

**Remarks Prepared for**  
**David Strickland, Administrator**  
**National Highway Traffic Safety Administration**  
**National Association of Trailer Manufacturers**  
**Convention and Trade Show**  
**Charleston, SC**  
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Good morning, everyone. Thank you, Pam [Pam O'Toole Trusdale, Executive Director, NATM] for that kind introduction. It's such a pleasure to join you here in Charleston. I am deeply honored to have this opportunity to speak to all of you today.

As you know, the primary role of the National Highway Traffic Safety Administration is to reduce highway crashes, and the injuries and fatalities caused by crashes every day. All of us at the Agency share a deep passion for advancing this mission.

I have to say that since becoming Administrator in January of 2010, I've had the best job in the world. It's been an honor to serve my boss, Secretary Ray LaHood, who has been utterly dedicated to our safety agenda. And each and every day I'm also blessed to work shoulder to shoulder with our fantastic, talented staff.

At NHTSA we form close ties with our numerous safety partners on driver behavior issues, such as speeding, seat belt use, and substance abuse. We also collaborate with our technical partners to improve the crashworthiness of vehicles and lay the groundwork for realizing benefits from other rapidly evolving, innovative vehicle research.

I am happy to count NATM as an outstanding partner. I applaud your association's commitment to safety. Your mandatory compliance verification program for NATM member organizations demonstrates the power and effectiveness of proactive engagement on regulatory issues. I am extremely encouraged when I see associations and industries put safety front and center.

I know that NATM members have some concerns about the fuel efficiency standards developed by NHTSA and the greenhouse gas emission standards developed by the Environmental Protection Agency. This morning I want to touch on the implementation and impacts of these standards.

In October, 2012, NHTSA and EPA published joint final rules to improve fuel economy and reduce greenhouse gas emissions for passenger cars and light trucks for model years 2017 through 2025. NHTSA established Corporate Average Fuel Economy (CAFE) standards under the Energy Policy and Conservation Act (EPCA) and EPA established national greenhouse gas (GHG) emissions standards under the Clean Air Act.

The standards will apply to passenger cars and light trucks (from subcompact cars to large sedans, station wagons, to crossover vehicles, to SUVs, minivans, and pickup trucks) manufactured in model years 2017 through 2025.

These standards should matter to NATM members for several reasons: First, because nearly all of us drive either a passenger car or a light truck as our daily commuting vehicle, and these standards will save us money at the pump. And second, because consumers often use the bigger light trucks for towing trailers for recreational and business uses. We want you to know that the standards have been designed so that light truck manufacturers won't need to compromise on towing and hauling capabilities in order to meet them.

The groundbreaking joint program is projected to increase fuel economy to the equivalent of 54.5 mpg for cars and light-duty trucks by Model Year 2025, assuming the vehicles meet this

greenhouse gas emissions standard through fuel economy improvements alone. When combined with previous standards set by the Administration, this program move will nearly double the fuel efficiency of those vehicles compared to new vehicles currently on our roads.

NHTSA is moving forward in two phases: model years 2017-2021 and 2022-2025. The first phase of our Agency's rule establishes final passenger car and light truck standards for model years 2017-2021. We project that we will require in model year 2021, on average, a combined fleet-wide fuel economy of 40.3-41.0 mpg. Because of the uncertainty of forecasting in this timeframe, NHTSA conducted analysis for the rulemaking using two different forecasts of the future vehicle fleet, which is reflected in the ranges of mpg.

I want to note that the standards that NHTSA has published for the second phase, model years 2022-2025, are not final. The Agency is subject to a statute that limits its rulemaking to no more than five years at time. We will conduct a new and full rulemaking in the future for those model years. NHTSA projects the non-final standards would require in model year 2025, on average, a combined fleet-wide fuel economy of 48.7-49.7 mpg.

Compared to the MY 2016 CAFE standards finalized in 2010, NHTSA estimates that the final standards will save approximately four billion barrels of oil and 1.8 billion metric tons of CO<sub>2</sub> emissions over the lifetimes of the MY 2017-2025 vehicles. We estimate that fuel savings will far outweigh higher vehicle costs, and that the final CAFE standards, compared to the standards already in place for MY 2016, will yield \$372-\$507 billion in net benefits to society over the lifetimes of vehicles sold through model year 2025.

