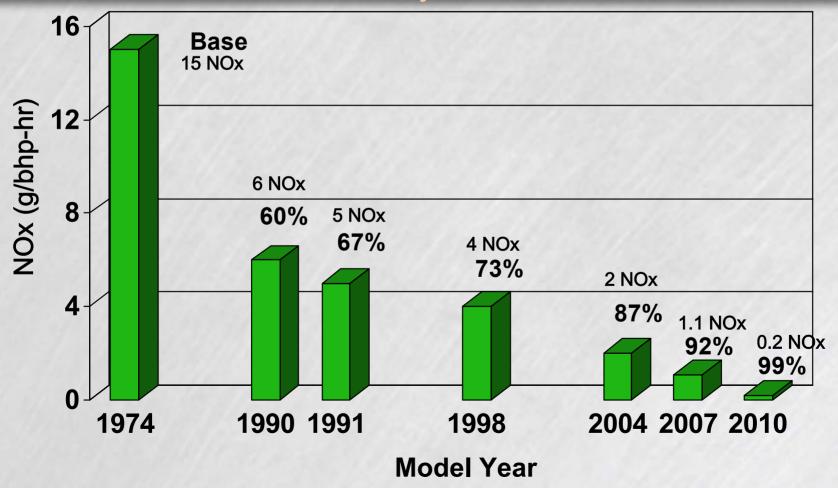
- 40-60% better fuel efficiency
- Durability
- Performance (pulling power)
- Contributes less to greenhouse gas emissions
- Lower hydrocarbon (HC) emissions
- Lower carbon monoxide (CO) emissions



How Far Diesel Technology Has Come:

Progress In Reducing Nitrogen Oxides Emissions

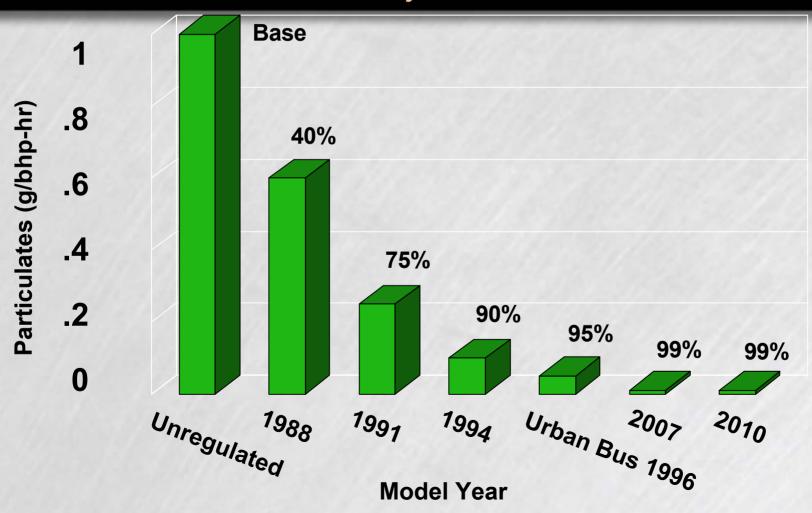
Industry Reductions





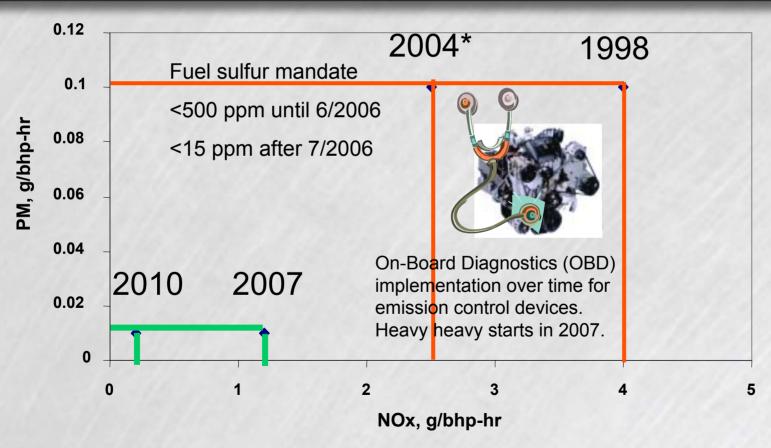
How Far Diesel Technology Has Come:

