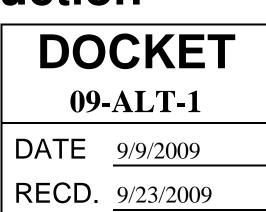
Green House Gas Reduction Potential Pathway DOCK



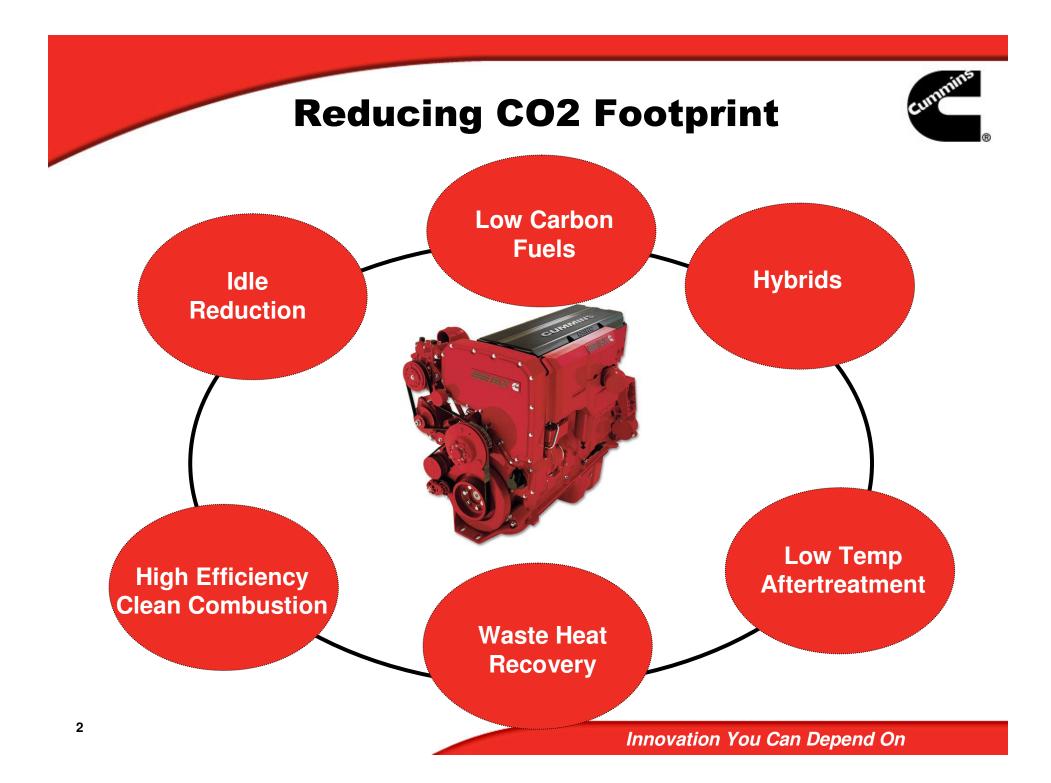
Wayne Eckerle

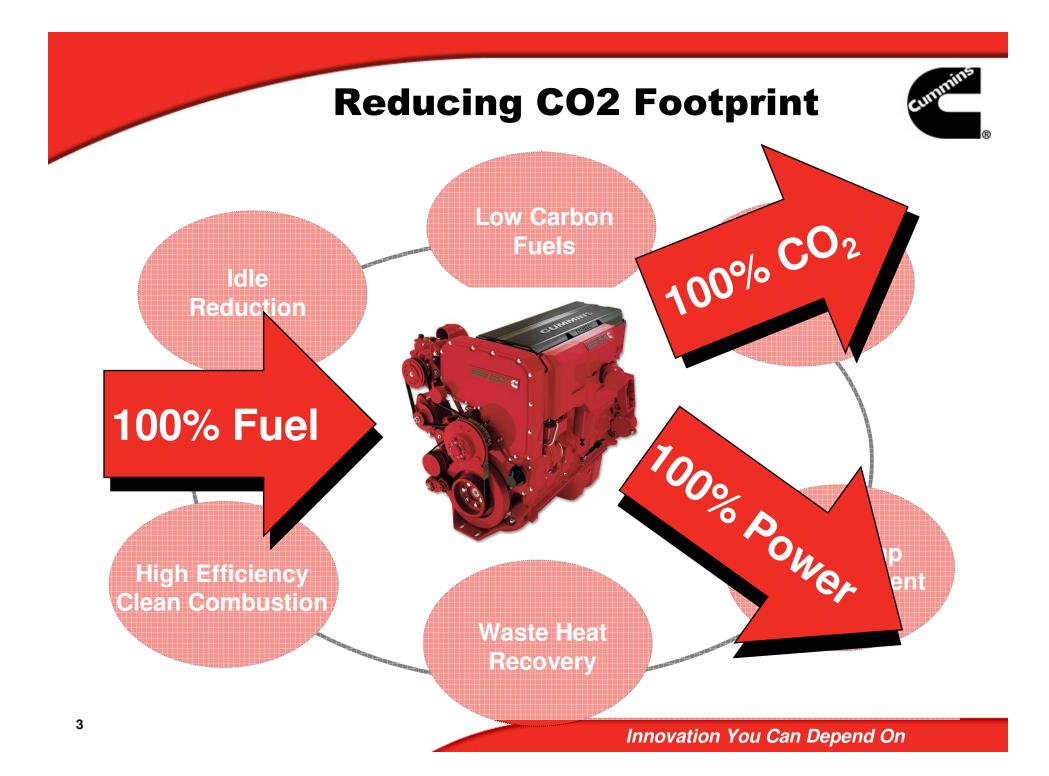
Vice President, Corporate Research & Technology