I want to stress that the agencies have designed the final standards to preserve consumer choice. The standards will not affect consumers' opportunity to purchase vehicles with the size, performance, utility, and safety features that meet their needs. That's because the standards are structured not to create incentives to manufacture vehicles of any specific size. For example, there's no incentive to downsize. So consumers will be able to continue to choose from the same types of vehicles that are currently in the marketplace.

We know that manufacturers face challenges in improving the fuel economy and GHG emissions of full-size trucks, because of their unique requirements for higher payload, towing, and utility capability. And so we have also established a slower annual rate of improvement for light trucks overall in the first phase of the program. This is to help manufacturers ease into raising fuel economy for those vehicles and avoid harsh transitions that might otherwise have impacted vehicle performance.

## TIRE SAFETY

Tire safety is an important aspect of every vehicle's performance, including small and medium-sized trailers. Some of these trailers are not used daily and are likely to have tires with a lot of tread remaining on them even after many years of service. A consumer may believe the tires have useful life remaining based on the tread depth, but in fact the material properties of the tires have degraded, resulting in a potentially dangerous situation when loaded and traveling at highway speeds.

NHTSA has been conducting tire aging research to evaluate the performance of light vehicle tires. Our research shows that especially in warmer parts of the U.S., including Arizona, Florida, Texas, and southern California, there is a relationship between the age of the tire and the propensity of the tire to fail. We did not include light trailer tires in our research, but we believe the findings apply to all tires.

Over the last several years, some vehicle and tire manufacturers have issued guidance about tire replacement for light vehicles. We encourage trailer manufacturers to work closely with tire manufacturers to ensure that tire aging is given full consideration in the development of tires used on trailers and whether similar guidance could be developed for your industry. The agency will soon issue a report on tire aging, which summarizes our work to date and our next steps.

## CONNECTED VEHICLE TECHNOLOGY

I'd like to conclude by focusing on another long-term initiative that's emerging through a dynamic collaboration involving the National Highway Traffic Safety Administration, other government agencies, research institutions in the private sector, and academia: The development of Connected Vehicle or Vehicle-to-Vehicle Technology (V2V).

Our capacity to reduce highway deaths and injuries has been evolving steadily for decades. We've made significant advances to enhance the crashworthiness of vehicles. V2V technology holds great promise for enabling us to take the next step forward into a new era of crash avoidance.

Research today is creating a rich new context for innovation. It's providing us with a deeper understanding of crash causation. It's enabling us to build vehicles that are safer and smarter. It's advancing the sciences of crash avoidance and vehicle interconnectivity, as well as the development of autonomous vehicles.

Our work through the New Car Assessment Program has incentivized safety, helping to encourage manufacturers to make important innovations in crash avoidance technologies such as Forward Collision Warning and Lane Departure Warning.

One compelling example with which you may be familiar is the vehicle-to-vehicle research now underway in Michigan.

In late August, 2012, Secretary LaHood launched the second phase of our V2V testing in Ann Arbor, with nearly 3,000 cars, trucks, and buses equipped with V2V communications technology. This real-world experiment will continue through the summer of 2013. NHTSA plans to make a decision about the Agency's next steps for vehicle-to-vehicle technology for passenger vehicles in 2013 and for large commercial vehicles in 2014.

NHTSA has been working with the Intelligent Transportation Systems Joint Program Office of the Research and Innovative Technologies Administration (RITA) and industry partners from the Crash Avoidance Metrics Partnership, testing the next generation of vehicle-to-vehicle communications since 2011.

This technology has the potential to provide pre-crash information to drivers through in-car warnings based on messages exchanged between nearby vehicles. For example, vehicles could eventually be able to provide warnings that tell the driver not to go through an intersection or make a left turn; or not to try to pass a vehicle because another is approaching from the opposite direction. It could also enhance intelligent management of roadway traffic and reduce the burden of highway traffic on the environment. Technology like this could potentially be used in up to 80 percent of the vehicle crash scenarios involving unimpaired drivers.

I'm extremely excited about this research. For me, preempting crashes is the North Star of highway safety. While crashworthiness issues will continue to be of immense importance, crash avoidance technologies and active safety offer truly amazing—and perhaps unprecedented—potential for achieving large reductions in the number of serious and fatal crashes.

We are already encouraging manufacturers to install some of these technologies on vehicles through our New Car Assessment Program. And we're engaged in research that will help us decide whether to encourage the installation of more of these technologies or even to incorporate some of that technology into our regulatory regime. Clearly, the best protection against the effects of a crash is to prevent it from happening in the first place.

Thank you.