Progress In Reducing Particulate Matter Emissions
Industry Reductions





HD Diesel Emissions Requirements



^{* 2004} requirements is NOx+HC. Consent decree implementation is October 2002.



- Fuel System
- Air System
- Combustion
- Electronics / Controls
- Aftertreatment



How Diesel Technology Will Reduce Emissions to Meet the Requirements

Emissions Reduction

- 4 Valve Head
- Vertical Injector
- G2 Injection System
 - Electronic Pilot
 - Electronic Trim
 - Higher Peak Pressure
- Advanced Turbo
- Cooled EGR
- Oxidation Catalyst

- Particulate Trap
- Advanced Turbocharging
- Advanced Electronics
- Advanced Combustion System
- Advanced Injection System

Advanced NOx Aftertreatment

Advanced Particulate Trap

2002

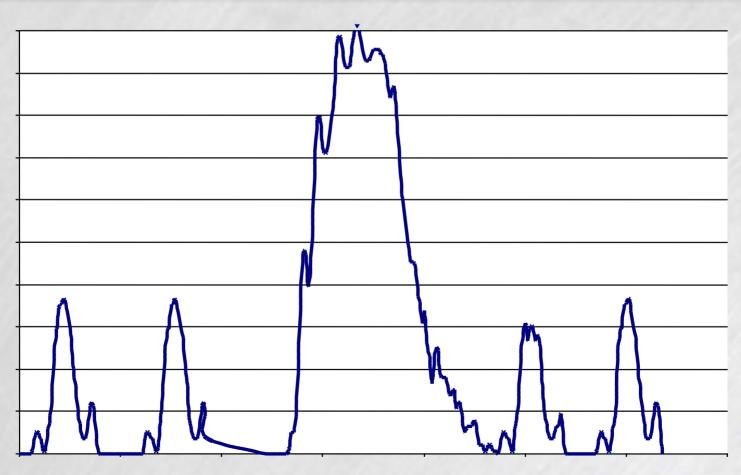
2004

2007

2010



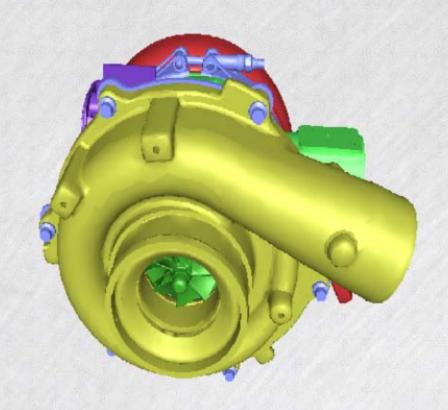
Fuel Systems (Fuel Systems of the Future)





2007 Turbocharger Refinements

- Variable geometry
- Demand tailored performance
- Improved response
- Increased capacity





Combustion Chamber

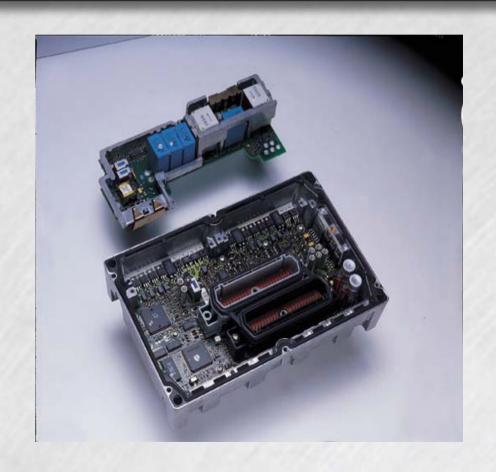
- Continuing development
 - Bowl shape
 - **Swirl**
 - Injector position