Electric Drive Vehicles Staff Workshop

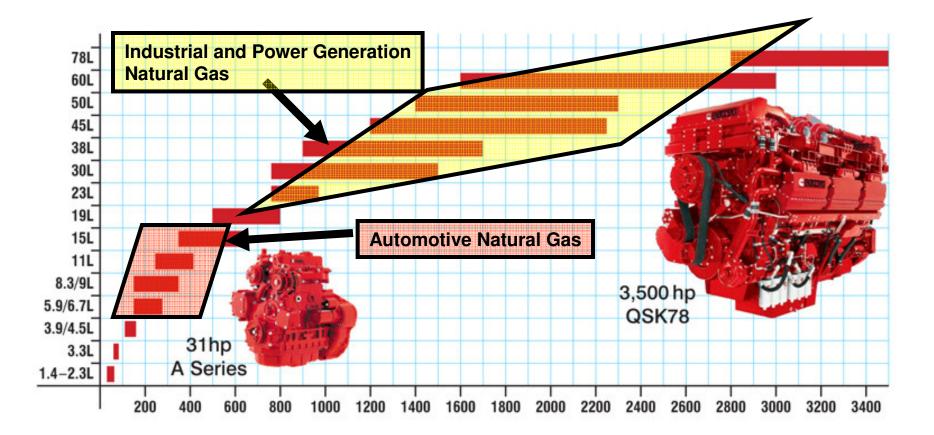
Diamond Bar, CA 9/9/09

Innovation You Can Depend On





Cummins Engines 31 to 3,500 HP



Innovation You Can Depend On

cummini

Lower Carbon Fuel Engines

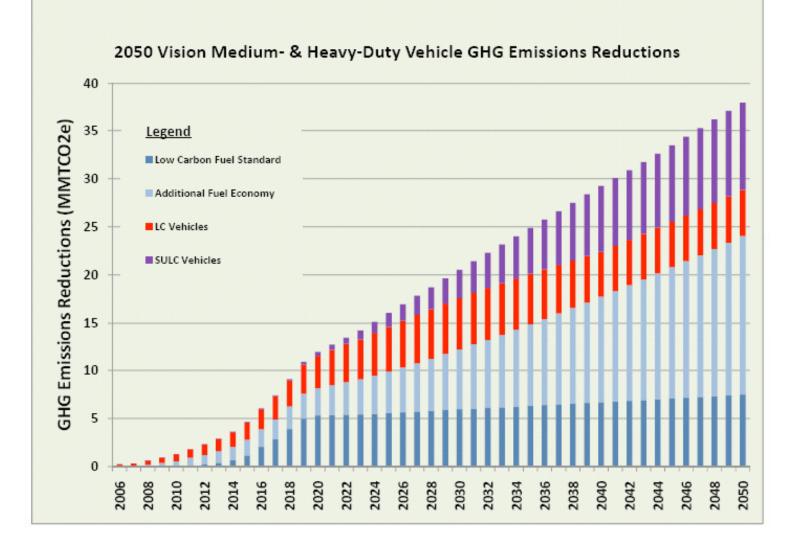
cummins

- Low carbon fuels: natural gas, ethanol, butanol, biodiesel etc
- Renewable
- Cummins experience with on road natural gas engines for over two decades
- ISLG met 2010 emissions three years early – SI engines
- California important market



GHG Reduction – CEC Estimate





Innovation You Can Depend On

Medium and Heavy duty GHG Emissions Reductions (2009 to 2020) - CEC



Category	GHG Reduction	Percent GHG
	(MMTCO ₂ e)	Emissions Reduction
Low Carbon Vehicles	22	53%
Super UL carbon Vehicles	1	2%
Fuel Economy Improvements	19	45%
Total Reductions	42	100%

