

# 2010-2021 CALIFORNIA AIR RESOURCES BOARD (CARB) TRUCK/TRAILER REGULATION PLAN

## BACKGROUND

Conserving our precious natural resources and protecting air quality are an ongoing focus for Schneider and the overall sustainability of our company and our planet. This focus includes compliance with regulations, such as the California Air Resources Board (CARB) Regulations. These regulations will continue to have significant impacts on how shippers and carriers manage freight moving in and out of California. The rules call for the use of energy-efficient technologies and devices on trucks and trailers to move freight within the state of California.

Schneider has developed compliance timetables to help shippers understand the issues that lie ahead, as well as to share Schneider's compliance status or plans for meeting upcoming requirements in California.

## SCHNEIDER'S FLEET IS 100% CARB COMPLIANT

Schneider has been ahead of the CARB Regulation implementation schedule and has positioned its equipment trade cycle frequency to meet all requirements. Schneider's fleet is 100 percent CARB compliant.

The California Air Resources Board (CARB) provides several different options for tractor and trailer regulation compliance. Schneider-owned tractors are in compliance by the tractor age operated in California and a certificate of compliance is not required. Schneider-owned trailers are in compliance by a combination of trailer age and an annually updated retrofit plan.



<b>CARB Compliance Deadline</b>	<b>California Requirements for Tractors Entering Ports and Rail Yards</b>
Jan. 1, 2010	Pre-1994 model year engines are no longer allowed. Tractors with 1994-2003 model year engines must install exhaust retrofits to reduce particulate matter (soot) emissions by 85%.
Jan. 1, 2012	2004 model year engines must have exhaust retrofits.
Jan. 1, 2013	2005-2006 model year engines must have exhaust retrofits.
Jan. 1, 2014	All tractor engines must meet at least 2007 emission standards.
Jan. 1, 2021	Phase-in of 2010 model year engines or equivalent.
<b>Schneider's Compliance Status</b>	<b>All Schneider port dray and Intermodal tractors meet CARB requirements.</b>

<b>CARB Compliance Deadline</b>	<b>California Requirements for Tractors NOT Entering Ports and Rail Yards</b>
Jan. 1, 2010	All pre-1994 engines must have exhaust retrofits.
Jan. 1, 2012	All 2003-2004 engines must have exhaust retrofits.
Jan. 1, 2013	All 2005-2006 engines must have exhaust retrofits and all 1994-1999 engines must be upgraded to 2010 engines.
Jan. 1, 2014	All 2000-2002 engines must be upgraded to 2010 engines and all other years' engines must have exhaust retrofits.
Jan. 1, 2021	All model years must be upgraded to 2010 engines.
<b>Schneider's Compliance Status</b>	<b>All Schneider tractors meet CARB requirements.</b>

<b>CARB Compliance Deadline</b>	<b>California Requirements for Trailers</b>
Jan. 1, 2010	2011 model year and newer trailers must be either SmartWay certified or equipped with low rolling resistance tires and retrofitted with SmartWay-approved aerodynamic technologies.
Jan. 1, 2016	All trailers moving freight in California must be either SmartWay certified or equipped with low rolling resistance tires and retrofitted with SmartWay-approved aerodynamic technologies.
<b>Schneider's Compliance Status</b>	<b>As of December 2009, all Schneider trailers are equipped with low-rolling resistant tires. Also in 2009, Schneider filed a phase in compliance plan (Option 1) with the CARB to meet approved aerodynamic requirements (trailer skirting). Schneider is on schedule to meet the requirement and by the end of 2015, 100% of Schneider's trailers will have side skirting. Schneider is 100% CARB-compliant.</b>

## CARB IMPACT ON CARRIERS AND SHIPPERS

The regulations require investment on the part of carriers and shippers alike. Retrofitting trucks for compliance ranges from \$10,000-\$40,000 per unit; retrofitting trailers is estimated at \$800-\$1,200 per unit. Carriers will undoubtedly need to share this cost, which will be reflected in either shipping rates or surcharges for freight moving in and out of California.