2007 Electronics

- More sensors
 - Aftertreatment monitoring
- More computing power
- On-BoardDiagnostics





Electronics and Electrical Systems

- Sensors
- Computing Power
- Model Based Control Systems
- 42 Volt

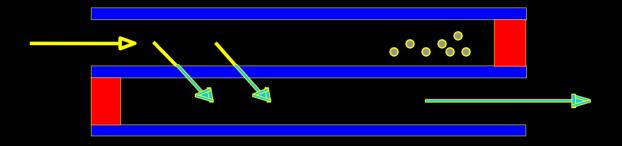


Aftertreatment

Absorption of NOx, PM & HC emissions during normal operation

Periodically add detergent (diesel fuel) and squeeze





Soot filter traps all soot particles and hydrocarbon.

It needs to burn off the trapped soot particles.

A key measure of its performance is the balance point temperature.

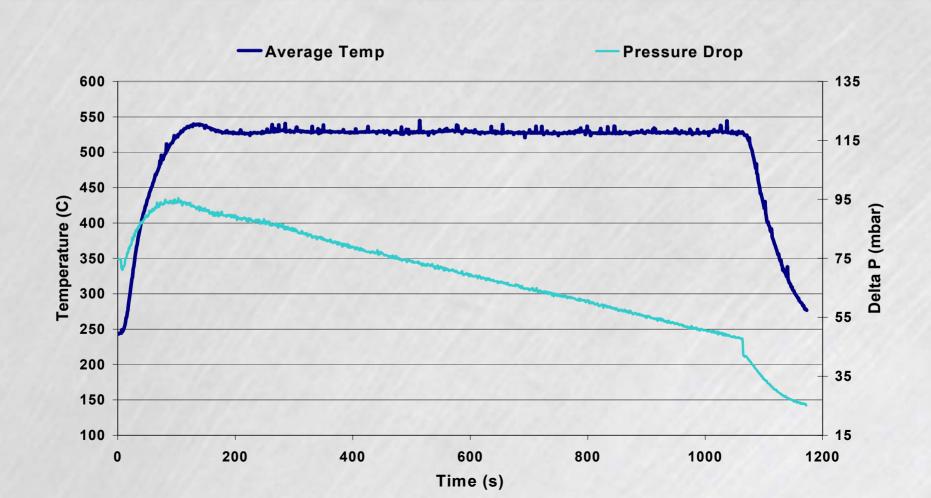
The balance point temperature varies from engine to engine.

Balance point temperature: the engine operating condition and the exhaust temperature where soot burn off rate is greater than or equal to the engine soot output.