Innovation You Can Depend On

GHG Reduction potential



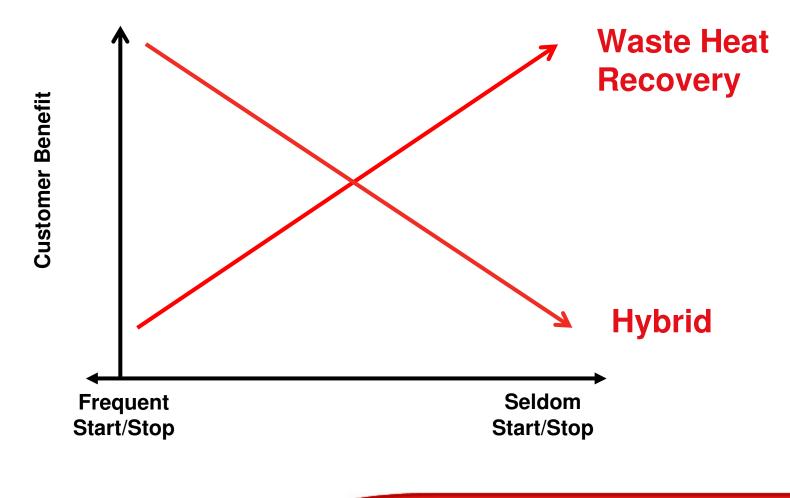
- Low carbon fuels
 - E85 lowers GHG more significantly
 - Natural gas engines experience
 - Fuel change practical
- Engine down size
 - Reduce engine fuel consumption
 - Integrate with engine electrification
 - Reduce criteria pollutants and GHG
- Hybridize
 - Energy recovery
 - Technologies /products available
 - Product cost is an impediment for commercial vehicles

E85 Engine Attributes Relative to Diesel

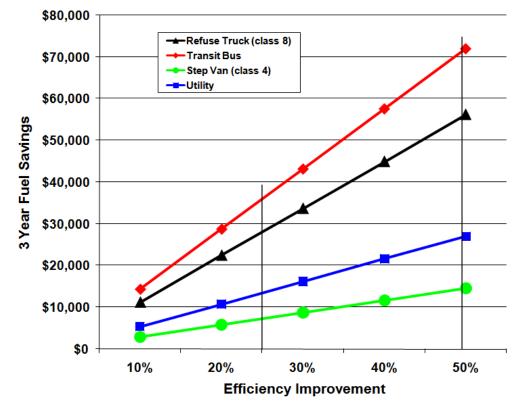
- Diesel-equivalent peak torque and brake thermal efficiency
- Lower GHG as much as 60%
- Engine system less costly & easy to package
- Higher power density potential lower cylinder pressure requirements than diesel
- Down sized diesel engine maintains diesel-like robustness



Waste Heat Recovery vs. Hybrid



Hybrid Fuel Savings vs Efficiency Improvements



Significant Benefit of Engine Centric Power Train

cummin



Ethanol Engine/Hybrid Potential

- Demonstrate a combined engine / hybrid 80% reduction in petroleum based fuels over a drive cycle
- Demonstrate a combined engine / hybrid 70% reduction in CO2 emissions over a drive cycle
- Demonstrate a combined engine / hybrid 36% reduction in energy use over a drive cycle

Potential Markets

E85 Engine Integrated with Hybrid System (Hybrid System could also be integrated with a Natural Gas or Clean Diesel Engine)

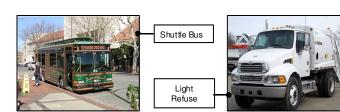
Yard Spotter

Step Van

School Bus

Medium Duty P&D

- Vocational Trucks
 - Bucket
 - Dump
- Other applications
 - Pick up & delivery
 - Shuttle bus

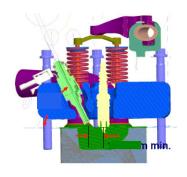


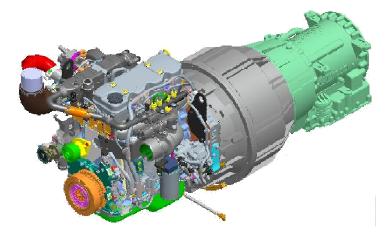
Based on the relationships of Cummins and its California Distributors, we believe the following sectors will have an interest in participating in a prototype demonstration: beverage delivery; municipal government, public and private utilities, irrigation districts, and transit fleets.

Next Steps



- CMI Natural Gas engines are ready now for a demonstration project in a hybrid vehicle
 - CMI is interested in integrating a hybrid power train with a CMI natural gas engine
- CMI is interested in developing diesel engines for ethanol fuel
 - Greater GHG reduction than natural gas
 - Improved hybrid technology
 - Appropriate for CNG





Summary



- Low carbon fuel combustion technologies available for medium and heavy duty engines
- Engine down size
 - Reduce engine fuel consumption
 - Integrate with engine electrification
 - Reduce criteria pollutants and GHG
- Hybridize
 - Energy recovery
 - Technologies /products available-improved systems on the horizon
- CMI strongly positioned to support Natural Gas and Ethanol demonstration projects in a hybrid vehicle