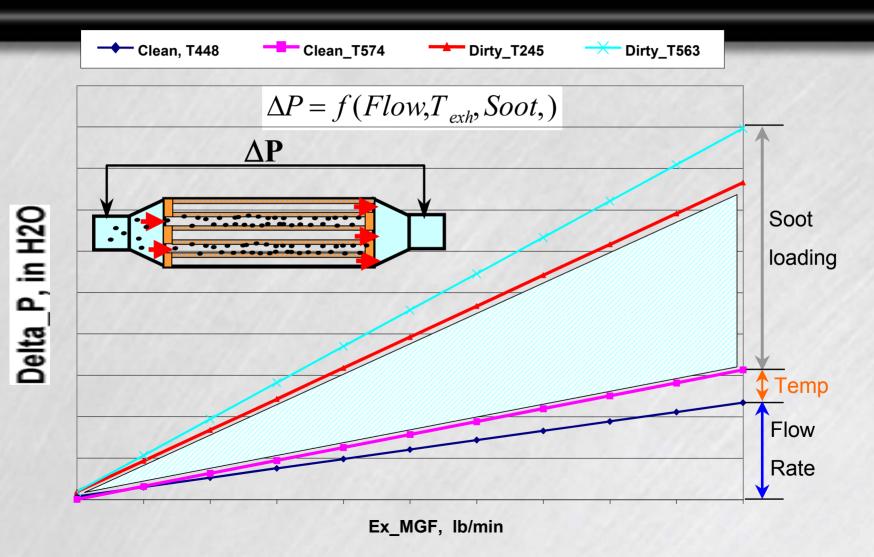


PM Filter Regeneration



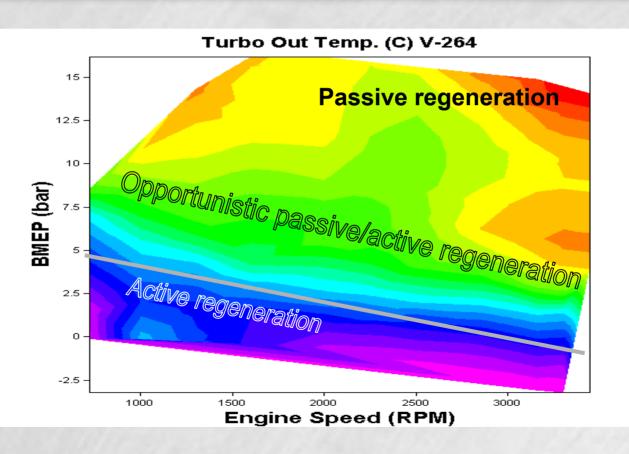


CDPF Delta P Correlation with Parameters



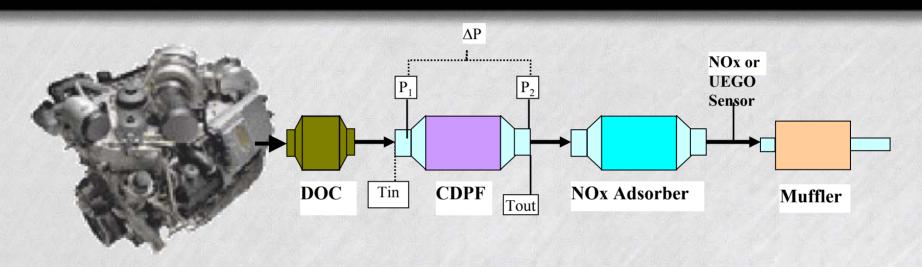
Strategy for DPF Regeneration

INTERNATIONAL





NOx Adsorber



2010 HD / 2009 LD



NO, Adsorber - How Does It Work?

It works in three simplified steps:

- 1. It stores NO_x with normal diesel exhaust (Lean).
- 2. It releases NO₂ when it is starved of O₂ (Rich).
- 3. Under the rich condition, CO, HC, and H_2 reduce the released NO_2 into N_2 .

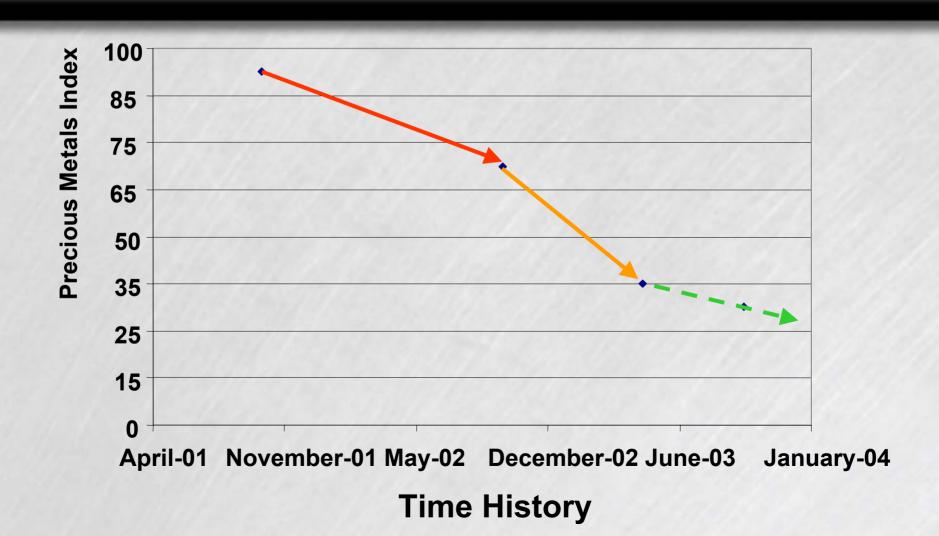


Nox Adsorber

- Cost Improvements
- Efficiency Improvements



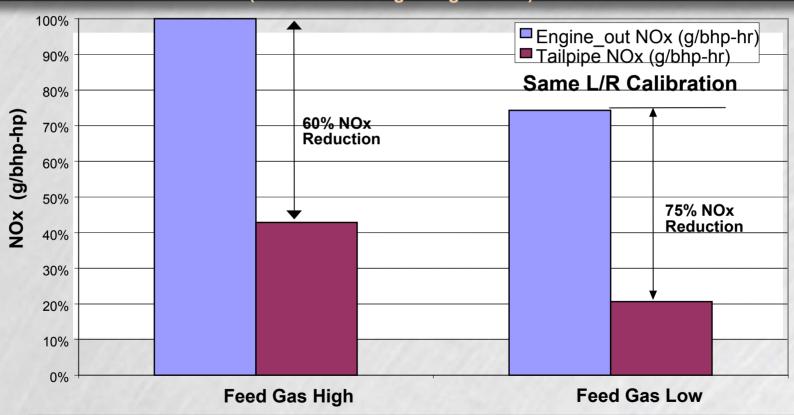
NOx Adsorber Progress





Effect of Feed Gas NOx Emission Level on LNT Performance

(HD FTP with Engine-aged LNT)



•LNT Absorbs About the Same Amount of NOx Regardless of Feedgas Level, Resulting In Higher Efficiency with Lower Feed-gas Level



NOx Adsorber Conclusions

- Precious Metals Content continues to Decline
 - Costs Improve
- The NOx Adsorber Acts like a NOx Capacitor
 - Lower engine out NOx means Higher efficiency Catalyst

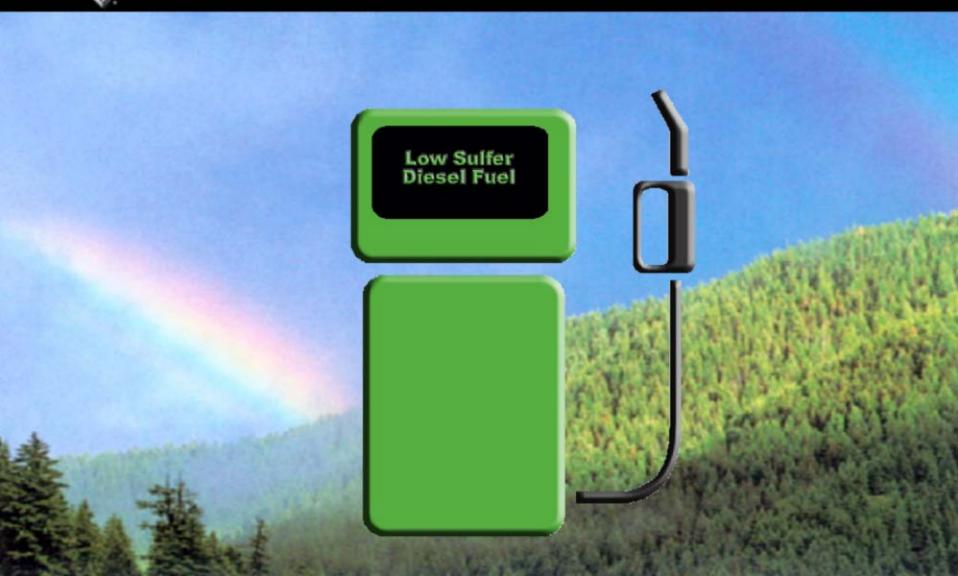


Urea SCR System

- Urea provides ammonia for reduction of NOx
- Automatic injection
- Separate storage tank
- Refilled with each fuel fill
- 5% by volume with the fuel
- Cost per gallon of fuel?
- To be utilized in EU without PM filter



Fuel





2007 Technology Decisions

- International set the technology path in 2003
 - 2007 is an evolution of the 2004 product with a Particulate filter
 - No Nox Adsorber or SCR catalyst required
- Structured program management approach to 2007
- 2005 test vehicles in customers hands
- 2004 "pre-certification" dialogue with EPA and ARB



Implications of the Low-Emitting Diesel Technology Road Map

- Technology can be applied to all engines:
 - Heavy-duty trucks, buses
 - Light-duty vehicles
- 2004 technology is foundation for 2007
- Some 2007 technology is available today
- Use of 2007 technology requires ultra-low-sulfur fuel
- Widespread supply of ULSF is crucial to this technology, now and in 2007



Green Diesel Technology® School Bus:

- **■**Demonstrated to U.S. EPA in 1999
 - Now being sold in California





Green Diesel Technology® School Bus: 2007 Technology Today

- International 530E 275HP diesel engine with special low-NOx calibration
- Catalyzed diesel particulate filter
- Must use ultra-low-sulfur (<15ppm) diesel fuel
- EPA/CARB emission certifications granted
 March 2001
- Customer deliveries began December 2001



Conclusions

- PM filters are successful in commercial vehicles today
 - Proper regeneration will provide functionality as well as reliability
 - The typical class 8 truck load factors will induce passive regeneration (like Green Diesel Buses)



Green Diesel Team

- Multi-disciplined approach to changing people's minds about diesel
 - Engine Engineering
 - Public Affairs
 - Health and Safety
 - Legal
 - Communications
- Relevant, timely, and accurate information



Green Diesel Team

Key States Program

- Facts about diesel: today and tomorrow
- Do No Harm: 2007 implementation
- Funding availability for GDT
- The "white hanky" test
- NY, NJ, Az, Georgia, Texas, Ma, II, Ohio, Ind
- Canada
- Personnel located in California



Green Diesel Team

- School Bus Interior Study
 - Iridium Tracer
 - Correct findings of erroneous NRDC Report
 - 1995 Model Year Technology Tested
- CNG vs Green Diesel Technology
 School Bus Emissions comparison
 - CNG did not have lower emissions of any toxic air contaminants
 - Corroborated by California ARB study

Communications

- GreenDieselTechnology.com
 - A source for facts on diesel technology
- 2007 facts Pupil Trans associations and school bus business communicators and their web sites
- NAPT Foundation workshops 2007 requirements and funding
- Our demonstration of technology is driven by our customer's needs



Advanced Technologies

- Hybrid Electric Diesel Vehicle UPS Van - DOE
- Hydraulic Hybrid diesel Vehicle F350 -EPA
- EPA / International CRADA 2010 emissions without NOx aftertreatment
- Camless Engine



Conclusions

- Design and operation of diesel engines will be an evolution of the 2004 product
- High volume PM filters will be in production for 2007 MY
- Ultra-low-sulfur diesel fuel is the technology enabler to move to near-zero emissions targeted by EPA/CARB



Low-Emitting Diesel Engines and Vehicles Become a Clean Air Solution

- Equivalent or better emissions than gasoline or alternative fuels
- Still more fuel efficient with lower greenhouse gas emissions
- Performance and reliability that customers depend on



The Result

Diesel becomes an environmental solution